

Analysis of General Situation of Agricultural Products Trade between China and Brazil

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Abstract: Like China, Brazil is not only a developing country but also a significant agricultural country and the world's most populous country. However, a vast difference in the production of agricultural products, mainly in the presence of agricultural trade are highly complementary, and the difference of the two types of available land, capital and technology investment, agricultural residues, and government subsidies, sales channels. In China's agricultural trade to Brazil, Brazil is China's second-largest trading partner, most considerable import and export turnover, but Pakistan, but there is a significant agricultural trade deficit.

1. Status Chinese and Brazilian import and export trade of agricultural products

1.1 Agricultural Products Import and Export Trade China

From 2007 to 2017, China's annual agricultural exports are much lower than imports and exports nearly twice imports. Imports and imports of agricultural products this decade China is showing a generally fluctuate upward trend. At the same time, we can see a line graph showing the trend continues to expand on the overall balance of trade of Chinese agricultural products. China's agricultural import and export trade deficit illustrates that significant fluctuations upward trend. At the same time, we can see from the above chart, the trend of China's agricultural import and export trade deficit with the trend of imports of Chinese agricultural products have a strong positive correlation. That the international trade of agricultural products China is greatly affected by the trend of imports of agricultural products.

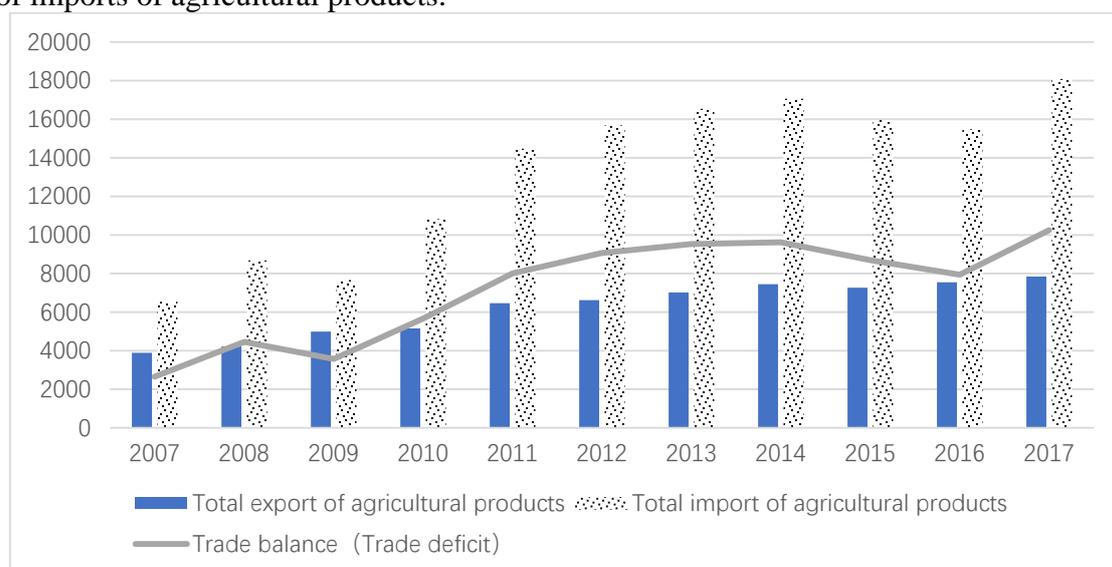


Fig. 1 Analysis chart of China's import and export volume to Brazil

1.2 Brazil's position in China's import and export trade of agricultural products

Chinese farm produce major trading partners are the United States, Japan, Brazil, Canada, and

Thailand. Especially in recent years, agricultural trade partnership between China and Brazil are increasingly close, China is Brazil's largest agricultural export market, accounting for 25% of the agricultural exports of Brazil, Brazil is a large agricultural country, China's second source of imports, accounting for China's agricultural imports of 17%, second only to the United States.

Table.1 Agricultural products import and export trading partners

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
America	America	America	America	America	America	America	America	America	America	America
Japan	Brazil	Brazil	Brazil	Brazil	Brazil	Brazil	Brazil	Brazil	Brazil	Brazil
Russia	Japan	Japan	Japan	Japan	Japan	Japan	Japan	Japan	Japan	Thailand
Brazil	Argentina	Russia	Canada	Indonesia	Canada	Canada	Canada	Thailand	Thailand	Japan
Malaysia	Russia	Canada	Indonesia	Thailand	Thailand	Thailand	Thailand	Canada	Canada	Canada

During the 2007-2017, the United States and China import and export trade of agricultural products has been in the first trade of agricultural products in China. In addition to Brazil in 2007 in the first four, the subsequent annual average ranked second. So you can see, Brazil's agricultural trade with China occupies a significant position in China.

