



2nd Sustainable Vegetable Oils Conference——

Considerations and Suggestions on Steadily Improving the Supply Capacity of China's Edible Vegetable Oil

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September 27th 2023, Mumbai, India

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1. Supply and demand of China's soybean and oil crops

Production situation

Planting Area

- Stable at **190** million mu
- Total yield and per unit yield show obvious **upward trend**

In 2022, the total yield reached **36.531** million tons,
per unit yield reached **185.4** kilograms per mu.



1. Supply and demand of China's soybean and oil crops

Production situation

In terms of different species, the cultivation of soybeans in China has shown characteristics of **expanding area**, **increasing yield**, and **concentrated layout**.

Soybean 2022

154 million mu
highest level since 1958

132 kg per mu
increasing 12 kg vs 2015



total production
20.28 million tons

Concentrated in
Northeast China
64%

Rapeseed 2022

Recoverable
development
109 million mu



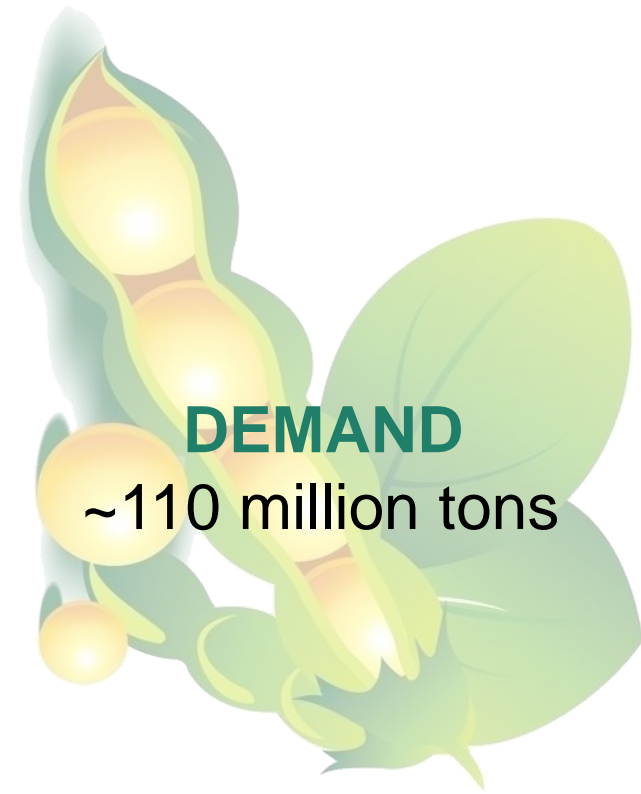
total production
15.53 million tons

↓
six year
consecutive increases



1. Supply and demand of China's soybean and oil crops

Consumption situation



DEMAND
~110 million tons

FOOD USE
~14 million tons

**PROTEIN INTENSIVE
PROCESSING**
~3 million tons

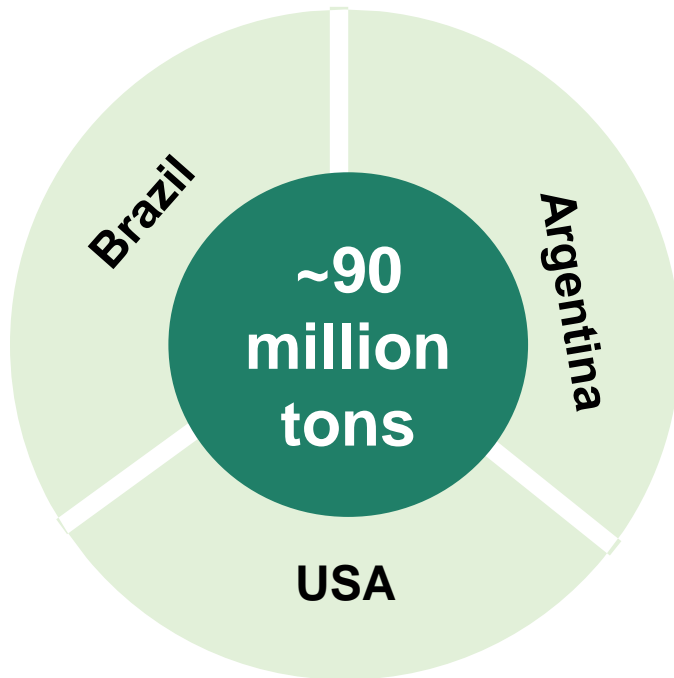
PRESSING
~95 million tons
mainly relies on **import**



