

TONGWEI AQUANEWS

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Sichuan Aquacultural Engineering and Technology Research Center

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Flood Causing Economic Losses of US\$ 0.19 Billion to Aquaculture in Guangdong

From late May, most parts of Guangdong Province were hit by heavy flooding, causing huge loss to aquaculture. It was estimated that, by June 20, the devastated aquaculture area in the province reached 53,700 hectares, washing away 124,000 tons of farmed aquatic animals and 1.03 billion pieces of broodstocks, with the total loss of 0.19 billion US\$. The aquaculture in Guangdong province which is just recovering from the snowstorm is hit again by the heavy flooding this time.

Source: www.nanfangdaily.com.cn/southnews/dd/nc/, 2 July, 2008

Shanghai International Fisheries & Seafood Expo 2008 Was Successfully Held

Shanghai International Fisheries & Seafood Expo 2008 was held in Shanghai on 28-30 June 2008, aiming at promoting seafood trade, introducing good fish species and advanced processing technologies from foreign countries, strengthening information exchange and cooperation between Chinese and foreign aquaculture/fisheries industries.

More than 130 companies from over 10 countries and areas, such as Japan, Singapore, USA, Canada and the Philippines participated in the Expo. The exhibited products included not only aquatic products but also fish machines.

Source: China Economic Net (<http://www.ce.cn>), 30 June, 2008

Kicking off National Activity of Technical Service on Healthy Aquaculture

Recently, Chinese Ministry of Agriculture kicked off National activity of technical service on healthy aquaculture in Tianjin, covering 23 provinces. Farmers have been trained by technical staff on healthy aquaculture, disease prevention, scientific application of medicines and other technologies, aiming at helping farmers to improve their knowledge of healthy aquaculture technologies, promoting the changes of aquaculture modes, increasing both production and efficiencies, and achieving the healthy development of aquaculture. This activity will train about 10,000 demonstration farmers, who will influence about 100,000 farmers, covering more than 300,000 hectares of aquaculture areas.

Source: www.Food01.com, 7 Jul, 2008

Market Access System of Fry Implemented in Hubei Province

From 10 June 2008, Market Access System of Fry has been put into effect in Hubei province, one of the major aquaculture production provinces in China. All the enterprises producing and marketing fry must get the production permit .

The newly issued Regulation of Fisheries Management in Hubei Provincial has restricted strictly on fry production enterprises. Any enterprises or individuals applying for fry production must have fixed production sites of 4 hectares at least. There must be one to two professional aquaculture staff in each broodstock farm or hatchery. The quality of brooders must meet the standard made by the provincial fisheries authority, and the brooders must have clear place of origin and data records.

Source: China Fisheries News, 25 June, 2008

Aquaculture And Fishing Spawn Robust Revenues

Qingdao's fishing and aquaculture have developed rapidly in recent years to become crucial to the city's marine economy.



A seafood nursery in Qingdao.

"Qingdao will accelerate modernization of the industry and make it a mainstay," Huang Yusong, Director-General of Qingdao Ocean and Fishery Bureau, told China Daily.

According to the 11th Five-Year Plan (2006-10) for Qingdao's marine economy, the total production value of the fishery industry will reach US\$ 3.8 billions by 2010, when annual average per capita net income of those harvesting and fishing will hit US\$ 1,600.

Huang said last year's total catch and aquaculture production was about 1.4 million tons that generated revenues of US\$ 2.7 billions.

Harvests of cultivated seafood and other marine organisms totaled 884,800 tons, some 61% of the total aquatic production in 2007. Products include fish, prawns, sea cucumber and abalone.

The industry's rapid growth has also brought prosperity to processors. Qingdao is now home to more than 1,800 processing firms that have combined revenues of more than US\$ 1.2 billions annually.

Import and export of aquatic products is also expanding, rising to 916,000 tons last year with a total value of US\$1.5 billions.

To maintain stable development, the city's aquaculturists enlarged their breeding program last year by releasing 27 billion fry, including tiny sea cucumbers, prawns, turbot, abalone and clams.

Since 2007, 38 million prawn fry and 12.2 million jellyfish fry have been released into the Yellow Sea to help restore fisheries.

The industry is also drawing overseas investment. In 2007, 37 foreign-funded fishery enterprises were established with total investment of US\$ 190 millions, an increase of 57% over the year before.

Source: China Daily, 25 June, 2008

Fishery Firm to Raise Production Volume

Fishery company Pacific Andes International Holdings plans to enhance its production capacity of seafood processing business from 90,000 tons to 150,000 tons in two years.

The company's vice chairman and managing director, Ng Joo-siang, told China Daily that the target could be achieved with the soon-to-be-operated processing factory in Hongdao in East China's Shandong province.

