

Heilongjiang maps out new target for green food industry

By Jia Jingqi

Heilongjiang Province has drafted a new target for the local green food industry while also establishing an industry upgrade strategy.

The province will work hard to meet the green standard (or pest free standard) for its staple agricultural plants within three years, and have a crop growing area for green food equal to, or above 50 million mu (3.3 million hectares) – one-third of the province's total growing area – in five years.

To achieve this, Heilongjiang will launch a development strategy for its green food industry with the focus on staple, advantageous breeds and large-scale competitive bases starting this year.

The province will give priority to three crops of rice, soybean and maize,

and select three to five county-level administrative regions every year for regional intensive development.

Heilongjiang will also lend more support to the construction of cattle farms of dairy companies which have acquired the green food certificate. The aim is to have over 60 per cent of the farms to meet the green food standard within five years.

Against this backdrop, the province will accelerate the popularization and application of new technologies, while at the same time hammering out relevant technical rules.

Heilongjiang's green food industry upgrade strategy also includes: Highlighting advantageous brands by further strengthening core processing enterprises; reinforcing the quality safety management of agricultural products, especially of green food; focusing on market development and construction and developing more new

product varieties.

The province will do whatever is necessary to achieve breakthroughs in the development of nutritious and healthcare products, special instant green food and high value-added green food.

Approved by the Green Food Management Office of the Ministry of Agriculture and China Green Food Development Centre (CGFD), Heilongjiang recently became a pilot province for building 20 green food standardized production bases.

These bases, scattered across 13 local county-level administrative regions, will produce both staple agricultural products and coarse food grains, with the largest occupying an area of 1 million mu (66,000 hectares), and the smallest, 300,000 mu (36,275.7 hectares).

Within a three-year period of validity, the staple produced from

these bases are viewed as green food and can be processed as such. But these products cannot carry the green food symbol label on their packaging without permission.

Figures

Han Peixin, vice-director of the CGFD, said Heilongjiang was at the forefront of the country's green food industry in terms of product certification, planted areas, market output, gross development, core processing firms and sales volume, by the end of 2004.

The green food sales volume to outside the province hit over 8 billion yuan (US\$960 million) in 2004, with an export volume of 2.1 billion (US\$253 million).

After just five years of development, Heilongjiang's green food growing area had extended to 23.8 million mu (1.59 million hectares) by the end of 2004, with a total output of 11.1 million tons and a gross value of 32.7 million yuan (US\$3.9 million). These figures were up an amazing 7.1, 9.5 and 8 times respectively of those in 1999. As a result, the green food industry has grown to be an important part of Heilongjiang's economy.

Core processing corporations are playing an increasingly important role in this particular sector. Currently, the number of firms with a minimum annual production value of 100 million yuan (US\$12 million) numbered 36, with five of them seeing a yearly output volume of 1 billion yuan (US\$120 million).



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The province's total output of processed green food was 4.68 million tons last year, with a production value of 13.2 billion yuan (US\$1.6 billion), an increase of 580 and 1090 per cent respectively on 1999.

Furthermore, with the provincial capital Harbin as a centre, a complete sales network has been established, covering nearly 400 outlets across the province.

So far, 787 kinds of products have acquired the green food certificate, of which 104 are organic food, up 4.4 and 9.4 fold on 1999.

The development of the green food industry has also contributed significantly to raising local farmers incomes.

Heilongjiang's per capita farmer income directly from planting green food reached 866 yuan (US\$104) last year, accounting for 29 per cent of the total. The ratio was over 30 per cent in 18 local county-level administrative regions.

IN BRIEF

Eco-tourism: new source of economic growth

Ecological tourism has become a new source of economic growth for Heilongjiang.

In line with the principle "development backed by protection," the province has made best use of its excellent ecological environment, such as ice-capped areas, forests, swamp and grassland, to launch a string of featured tourism items such as skiing, hunting, drift and sightseeing.

Events such as the China Heilongjiang International Skiing Festival, China Harbin International Ice and Snow Festival, Yichun Forest Eco-tourism Festival and Wudalianchi Volcano Festival have won high reputations at home and abroad.

Sources with the Heilongjiang Provincial Tourism Bureau said the province welcomed 40.02 million domestic visitors and 733,000 foreign visitors last year, up 11.4 and 24.3 per cent year-on-year. It also chalked up total tourism revenue of 22.52 billion yuan (US\$2.7 billion), earning US\$300 million from foreign tourists, a rise of 11.5 and 24.8 per cent over 2003.

Resource-dependent cities shift growth pattern

Heilongjiang has put effort over the past several years into shifting the growth pattern of its resource-dependent cities and reducing industrial pollution to create a better living environment for local residents.

Hegang, a coal-dependent city, for example, saw serious ground subsidence in certain parts a few years ago because of long-term excavation. The city has drafted a new development strategy, putting equal emphasis on its energy and food industries. Coal mining has taken a dive in the economy and the city has sped up efforts to tackle the subsidence problem. This summer, more than 7,000 households now living in the subsidence area are expected to move to new homes.

