# Green Revolution in China: Past and Future

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### Chinese ancestors made great contributions to agriculture







# Cultivar rice over 6000 years discovered in Zhejiang Province



#### Hani Terrace in Yunnan (constructed over 1200 years ago)





#### Significant Achievements in Grain Productivity in China in Green Revolution



# 7% of arable land to feed 22% world population in China

### **Key People to China for Green Revolution**





#### Deng, Xiaoping





He, Kang Yuan, Longping World Food Prize Laureates

# Agricultural Production Determinants

•Agricultural Policy

•Technology and Inputs

•Income growth and changing preference

•Arable Land and Water Resources



Reform of Agriculture Policy in 1978 made significant contribution to food security in China







### Small family-based farming system:

- 4.4 persons per household with 2.8 laborers working on 0.6 hectare of cultivated land
- One farmer on average produces (in a year):

grain	1362.0kg
cotton	15.4 kg
oil-bearing crops	88.9 kg
red meats	174.1 kg
aquatic products	148.8 kg
milk	55.2 kg

High cost and low productivity hard to compete on market

### **Nitrogen Inputs**



40 Nitrogen Nutrients, metric tons Fertilizer 30 20 10 **Organic Recycling Biofixation** Atmospheric Λ deposition 1952 1960 1970 1980 1985 1990 1996

Figure 1. Nitrogen Inputs in China's Agriculture, 1952-96

Source:FAO 2003

#### **Hybrid Rice:**

Yield Increase: 20% 15 million ha. (more than 1/2 of rice planting area in China)



#### Yuan Rongping



#### Shares of Urban and Rural Population



#### Per Capita Income of Rural Resident



### **Output of Livestock Products (10,000 tons)**



#### **Structure of China's Agricultural Economy, 1970-2000**

#### **Share in Agricultural Output (%)**

	<b>197</b> 0	<b>1980</b>	1985	1990	1995	2000
Сгор	82	76	69	65	58	56
Livestock	14	18	22	26	30	30
Fisheries	2	2	3	5	8	11
Forestry	2	4	5	4	3	4

Sources: CNSS, China Statistical Yearbook (various issues) and China Rural Statistics Yearbook (various issues).

### Structural changes in the crop sector



### New Stage of China Agriculture since late 1990s

• The supply of agricultural products has undergone historical transformation from chronic shortage to basic equilibrium or supply surplus in good years.

• Income to farmers increases, consumption and demand change from quantitative to qualitative

• Contribution of agriculture to the China's economy declines.

• Both environment and conditions of agricultural development have undergone profound and significant changes, especially entered WTO.

#### Contribution of agriculture to the China's economy: Rapid declining of agriculture's share in total GDP

#### Economic Growth 1978-2003

- GDP: 9.4%。
- Agriculture: 4.5%
- Industry: 11.6%
- Service: 10.3%



# **China-USA Trade**

Trade Balance

Chinese currency value (RMB) with US \$ exchange rate

Intellectual property right

#### **Bilateral Trade in Agriculture between China and USA 2000-2004** (US\$ million)

Year	China's Import	China 's Export	China 's Trade Deficit
2004	7,693.69	2,395.77	5,297.92
2003	5,014.79	2,102.88	2,911.91
2002	2,722.79	1,679.72	1,043.07
2001	2,739.06	1,259.57	1,533.49
2000	2,590.96	1,184.36	1,406.60
Total	20,815.29	8,622.30	12,192.99

### China's agricultural trade: 1992-2003

	Unit	<b>1992</b>	1995	2000	2001	2002	2003
Agricultural Gross Value Adde	RMB billion	580	1199.3	1462.8	1541.2	1611.7	1709.2
Agricultural Gross Value Adde	USD billion	105.3	143.6	<b>176.7</b>	186.1	194.6	206.4
Agricultural exports	USD billion	11.3	14.4	15.6	16.1	<b>18.1</b>	21.2
Imports of agricultural produc	USD billion	5.3	12.2	11.2	11.8	12.4	18.9
Net Export	USD billion	6.0	2.2	4.4	4.3	5.7	2.3
Share of agriculture, in total trade							
Share of total exports	%	13.3	9.7	6.3	<b>6.1</b>	5.6	<b>4.8</b>
Share of total imports	%	6.6	9.2	5.0	4.9	4.2	4.6
Ratio to AGVA							
Exports	%	10.8	10.0	8.8	8.7	9.3	10.3
Imports	%	5.0	8.5	6.3	<b>6.4</b>	6.4	9.2
Import and export	%	15.8	18.5	15.2	15.0	15.7	19.4
Net export	%	5.7	1.5	2.5	2.3	2.9	1.1

