Sources indicate that China is not likely to import large quantities of fisheries products from Canada because our prices are much to high (mainly due to the high cost of freight). In 1988, the three main exporters of aquatic products to China were North Korea (\$32 million US), Burma (\$17.4 million US) and the USSR (\$14.2 million US), three socialist countries with rather cheap manpower and subsidized industries, and on top of it, of course, the friendship price (it is not clear whether or not these figures include barter trade or not). The three main other fish exporters to China are Uruguay (\$6.6 million US), Brazil (\$3.4 million US) and Argentina (2.6 million US), all developing countries also with labour forces much cheaper than Canada.

Another frequently mentioned reason to maintain or scale down current aquatic products imports, is the economic austerity programme and retrenchment policy of the Chinese government. The much needed hard currency must primarily go into infrastructure and productive projects, or simply improve existing aquatic products facilities in order to raise output. For example, there is a plan to develop 400,000 hectares of breeding pools for fish and shrimp in Shandong province by the year 2000. This plan is a part of a global project called "Yellow River Delta Development Programme", listed as one of China's eight key agriculture development projects by the State Council. Interested Canadian exporters are advised that the following governing bodies are responsible for the fisheries sector in China.

CHINA NATIONAL FISHERIES CORPORATION(CNFC) Import & Export Department Mr. Liu Xinqing, Manager Tel: 651-241 or 657-331/354 Telex: 22079 CNFCCN Fax: 6012808

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MINISTRY OF AGRICULTURE Bureau of Aquatic Products Division of Foreign Economics & Techniques Mr. Pan Yipan, Division Director Tel: 500-3294/3366/2922 Telex: 22233 MAGRCN Fax: 5002448

FOR FURTHER INFORMATION:

Canadian Embassy 10 San Li Tun, Chao Yang District, Beijing People's Republic of China Tel:(011-86-1) 532-3536 Telex: 22717 Fax:(011-86-1) 532-1684 Mr. Denis Trottier Commercial Officer CHINA NATIONAL CEREALS, OILS & FOODSTUFFS IMPORT & EXPORT CORPORATION Fruits, Vegetables & Aquatic Products Division Mrs. Zhao Jinfen, Deputy General Manager Tel: 512-4016/4551 Telex: 210051 COFADCN/22281 CEROFCN/2111

Overseas Business Division Section III Mrs. Jiang Xuemei, Deputy Manager Tel: 555-865 Telex: 22281 CEROFCN/22111 CEROFCN Fax: 551040