

PEOPLE'S REPUBLIC OF CHINA

|                                 |                                   |               |
|---------------------------------|-----------------------------------|---------------|
| Economic classification:        | Low Income                        | economy       |
| Oil exporter or importer (net): | 3.7 billion                       | (exports 87)  |
| Annual per capita income:       | US\$                              | 1987          |
| Annual per capita GNP:          | US\$375                           | 1987          |
| Average annual growth           | 9.4%                              | 1977-87       |
| Annual inflation rate:          | 5.10%                             | 1977-87       |
| Annual inflation rate (current) | 18.5%                             | 1987          |
| Volume of imports               | 36.31 billion US\$                | 1987          |
|                                 | year Jan-Sep                      | 1988          |
| Of which food                   | 1.6%                              |               |
| Of which fertilizer             | 1.2%                              |               |
| Debt service as % of GNP        | 10.2%                             | 1988          |
| Debt service as % of exports    | 9.7%                              | 1988          |
| Population                      | 1.1 billion                       | (projtd) 1989 |
| Annual population growth        | 1.44%                             | 1988-89       |
| Annual Consumption:             |                                   |               |
| Flour                           | 75 million tonnes or 75 kg/capita | 1988          |
| Meat                            | 21 million tonnes or 21 kg/capita | 1988          |
| Vegetable Oil                   | 13 million tonnes or 13 kg/capita | 1988          |

I. GENERAL INFORMATION

1. Crop Situation and Outlook

The Chinese Government is determined to increase grain production in 1988/89. Incentives promised to farmers including increase in procurement prices (18% increase in 1988), and guaranteed stable fertilizer prices should result in some increase in production. The Government target for 1988-89 is 402 million tonnes (compared with 392.5 reached in 1987/88). However, this target may not be reached and production is likely to remain below 400 million tonne.

Seeded Acreage: thousands of hectares

| <u>Commodity</u> | <u>1988/89</u> | <u>1987/88</u> | <u>1986/87</u> |
|------------------|----------------|----------------|----------------|
| Wheat            | 29,500         | 28,798         |                |
| Durum            |                |                |                |
| Barley           | 3,350          | 3,370          |                |
| Corn             | 20,212         | 19,800         |                |
| Sorghum          | 1,880          | 1,864          |                |
| Oats             |                |                |                |
| Rye              |                |                |                |
| Soybeans         | 8,500          | 8,445          |                |
| Rapeseed         |                |                |                |
| Sunflower        |                |                |                |
| Rice             | 32,000         | 32,193         |                |