1. Supply and demand of China's soybean and oil crops

Import situation

Soybean import



Primarily used for feed and oil extraction

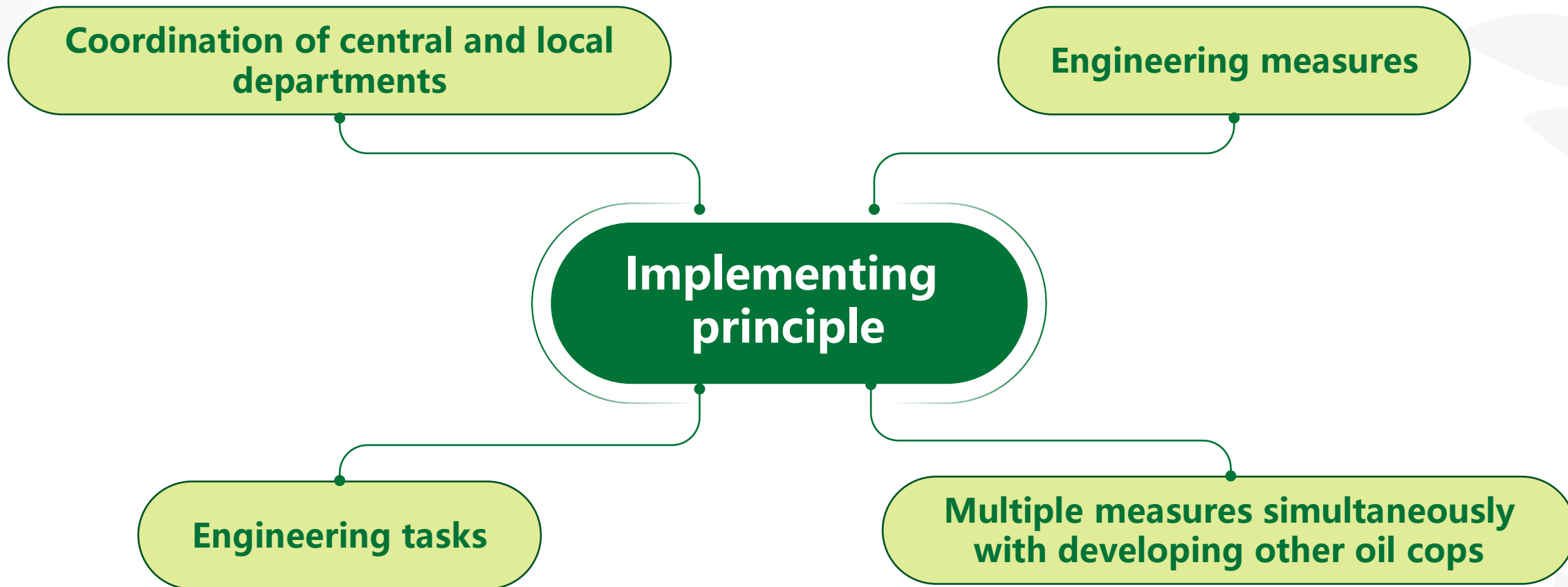
Other

- Rapeseed: ~4 million tons
- Peanut: Since 2020, China has started importing peanuts, and the net import of peanut exceeded 286 thousand tons in 2022.



2. Progress of the soybean and oil crops capacity expansion project

National soybean and oil crop capacity expansion project





2. Progress of the soybean and oil crops capacity expansion project

Main tasks

(1) Strengthen top-level design

Issued **guidance and action plans** to clarify the **overall requirements** and **main objectives** of soybean and oil crop production, refine **key tasks**, and implement various safeguard measures.

(2) Strengthen policy support

Since planting in autumn and winter 2022, the central government has **made funds available** for soybean and oil crop production within the scope permitted by WTO, and **each province has also issued corresponding policies**.



2. Progress of the soybean and oil crops capacity expansion project

Main tasks

(3) Dedicated guidance and services

- Send **agricultural expert teams** to the fields to provide guidance and services, and help farmers to solve practical problems in production.
- **The National Expert Guidance Group and Technology Teams** are established to provide **online and offline** lectures and training, and online services, improving farmers' production technology level.



3. Strategic planning for the future

Tissues and challenges

(1) Contradiction between grain and oil crops is prominent

- The main grain production region is also main soybean and oil crop production region.
- In the north and northeast China, **corn and soybeans are competing crops**, and expanding soybean and peanut cultivation will inevitably reduce grain production space.
- In middle and lower reaches of Yangtze River, **rapeseed and wheat** also have land competition, and expanding rapeseed cultivation will reduce the wheat planting area.





