

Ministry: China to strengthen regulations on foreign investment in agriculture

China's Ministry of Agriculture will strengthen regulations on foreign investment in China's agriculture sector, said Minister of Agriculture Sun Zhengcai on September 21.

Sun noted that China welcomes foreign investment in agriculture sector, but foreign investment should be in line with the fundamental requirements for the effective supply of agricultural products, the country's agricultural industry security as well as farmers' interests.

In recent years, massive foreign capital has rushed into China's plantation, livestock breeding and processing and marketing of agricultural products. Foreign investment's impact has always been a very hot issue.

Li Guoxiang, a researcher with the Rural Development Institute in the Chinese Academy of Social Sciences (CASS), said that foreign investment was neither devil nor angel. "Even the same foreign enterprise can bring different outcome to different industries or different regions."

"The open up of China's soybean market was too rapid," Li said. China buys lots of soybean from the international market, therefore the price fluctuations and changes of global economic situation have a strong impact on China's domestic soybean market, hurting Chinese farmers' interests.

Li urged the government to improve foreign investment policies and regulations. "For example, contract agriculture has been widely accepted in China. Cooperation between foreign enterprises and Chinese farmers is increasing. However, regulations over cooperation models and contract standards are still lacking."

By People's Daily Online