#### Deficit in agriculture trade reached to \$5.5 billion in 2004

# Soybean: Import and Export in China

#### 10,000 ton



Import: 26 million ton from USA, Brazil and Argentina In 2005. China produced only 16 million tons

# **Soybean Imports**

- Total imports of soybean reach to 26 million tons in 2005. Highest in history. Will continue increase this year.
- Imports:
  - USA: 11 million tons Brazil: 6 million tons Argentina: 5 million tons

#### Soybean Consumption and China Import (2000-2005)

	World consumption	USA consumption	China consumption	China import	Percentage of China import in world import
2000	25773	8305	3182	1325	24.91%
2001	27146	8548	3071	1039	19.07%
2002	29322	8080	4002	2142	34.04%
2003	28100	7178	3679	1693	31.22%
2004	31361	8821	4520	2570	39.49%
2005	33168	8781	4920	2750	40.57%

In 2005, the import of beans in China has occupied 40.57%, so it greatly influences the price of beans in the futures market in the world.

### **Cotton Production and Import in China**

	World production	World consumption	China production	China consumption	China import	Percentage
2000	1935	3575	442	911	5	0.88%
2001	2150	3810	531	943	10	1.52%
2002	1921	3712	492	937	68	10.38%
2003	2070	3730	486	963	192	26.05%
2004	2622	4221	631	1049	139	19.42%
2005	2432	4441	533	1112	348	38.63%

#### In 2005, the imported cotton has occupied 38.63%

#### Projections of Grain Production, Demand and Imports in China, 2020 (million metric tons)

Projections	Rosegrant et al.	Huang et al.	USDA	World Bank
Grain				
Production	541	552	443	566
Grain Demand	565	594	481	600
Grain Imports	24	43	37	34

Note: 'Grain' is defined in this table as wheat, rice (milled basis see note 4), corm, sorghum, millet, barley and oats.

Source: Fan and Agcaoili-sombilla 1997.

#### WTO: Demonstration in HongKong, 2005 Agriculture is the major issue



China: Deficit in agriculture trade reached to \$5.5 billion in 2004



# Government took strong action in enhancing the agricultural production in 2004

Reduction the agricultural tax in the first time in history and will cut it to 0 next year in whole country
To increase the price of grains, some of them increase about 20% or more, encourage farmers to stay in farm.
To control the price of fertilizer and farm machines.
To exempt education expenses for farmers children
To encourage the investment in rural area.

Results show high increase in the production, 9% increase comparing to 2003, the highest in last 5 years. Farmers incomes Increased 6.8%



### **Strategic Actions and Consideration**

- Future growth of agriculture and farmers' income largely depends on public policy and investment. Restructure of farming system.
- Reducing the number of farmers will facilitate expansion of farm size, increasing labor productivity and competitiveness
- Transformation of employment structure within agriculture is important
- New technology applications are key factors to increase the production and food quality

# **Agricultural Biotechnology**



#### Chinese Government Inputs on Biotechnology



Global Area of Biotech Crops (ISAAA):

- USA
- Argentina
- Brazil
- Canada
- China
- Paraguay
- India

**Roger Beachy, 1986, Illinois** 

# Regulation of Transgenic Plants in China

- 1986 National 863 R&D Program on transgenic plants
- 1993 National Biosafety Committee established
- 1996 First National Regulation on GM plants issued. First approval on commercialization of GM cotton, tomato, and sweet pepper.
- 2001 State Council promulgated the Regulations on Safety of Agricultural GMOs
- 2002 Ministry of Agriculture issued 3 supporting documents for the Regulations, including Safety Assessment, Safety of import and Regulations on Labeling