"The factory's first phase will begin operation in a few months. The project alone can generate 120,000 tons of fish fillets per annum once it is fully operated," he said.

Ng said with 90,000 tons of production from the existing 20 processing factories on the mainland and two factories in the US, the total annual production could increase to 150,000 tons in two years.

Collaborating with two Singapore-listed subsidiaries - China Fishery Group and Pacific Andes, the group is managing the whole vertical chain of fishery business.

"The Hong Kong vehicle is mainly responsible for the seafood processing (downstream) businesses. The two subsidiaries principally undertake trading (midstream) and fishing (upstream) businesses."

Ng said that the company's net profit margin of the upstream business is 30 percent, and for the midstream and downstream business, the profit margin stands at 2 percent and 3 to 5 percent respectively.

He added that the company strives to extend its upstream and downstream businesses, which currently weigh 32 percent and 27 percent of the total revenues.

"We've ploughed to increase the scale of the upstream business because the segment is pretty profitable," he said, adding the increase in fish price could withstand the oil hike.

"Fuel costs account for 18 percent of operating costs for our upstream segment, much lower than the industrial average of 40 percent. Given fish price grew about 10 percent per annum over the past three years, it can offset the mounting oil pressure."

Aside from the investment in Hongdao, Ng revealed the group earmarks \$100 million capital expenditure this year, which are mainly used for purchasing new vessels and fishing facilities in Peru.

Ng said that the two subsidiaries might carry out fundraising via rights issues, but he stressed that it would not dilute the shareholdings of Pacific Andes International in the two companies to below 51 percent.

Even though the company has earlier raised \$160 million syndicate loan, Ng said the company's financial status remains healthy.

"We'll make new acquisition for distributing companies in three to five years. Therefore, the war chests are enough for our current expenses," Ng added.

Source: China Daily (HK Edition) 18 June, 2008

Sino-US Joint Food Safety Test Center Starts Operations

A Sino-US food safety testing center begin operations in Zhuhai, Guangdong province, on Wednesday.

The center, said to be the first of its kind in the country, adopts food safety standards that are accepted by the Chinese authorities as well as the US Food and Drug Administration (FDA).

The new facility was jointly set up by the US Oregon Department of Agriculture, Zhuhai branch of China Certification and Inspection (Group) Co Ltd, the Peace Synthesis Market of Logistics in Zhuhai and South China Agriculture University.

The results of the center's tests of food samples will be sent to the General Administration of Quality Supervision, Inspection and Quarantine of China.

Foods that have been tested and qualified by the center will be directly exported to the United States and will be exempted from being tested again by the FDA.

"We use a standard that is accepted by both China and the US, so that the export of food will be much easier and faster, and disputes on the trade of farm products between the two countries can be avoided," Chen Zhi xiong, general manager of the Peace Synthesis Market of Logistics, told China Daily yesterday.

The facilities and technologies of the testing center are provided by the Oregon Department of Agriculture.

The FDA has dispatched three experts to work for the center and supervise testing procedures.

The center has created a new form of cooperation for international agricultural trade, a marketing manager of the testing center, surnamed, Huang, said.

The center will focus on testing subsidiary agricultural products such as fruits, vegetables, meat, seafood and canned food.

"We welcome other cities or provinces to send their products to the center and to have them tested here," Huang said.

The center is located on the site of the newly built Peace Synthesis Market of Logistics.

Thirteen US states will also set up booths in the market to showcase their agricultural products.

Source : China Daily, 20 June, 2008

Current Status of Channel Catfish Culture in China

Channel catfish (*Ictalurus punctatus*) is one of the major cultured freshwater fish species in USA. One thousand five hundreds of the fish with an average length of 1.83 cm were introduced to China by Hubei Provincial Fisheries Research Institute from USA in 1984, and its artificial breeding was successful in June 1987. In the same year, the fingerlings were distributed to academic institutions and farms in 15 provinces for production trials. National Fishery Technical Extension Centre (NFTEC) introduced 600,000 and 700,000 channel catfish fry from USA in 1997 and 1999, respectively, while the Channel Catfish Branch of China Fisheries Association (CFA) introduced 440,000 fry again in 2004.

Channel catfish has been widely cultured in most provinces of China, among which Hunan, Hubei, Jiangxi, Anhui, Jiangsu, Sichuan and Guangdong are the major producers. Channel catfish culture is mainly practiced in ponds as well as in cages and flow-through systems. Channel catfish is farmed in both monoculture and polyculture either as major species with silver carp, bighead carp, tilapia and mud carp or as minor species in black pacu (*Colossoma brachypomum*) ponds. Channel catfish is commonly fed with pellet

feed and floating feed becomes more and more popular. The annual production of channel catfish has reached over 150,000 tons. Channel catfish from cage culture has been exported to USA, due to better quality than that from pond culture.

Source: www.cappma.com