1.3 State of Agricultural Commodity import and export trade between China and Brazil

1.3.1 Agricultural trade structure

China's imports of agricultural products from Brazil oilseeds and oleaginous fruits up to imports. China's primary export commodities are vegetables and fruits. Of which Brazil exports to China of goods, mostly land-intensive products and resource products, China's exports of goods to Brazil, mostly labor-intensive products. From the commodity structure, the complementarity of both agricultural and Pakistan trade structures active, providing a long-term space for the development of bilateral trade.

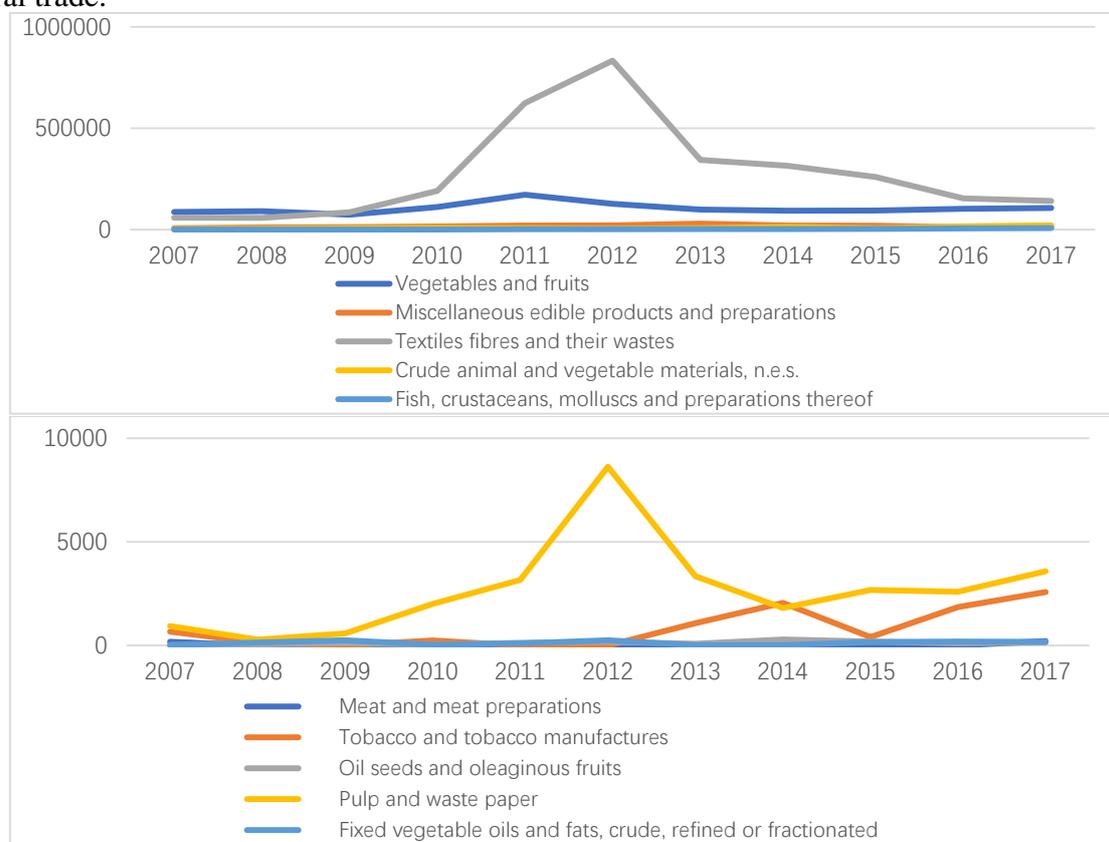


Fig.3 China exports major agricultural products to Brazil (Unit: US dollars)

1.3.2 IIT index of agricultural trade

Determination of the IIT index of agricultural trade can be seen IIT index of agricultural

products in China and Brazil between 0.02 and 0.09, indicating that trade between China and Brazil belongs to inter-industry trade of agricultural products, and has a strong complementary. This provides favorable conditions for the development of agricultural products trade between China and Brazil.

Table 2 China-Brazil agricultural trade IIT index

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Imports	557	984	982	1244	1746	2034	2432	2374	2226	2175	2760
Exports	14	28	23	53	68	74	90	71	64	69	64
IIT	0.049	0.055	0.045	0.081	0.074	0.07	0.071	0.058	0.055	0.061	0.045

2. The difference between agricultural production and Pakistan

2.1. Differences in the agricultural farming environment

Chinese arable land accounted for 15% of the world's arable land, China's per capita arable land area of only 1.4 acres, equivalent to the agricultural population per capita arable land area of about 3 acres, less than 40% of the world average. It is estimated that about agricultural exports to China's land resources, agricultural self-sufficiency rate of only 80%, the need to import large quantities of food crops annually.