# GMO approvals in China (up to June,2006)

- 192 research organizations and companies both domestic and international applied for approvals. Total applications: 1525, Approved for trials:456, environment releases:211, pre-production trials: 181.
- Ministry of Agriculture has issued 424 licenses for GM crops for production
- Issued 18 licenses to imports of raw materials of GM products

# Approval of Commercialization of Transgenic Plants in China

- Bt.Cotton
- Bt.Cotton
- Anti-PG.Tomato
- Virus-R Tomato
- V-R Sweet Pepper
- CHS-Petunia
- Papaya PRV

Monsanto Company CAAS HuaZhong Agri.Univ. Peking Univ. Peking Univ. Peking Univ. South China Ag. Univ.

# GM Plants Tested or released in China

Cotton Rice Wheat Maize Soybean Potato Oil rape Tobacco

peanut cabbage tomato melon sweet pepper chili pepper papaya poplar tree petunia

To 2005, total GM plant species:30; application:1044, approval for trials:777; commercial licenses issued:73







# Insect-resistant Crops







CAU





# Cotton: 200 million farmers, textile exports reached to \$115.7 billion in 2005, 15% of total exports.



#### Bt cotton areas in China, 1996-2005 (thousand hectares)



#### Over 60% cotton fields ,about 6 million farmers adopted Bt cotton in 2005

# Public Debates on GMO

10.00

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教生物系植性的表情和生态环境系相性的进化。 最后、转基因任物产品作为食品进入百块、可能对人体产生 某些毒理作用和过敏反应,加特基因的性长激素类基因可能是附 人体生长发育。转基因的抗生素基因可能使人体对该多抗生素产

往幼母、遗母地说。一旦真正生起离来。几乎所有的抗生素都不 管局了。这是多么可怕的餐桌。 当然,至今为止,正没有足够的证据可以有力地证明并基因 有品以人体有害。这是因为时基因产品问些不过十几年,而有些 因转基因可能的对人类的成富做快解相当长。因此,如何负责闻 中, 具是对转基因食品的长素像脑肿包疑念度的因素, 是不会知 **发转基因食品的入境许可证的。它会采取智贵壁座领境、收望国** 

T+Rend.

# **Transgenic Rice in China**

Transgenic rice have been tested in fields and preproduction trials:

- Insects resistant
- Bacteria blight and fungal blast resistant
- Salt tolerance
- Herbicide tolerance
- Nutritional improvement
- Rice dwarf virus resistance



Integration of Xa-21 and bt-rice

#### **Field-trial of Bt-rice**



# **Bt Transgenic Rice**



# Herbicide-tolerance Transgenic Rice



# Transgenic Rice, Salt Resistant





# **Commercialization of Transgenic Rice**

- National Biosafety Committee approved the production of Xa-21 GM rice against leaf blight disease in Nov 2004, waiting for final approval from government.
- Green Peace involved in Chinese transgenic rice and made announcement of detection of GM rice in seeds market in HuBei Province, April, 2005
- Japan and South Korea made decisions afterwards for detection the transgene in rice before importing from China.
- Still no approvals for any transgenic rice for production commercially.
- Iran approved for commercialization in 2005.

### **Green Peace Discovery: Transgenic Hybrid Bt Rice** Seeds "Shan you 63", April, 2005



Samples of rice seeds have been collected from seed companies, farmers and rice millers. Testing by the international laboratory **Genescan** has confirmed the presence of GE DNA in **19 samples** out of 25 samples.

**BEIJING, CHINA -- April 12, 2005** Greenpeace called for an urgent, international product recall after uncovering the release of a variety of genetically engineered (GE) rice in China.

#### Greenpeace website Apr 13, 2005



# **Recent Problems in EU in GM Rice**

- August in this year, EU announced the finding of GM rice imported from USA (long-grain rice contained GM Liberty Link rice LL601) and block the importation.
- Last month, Sept.5, Green Peace announced the discovery of GM components in import rice products (rice noodles).
- The same day, EU urged member countries to enhance the monitoring GM in food. To date, EU prohibit 25 member countries to sale and to import GM rice and its products.
- French administrators searched the largest rice noodle company (TangFreres) in France and tested their products. Asked them to stop the sale during the investigation.