Daqing, the nation's biggest source of petroleum, is experiencing a similar pattern shift. By the end of 2004, the city's non-petroleum industries contributed 35.3 per cent to its economic growth, compared with 22.9 per cent in 2000. Daqing also won the title of model city in environmental protection last year.

Figures from the provincial environmental protection bureau showed that the province's up-to-standard ratio of industrial waste water as well as smoke and dust, and the utilization rate of solid waste, reached 92, 90 and 72 per cent respectively in 2004.

The number of days when the air quality met or was better than the national II-grade standard was 295 in Harbin last year, 53 days more than five years ago. The situation in Daqing, Qiqihar and Mudanjiang cities has also been steadily improving.

Green food industry highlights Qiqihar economy

Qiqihar, in Heilongjiang Province, sold 260,000 tons of organic food out of the province in 2004, with sales revenue of nearly 600 million yuan (US\$72 million) and the products of multiple corporations tapping into the international market.

The city, settled along the Nenjiang River, has a large plot of land which contains as much as five per cent of organic matter.

As well as good natural conditions, the city also boasts eight provincial-level agricultural research institutes, giving it an edge in developing green food.

Qiqihar launched the China First Green Food Expo in autumn 2001, attracting more than 70 billion yuan (US\$8.4 billion) investment to the city, markedly boosting its infrastructure, food processing, transport, tourism and circulation.

The city was named the "Chinese Capital of Green Food" by relevant sectors in August 2002 on the eve of the second green food expo. It is also the only city that has won this title.



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Projects open for co-operation and investment

1. Livestock Breeding Base

Estimated investment: US\$13.5 million

Method of co-operation: joint venture, co-operation or others

Domestic investor: Daqing Tianfeng Bio-engineering Co Ltd

Contact person: Ruan Zengwei, Yu Zhongmin

Tel: 86-459-6340001, 13945938738
E-mail: tfjt@tfjt.com.cn

2. Rice Deep Processing and Comprehensive Utilization

Estimated Investment: US\$57.68 million

Method of co-operation: joint venture; co-operation

Domestic investor: Heming Rice Industry Group

Contact person: Wu Yuzi

Tel: 86-468-3224789, 13904882746

3. Potato Processing Project

Estimated investment: US\$83.4 million

Method of co-operation: joint venture; co-operation

Domestic investor: Hegang Ruifuxiang Commercial Trade Co Ltd

Contact person: Di Anning, Zhang Minghui

Tel: 86-468-3454843
Fax: 86-468-3453005

4. Rice Bran Comprehensive Processing

Estimated investment: US\$7.37 million

Method of co-operation: joint venture; co-operation

Domestic investor: Dongda Oil Co Ltd

Contact person: Sun Yajun

Tel: 86-469-4663047

5. The GAP Base of Astragalus Mongholicus

Estimated investment: US\$5.78 million

Method of co-operation: joint venture; co-operation

Domestic investor: Daxing'anling Beiqishen Pharmacy Co Ltd.

