Beer production capacity: Beer is regarded as a nutritious drink as well as an alcoholic beverage. The steady increase in beer consumption is attributed to increased urbanization and growth in population.

Domestic malting capacity: Most Chinese malting plants are attached to brewing facilities. Many of these plants are presently undergoing expansion and modernization. The industry trend is to consolidate malting barley operations and eliminate small and inefficient plants.

Market potential for Canadian malt: It is unlikely that the Chinese will import malt in the foreseeable future. However, good potential exists for the sale of Canadian malting barley (100-200,000 tonnes/year).

III. OILSEEDS

1. Trade Policy

Import tariffs -	Oilseeds:	N/A
	Crude oil:	All vegetable oil is imported as crude. Tariffs vary: rapeseed oil 9%; soybean oil 6%.
	Oilseed meal:	N/A
	Refined oil:	100%. Applicable on very small quantities imported for foreign community consumption.

Non-tariff import barriers/export assistance measures: Government policy continues to protect a large domestic rapeseed industry (production and crushing).

China exports small quantities of soybeans and corn, mainly from the North Eastern provinces, while there are shortages of feed grains in the coastal provinces as well as in some provinces in the interior. There is a severe shortage of protein feed (fish meal, soybean meal etc), vitamins and minerals. Most compound feed plants are running well below capacity.

Import/export structure: COFCO continues to be the only importer/exporter of crude vegetable oilseed and oils. COFCO/Ministry of Commerce control port storage depots and bulk transportation facilities for vegetable oils.