# **GM Rice Needed to Be Approved**

- Last month, Aug.26, the China National Biosafety Committee of Agricultural GMOs had a meeting for approvals of GM rice.
- Total 7 GM rice varieties have been discussed
- 6 varieties are related to insects resistance with genes of cry1Ac, Cry1Ab and sck.
- 1 variety is related to bacterial resistance with gene Xa21

#### GMO Debates and Facts: GMO food safety

- So far, only two major genes are used mostly, Bt and herbicide resistance genes, in GM crops.
- Since 1960s, Chinese and other parts of world have used Bt bacterial as biological control for insects in vegetables and pine trees. No any toxic reported
- China has imported GM soybean from USA since 1999 and products including soybean oil, soy sauce, tofu, feeds for animals have been used. No reports on unsafe issue.
- Over 2 billion people from USA, Argentina, Brazil, Canada and some other countries have been using GM food for over 6 to 10 years, no case reported that toxic GM food to consumer

#### **GMO Debates and Facts: Environment Safety**

- Less pesticide or herbicide used in GM crops, create better or at least no worse environment.
- More other species of insects in Bt-cotton fields than fields spreading pesticides due to less pesticide.
- Cross pollination to wild rice if happened but the same when planting rice cultivars
- 40,-50,000 people poisoned due to pesticides in China annually, 400-500 people died.

# Insecticide Use on Bt and Non-Bt Cotton in China 1999-2001, (kg/hectare of formulated product)

	1999	2000	2001	Average	
Non-Bt	60.7	48.5	87.5	65.5	
Bt	11.8	20.5	32.9	21.7	
Non-Bt - Bt	48.9	28.0	54.6	43.8	
Source: Pray et al., 2002.					

Percentage of Bt and Non-Bt Cotton Farmers Suffering from Pesticide Poisonings in China 1999-2001

	1999	2000	2001		
Non-Bt	22	29	12		
Bt	5	7	8		
Non-Bt - Bt	17	22	4		
Source: Pray et al., 2002					

### Distribution of Benefits between Farmers, Seed Companies, and Research Institutes

	CAAS		Ji Dai	
	Million USD	Percen t	Million USD	Percen t
Net Benefits to farmers	46-70	83-88	31-61	83-90
Gross revenues to seed co.	9.6	12-17	4.8	7-12
Returns to CAAS & Monsanto, Deltapine & Singapore Economic Development Board	0	0	1.9	3-5

Huang et. al. Survey

### Labeling System for Agricultural GMOs

- 17 products are required to be labeled.
- Soybean seeds, soybean, soybean flour, soybean oil, and soybean meal.
- Corn seeds, corn, corn oil, corn flour
- Rape seeds, rapeseed, rapeseed oil, meal.
- Cotton seeds
- Tomato seeds, fresh tomatoes and tomato sauce

### Labeling in China:



Required to be labeled in 2002
6 months after announcement, none of foods are labeled as "transgenic"
Many vegetables are labeled as

"non-transgenic" Science and Technology Diary Sept. 12, 2002

 Soybean oil products have been reinforced to be labeled in 2004, markets are not affected

 Cost increases over 50% in production and sale management with labeling system

#### **Biotech crops foods: non organic?**

- Transgenes and their proteins are organic!
- Biotech crops should not be discriminated
- Green revolution continues.





Figure 1. Nitrogen Inputs in China's Agriculture, 1952-96

## Consideration

- It has spent great amount of money in the world recently years for studying the safety of GMO and show no any evidence of toxic to human or animals or to environment. But because of regulation in each country, people still repeat each other for this work.
- People in many parts of the world are suffering from shortage of food. But this important technology could not be used in these countries
- We should learn the experiences from DNA recombinant drugs
- Europe is key region for application of biotech crops in the world. "Luxury Syndrome" should be changed.
- Agriculture Biotechnology combined with conventional breeding methods are very effective in crop improvements and should be considered as an important step in Green Revolution.



# Thank you.

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