At the same time in recent years due to the constant acceleration of industrialization, urbanization, rural China declining arable land, which became China's modernization process in prominent contradictions. According to official statistics, our urbanization rate is 52.6%, there are more than 700 million people live in cities. From 2002 to 2011, China's urbanization rate to an annual average of 1.35 percent pace, by 2016, China's urban resident population of 79,298 people, an increase of 2182 people over the previous year, the rural resident population of 58,973 people, reduce the 1373 people, the proportion of urban population to total population (urbanization rate) is 57.35%. According to statistics, after the founding of New China, the trend is decreasing arable land, only a few years is increasing. After the reform and opening up, China has entered a rapid industrialization and urbanization phase, which also led to a reduction in arable land at a faster rate. From 1978 to 2003, China reduced the 1116 hectares of arable land, a decrease of 8.3%, especially between 1998 and 2003 decreased 6.512 million hectares, with an annual reduction of 1.085 million hectares.

Brazil is the largest country in South America, in Brazil, the vast majority of the flat, vast area of arable land and pastures, in the Amazon plains area accounting for about one-third, to provide sufficient land for agricultural development. Brazil has become the world's third-largest exporter of agricultural products after the United States and the European Union, in 2016 exports 71.6 billion US dollars, accounting for 7.5% of total world agricultural exports that year.

2.2. The two sides differences in capital investment in agricultural technology

China is a mountainous country and land fragmentation, with no conditions of agriculture in Brazil, like the kind of large-scale machine production. China's agricultural operations based mainly on labor-intensive, small scale farmers; land fragmentation is not conducive to scale operation. Typical is the Loess Plateau and south terraces. Statistics show that China end of 2003 the number of plots per household was 5.722, which is less than the size of 0.5 acres are 2.858, 1.194 scales have 0.5-1.0 acres, there are 1.0 to 2.0 acres at 0.813, 2.0 in 3.0 acres are 0.342, more than 10 acres in size of only 0.233. Looking ahead no more than 10 acres piece of land formation. Some even land in the hillside, cliff, tractors can not get open.

Brazil from the 1930s began, through the mechanization of agriculture, science and technology, intensive and marketization and other means, basically realize the modernization of agriculture, agricultural mechanization. Data show that Brazil has a tractor from 19,508,372 units in 1960 increased to 63,000 units in 1980 increased to 545,200 units in 2000 and increase to 806,000 units by 2012 had reached 1.001 million units. Brazil per 100 average number of units of agricultural

labor has a tractor and also higher than the average in Latin America to Asia. Brazil is currently one-third of the fully mechanized arable farming, the rest of the arable land and machinery and animal use. The fundamental realization of agricultural mechanization, increase agricultural productivity in Brazil while promoting agriculture intensive operations. Brazil's agricultural research center was established at the same time, and the center is a national institution, its primary function is to develop the federal Agriculture Development Program, to promote the latest technological achievements in agriculture across the country. This mechanism can be set up to promote the sustainable Kan Ma, the development of science Brazilian agricultural products.

2.3. Differences in both the agricultural residue testing standards

Behind the reality in China to feed 19% of the world's population, with 15% of the arable land, China spent 35% of the world's nitrogen fertilizer, pesticide use three times the global average of 70% of the available freshwater resources. Chinese agricultural products in a large number of pesticide residues. At present, China has developed 387 kinds of pesticide MRLs standard 5 450, compared with 870 in 2010, an increase of 5 times, but compared to developed countries like the United States, about 10 000, Japan and the European Union about 50 000 to about 60 000 MIRLS standard, given the gap still exists.

Some pesticide residue limits regulation is unreasonable, some foreign countries have pesticide residues GF use, but China does not limit the relevant standards, such as the United States, Brazil, Argentina and other major soybean-producing countries widespread use of glyphosate in soybean growing season, but China's latest " national food safety standard maximum residue limits for pesticides in food "(GB2763-2014) standard formulation of glyphosate no limits soybeans, leading to the port inspection and quarantine departments of law enforcement no standard to follow.