3. Strategic planning for the future

Tissues and challenges

(2) Planting benefits are still relatively low

Rapeseed planting income per mu **is 200-700 yuan less than winter wheat and vegetables planted** in the same season.

Farmers' planting enthusiasm is not high

although the government provides subsidies for the newly expanded areas of rice-rapeseed rotation





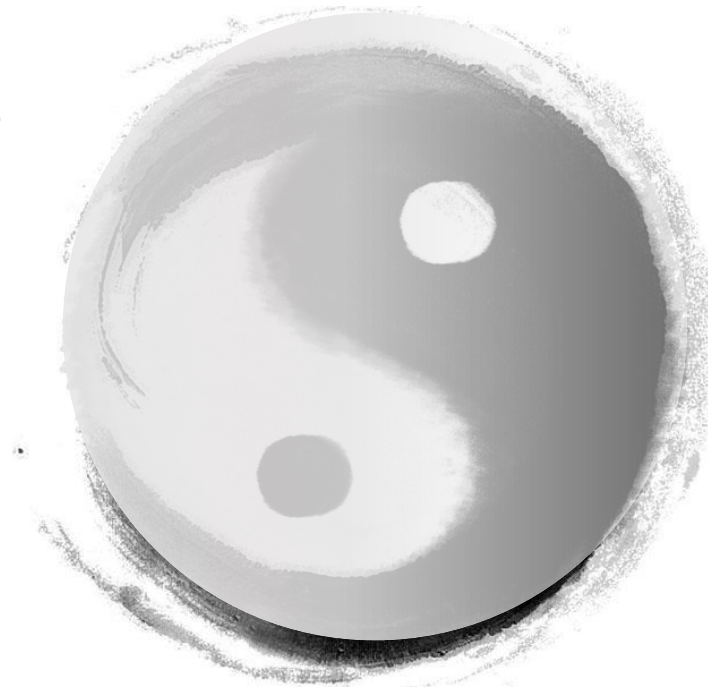
3. Strategic planning for the future

Tissues and challenges

(3) Convergence between production and sales is poor

Distribution dislocation between soybean planting and processing is present

Area and yield of soybean in the four provinces of northeast China account for more than 60% of the national total.



Soybean pressing enterprises in the southeast coast and along the Yangtze River account for more than 80% of the national total.



3. Strategic planning for the future

Tissues and challenges

(3) Convergence between production and sales is poor

Intensive processing level of domestic soybeans is relatively low, and the industry chain is not long or strong.

- **Small molecule peptides** have just started
- **Alkaline-free chicken** has not yet been carried out in China.





3. Strategic planning for the future

Tissues and challenges

(4) Consumption structure is unreasonable

Unique cooking and eating habits cause excessive consumption of edible vegetable oil.

China's annual per-capita consumption of edible vegetable oil is **25** kilograms, which is much higher than the recommended healthy consumption standard of **12** kilograms.





3. Strategic planning for the future

Suggestions

(1) Stabilizing and enhancing the production capacity of soybean and oil crops

- ✦ **Enhance the per unit yield** through technological innovation
 - ✦ **Optimize, adjust and steadily expand** the planting areas
- ✦ **Launch a campaign** to enhance the per unit yield
 - ✦ **Explore** the shortcomings and weaknesses, deeply **analyze** the corresponding reasons, **make targeted breakthroughs**



3. Strategic planning for the future

Suggestions

(2) Promoting smooth integration between production and sales

Establish and improve **national soybean and oil crop trading markets**





3. Strategic planning for the future

Suggestions

(3) Strengthening monitoring, early warning, and information distribution

- ✦ Strengthen the monitoring and trans-department collaboration to form a more comprehensive soybean supply-demand balance sheet.
- ✦ Timely release authoritative information at key moments to guide market expectations.



3. Strategic planning for the future

Suggestions

(4) Guiding residents to consume in a reasonable and healthy manner



Promoting the utilization of **low-protein feed technology** in livestock farming, and guiding the feed industry to appropriately **reduce the use of soybean meal** in feed formula.



**MINISTRY OF AGRICULTURAL AND RURAL AFFAIRS
OF THE PEOPLE'S REPUBLIC OF CHINA**

Thanks for your attention

Enhance the domestic production

Make China's contributions