Contact person: Li Qianying

Tel: 13845738155
E-mail: beiqishen@163.net

6. The 10,000-head Dairy Cow Park

Estimated investment: US\$21.7 million

Method of co-operation: joint venture; co-operation

Domestic investor: the Government of Linyuan Town, Datong District, Daqing City

Contact person: Wu Tiefeng

Tel/Fax: 86-459-6372686
E-mail: liufeng5386@yahoo.com.cn

7. Planting and Processing of Green Foods

Estimated investment: US\$67.47 million

Method of co-operation: joint venture; co-operation

Domestic investor: Yichun Municipal Government

Contact person: Zou Yazhen

Tel: 86-458-3603276
Fax: 86-458-3603092

8. The 10,000-head Dairy Cow Park

Estimated investment: US\$18.82 million

Method of co-operation: joint venture; co-operation

Domestic investor: the People's Government of Honggang District, Daqing City

Contact person: Wu Tiefeng

Tel/Fax: 86-459-6372686
E-mail: liufeng5386@yahoo.com.cn

9. Suihua Modern Agricultural Park Project

Estimated investment: US\$83.72 million

Method of co-operation: joint venture; co-operation

Domestic investor: the People's Government of Suihua City

Contact person: He Chengyan

Tel: 86-455-8397737

10. Corn Comprehensive Processing Project, 500,000 tons per year

Estimated investment: US\$43.88 million

Method of co-operation: joint venture; co-operation

Domestic investor: Heilongjiang Fuhua Group Corporation

Contact person: Fu Huating

Tel: 86-452-5759001
E-mail: HY-ZHQU@163.com

11. Berry Industrialization Project in the Northeastern Frigid Zone

Estimated investment: US\$8.09 million

Method of co-operation: joint venture; co-operation

Domestic investor: Shuangyashan Zhongde Agricultural Development Co Ltd

Contact person: Liu Qianxi

Tel: 86-469-8594477, 13314697447

12. Fine Processing Project of Bee Products

Estimated investment: 94 million yuan

Method of co-operation: joint venture; co-operation

Domestic investor: Lvdu Group

Contact person: Ma Qingbao

Tel: 86-467-5823441

13. Jixi Green Quality Fruits Pro-

duction Base

Estimated investment: US\$11.3 million

Method of co-operation: joint venture; co-operation

Domestic investor: Jixi Fruit Company

Contact person: Liu Yongshe

Tel: 86-467-2657762

14. Processing and Extension Project of refined Green Food

Estimated investment: US\$10.67 million

Method of co-operation: joint venture; co-operation

Domestic investor: Heilongjiang Ruixue Sugar Industry (Group) Co Ltd

Contact person: Bi Yujing

Tel: 86-452-7032646
Fax: 86-452-7022956

15. High-tech Industrialization Demonstration Project

Estimated investment: US\$13.49 million

Method of co-operation: joint venture; co-operation

Domestic investor: Heilongjiang Shuanghe Songnen Soybean Bio-engineering Co Ltd

Contact person: Wang Zhe

Tel: 86-451-82625814
E-mail: soybio@sohu.com

16. Potato Fine Starch Processing Project, 130,000 tons per year

Estimated investment: US\$53.01 million

Method of co-operation: joint venture; co-operation

Domestic investor: Heilongjiang Wohua Potato Products Inc

Contact person: Peng Zhongxiao

Tel/Fax: 86-452-4520106
E-mail: PZX@0451.com

17. Liquid Milk Project, 500,000 tons per year

Estimated investment: US\$237.35 million

Method of co-operation: joint venture

Domestic investor: Heilongjiang Beiyi Dairy Co Ltd

Contact person: Liu Ping

Tel: 86-459-6040766, 13039802530
E-mail: beiyaruye@163.com

18. Ultra-high Temperature (UHT) Sterilization, 300,000 tons per year

Estimated investment: US\$64.34 million

Method of co-operation: joint venture; co-operation

Domestic investor: Daqing Yinluo Dairy Co Ltd

Contact person: Liu Hailong

Tel: 86-459-6283801, 13903694399

19. The Newly Added 2.2 million

tons Soybean Processing Project

Estimated investment: US\$77.47 million

Method of co-operation: co-operation, joint venture

Domestic investor: Heilongjiang Jiusan Oil Co Ltd

Contact person: Li Wentao

Tel: 86-451-86816058
Fax: 86-451-86816238

20. Wheat Processing Technical Reconstruction Project

Estimated investment: US\$16.6 million

Method of co-operation: stock ownership co-operation

Domestic investor: Heilongjiang JiusanFengyuan Wheat Industry Co Ltd

Contact person: Hu Yongfu

Tel: 86-451-55197015
Fax: 86-451-55197004

21. 50,000-ton Chaff Comprehensive Utilization Project

Estimated investment: US\$13.5 million

Method of co-operation: stock right co-operation

Domestic investor: Heilongjiang Jiusan Fengyuan Wheat Industry Co Ltd

Contact person: Hu Yongfu

Tel: 86-451-55197015
Fax: 86-451-55197004

22. The 100,000-ton Soy Sauce Processing Project

Estimated Investment: US\$34.24 million

Method of co-operation: joint venture; co-operation

Domestic investor: The Land-reclamation Group of Heilongjiang Great Northern Wilderness

Contact person: Lu Xukui

Tel: 86-451-55198125

23. Natural Fruit Juice Processing Project

Estimated investment: US\$755.79 million

Method of co-operation: processing as an agent, factory rental, or joint venture

Domestic investor: Heilongjiang Wandashan Dairy Industry Inc

Contact person: Yuan Enliang

Tel: 86-451-82327668
Fax: 86-451-82326974

24. Project for Producing Concentrated Proteins, 50,000 tons per year

Estimated investment: US\$26.97 million

Method of co-operation: joint venture; co-operation

Domestic investor: Heilongjiang Jiusan Oil Co Ltd

Contact person: Li Wentao

Tel: 86-451-86816058

Fax: 86-451-86816238

25. The Building Project of Euphorbia Fischeriana Cultivating Base and Biological Pesticides Plant

Estimated investment: US\$21 million

Method of co-operation: joint venture

Domestic investor: Daxing'anling Beiqishen Pharmacy Co Ltd

Contact person: Liang Yanhai

Tel: 86-457-2184236
Fax: 86-457-2188845

26. Mountain Products Processing Project

Estimated investment: US\$5.253 million

Method of co-operation: joint venture; sole proprietorship

Domestic Investor: Daxing'anling Xinlin Forestry Bureau

Contact person: Sun Wenjian

Tel: 86-457-3181196
Fax: 86-457-3188771

27. Fine Processing Project of Deer By-Products

Estimated investment: US\$11.325 million

Method of co-operation: joint venture; sole proprietorship

Domestic investor: Daxing'anling Xinlin Forestry Bureau

Contact person: Sun Wenjian