2.4. The difference between the two distribution channels of agricultural products

Chinese agricultural production organized its characteristics low degree of agricultural cultivation of blindness, asymmetric information, not smooth distribution channels, transportation costs, and lack of brand awareness. In rural China, farmers can realize the brand problem, but very few. Most of the agricultural producers in the form of long-term operations, "the quantity, the quality of light" thinking, lack of market awareness, resulting in some low-quality agricultural overproduction, lack of supply of quality agricultural structural problems. Linyi City Bureau of Agriculture experts said that China's agricultural products unsalable vegetables are due to cyclical fluctuations, that is, on an annual basis, vegetable prices generally every two or three years will experience a from low to high, high to low and then the stock market evolution. This is mainly because, whether farmers, vendors selling vegetables, or vegetable experts, without exception, directed at "blind expansion of species, excess supply." Good times, cabbage purchase price of up to 1 yuan/kg, inspired the enthusiasm of farmers planting, and Lan Ling, Yinan spring cabbage acreage increased by 1.6 million acres this year, calculated in accordance with 1 million kilograms per mu, this year the market will spring cabbage an increase of 8 million tons, resulting in severe market saturation. The causes of climate north and south cabbage time to market focus, continuous rise in oil prices and other factors lead to rising transportation costs, leaving the already fragile Chinese cabbage market even worse. Therefore, Chinese news will appear several times, Henan Zhongmou county apples unmarketable. June 15, 2017, Shandong hundreds of acres of onion 1 cents a pound did not sell slow-moving news by millions of users' attention. June 2017, 30 kilograms of soil Puyang Hunan unmarketable, 3 cents a pound not sell. In March 2017, Hubei Jiangling, 35 kg of green onions unmarketable worry evil farmers, the wholesale price of as low as twenty-five/kg in the news.

Brazil is a problem to solve the marketing of agricultural products through technical innovation. Brazil's leading agricultural product road brand of agriculture, so far has one of the most advanced developing countries, an agriculture brand promotion project in Brazil. In addition to brand promotion, Brazil has also created a series of promotional programs for beef, fruits, chicken, and wine; many agricultural products are also exported to other developing countries. Brazil now great experience in agricultural science and technology innovation, has formed a sophisticated sound

system.

3. Conclusion and suggestion

3.1 Conclusion

For the experience of agricultural development in Brazil, China can draw lessons. First, continue to attach great importance to agricultural science and technology innovation, and strive to improve the efficiency of agricultural production, give full play to the role of state-owned agricultural research institutions, to continue to mobilize the enthusiasm of the major institutions involved, further emancipate the mind in strengthening the legal protection of intellectual property rights under the premise of attracting private and international research efforts participate. Second, do meticulous agricultural services. China's national conditions make agricultural credit and agricultural insurance system designed to form adequate protection while avoiding an excessive burden on the government. Focused on strengthening the technical training of farmers and the agricultural economy of knowledge, financial support policies explain. The third is to improve the level of marketing management. Functional agricultural product segments, increase the added value of agricultural products, strengthen quality management, build the brand of agricultural products, with the power to do good in all aspects of agricultural promotion and protection, genuinely serve the farmers, farmers get rich. Fourth, to promote sustainable development of agriculture. Co-ordinate current and long-term, sustainable technologies to support agricultural research and development applications, to promote the concept of sustainable development, popularization of knowledge to preferential policies to encourage low-carbon modes of production, do a good job supporting environmental protection.

3.2 Put forward countermeasures and Suggestions

Promote agricultural science and technology cooperation. Proper use of the Chinese Academy of Agricultural Sciences Institute of Agriculture and Animal Husbandry between Brazil and China-Pakistan Joint Laboratory and other existing platforms. In summary, the past to develop new ways of cooperation based on experience, and gradually explore new areas of cooperation for sustainable agriculture development technology.

Deepen cooperation in infrastructure. Brazil's great to break the bottleneck related to voice, this area is the focus of Chinese enterprises' strengths and capacity of China's foreign cooperation, the two sides to carry out fully the grounds of cooperation. The main challenge is the Palestinian side's long-term planning and inadequate funding. In this regard, can the overall planning, step by step. Clarifying the great significance of its Unicom infrastructure elements unimpeded flow, reduce regional disparities, the development potential of Brazil, the two sides from the reality of the standard good plan. Reasonable choice of scale, easy to obtain early harvest, to establish Chinese brands sub-project to start, step by step, and in addition to delivery outside the building also make long-term operational readiness. Based on scientific proof, to private enterprise and private financial institutions in the appropriate open-minded.

Strengthening the agricultural industry chain cooperation, in addition to agricultural trade, China and Pakistan also discussed crop cultivation, processing of agricultural products, transport of agricultural products, seeds and other agricultural business development cooperation, good application advantages of both sides to further deepen relevant cooperation, to strengthen Chinese food security of supply, making China more clout in the fight against trade protectionism. Palestinians hope it can be considered to take care of more value to stay in their appeal, the relevant aspects in Brazil, there are direct imports of Chinese demand for processed agricultural products.

Give due consideration to the social emphasis on environmentally sustainable in the process of cooperation, and we should bear the social responsibility. Proper contact family farming in Brazil to purchase or co-planting, etc. to improve employment, given appropriate training and good publicity, not only help to avoid the control giant multinational grain prices on the Brazilian grain resources but also to establish a right image of Chinese enterprises, achieve "popular communication."

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