

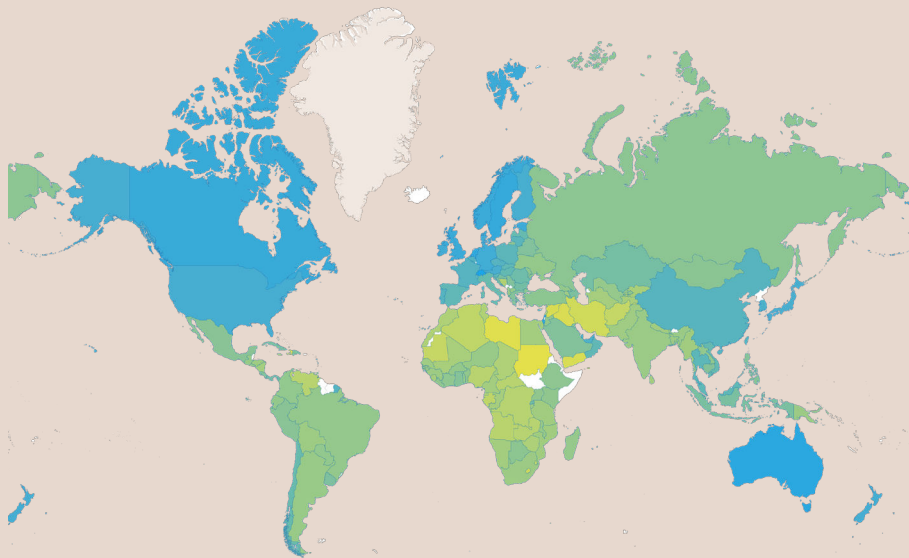
This PDF includes a contribution from the following book:

ELITE QUALITY REPORT 2022

Food security in China: Great progress made with further improvements expected

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Food security in China: Great progress made with further improvements expected

The COVID-19 pandemic has had a serious potential impact on food safety and food security. Current studies show that although SARS-CoV-2 is not a foodborne virus, it can cause cold-chain food contamination. The pandemic has also increased the instability of global supply chains. Therefore, the COVID-19 pandemic has affected several aspects of food security, especially the accessibility and affordability of food. In the EQx2022, China has an average performance on food affordability (FSA, iv. 10, rank # 49), but performs well on availability, quality and safety (FSQ, iii.7, rank # 2), rising 31 places for this Indicator compared to last year.

China's excellent performance in the Political Value Index Area (iii, rank # 9) is the main factor for this huge rise. According to the Global Food Security Index (GFSI), China scores 18.5 points higher than the previous year in the sufficiency of supply index, which is a component sub-index of food availability. This reflects the fact that the Chinese government efficiently manages and effectively deploys financial means, devoting substantial resources to ensure the stability of the food supply chain. This political Value Creation is also reflected in the COVID-19 mortality rate, age-adjusted (COM, iii.7, rank # 1), one of the key achievements of the normalized epidemic prevention and control measures. A series of institutional processes have been established to prevent the spread of the virus through cold-chain logistics (Xinhua, 2022), such as increasing virus testing on imported cold-chain and fresh food markets (nhc.gov.cn, 2022). These regulations require disinfection and inspection in production, packaging, transportation, storage, retailing, and sales, so as to protect essential food workers and ensure the adequate availability of food.

The Economic Value (iv, rank # 32) of Chinese elites is dwarfed by their Political Value. Whether individuals are able to afford food is another key Indicator of food security and China has made progress in this area. The Chinese government is committed to reducing the Engel coefficient, to provide a higher standard of living¹. Its Engel coefficient has been around 30% in recent years (China Daily, 2018; stats.gov.cn, 2020), and fell to 29.8% in 2021 (stats.gov.cn, 2021). Another development that illustrates this aim is that China eradicated extreme poverty in 2021 (CGTN, 2021). According to GFSI data, one concern for the Chinese government on food affordability is that it should focus on the change in average food prices, especially as global food prices continue to rise as a result of the COVID-19 pandemic. Another concern is that the equality of national income distribution needs improvement. Low rankings for China in the Producer Value Pillar (iv.10, rank # 110) suggest that Chinese elites

in the food industry extract value (INE, iii.8, rank # 50) and are still trying to catch up with the elites of the world's top countries in providing high quality and cost-effective food.

The overall quality of Chinese elites in the food industry is also reflected by the room for improvement that exists in terms of dietary diversity and nutritional adequacy, which are key components of the quality of food security. The demand for food that supports a healthy and nutritious diet has dramatically increased in tandem with higher incomes, consumer preference changes, and increased socio-economic status. At the same time, present findings indicate that rural residents in China need to supplement their diets from more food groups to improve dietary diversity (Hou et al., 2021).

Elites in the food industry need to do more to support food safety. The consumption of unsafe food places a huge economic burden on the country. The cost of foodborne diseases in terms of the loss of human capital productivity in China is estimated at over USD 30 billion per year, almost 50 percent of the total economic burden of foodborne diseases in Asia (World Bank, 2021). Actually, in this regard, China has been strengthening legislation related to food safety in recent years, with 50 new national food safety standards and four revised standards issued in March 2021 (USDA, 2021). The supervision mechanisms to enforce the new standards are constantly improving although food safety problems still occur occasionally. China's department of food safety supervision adopts both conventional and special measures to oversee compliance, while social media also plays an important role. In March 2022, a case exposed by the state broadcaster highlighted compromised food safety practices related to pickled cabbage production. The case drew wide attention and the local government immediately organized the seizure of the enterprises involved, and launched a large investigation and rectification process for local pickled cabbage enterprises. Related companies also quickly investigated their pickled cabbage suppliers and announced the results of the inspections.

Business and political elites are collaborating and have offered several proposals to ensure greater food safety, including applying new technologies such as big data, establishing a unified national food safety information platform, and upgrading food safety standards. Our expectation is that as a consequence, the food safety situation in China should improve accordingly.

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1. According to the United Nations Food and Agriculture Organization (FAO) proposed standards, an Engel Coefficient of between 30-40% indicates a "rich" life, while less than 30% indicates a "most affluent" life.



Sub-Index (Level 2)	Value
Index Area (Level 2)	Political Value
Pillar (Level 3)	Giving Income
Indicator ref. (Level 4)	iii.7_FSQ
Indicator wgt. (in EQx)	0.6%
Indicator wgt. (in Pillar)	7.3%
Countries covered	111
Inclusion year	2021
Conceptual optimum	No

Data Source The Economist Intelligence Unit, Global Food Security Index (GFSI)

Description

Global Food Security Index - availability, quality and safety is based on the average of the 'availability, quality and safety' sub-rankings of the Global Food Security Index (GFSI). The GFSI measures the drivers of food security across both developing and developed countries.

Rationale

Food security is essential for life. This Political Value Indicator is part of the Giving Income Pillar. The working assumption is that the government is responsible through institutional processes for food availability, quality and safety.

Rank /111	Country	Score	Rank /111	Country	Score	Rank /111	Country	Score
1	Singapore	100	51	Bulgaria	55	101	Zambia	16
2	China	94	51	El Salvador	55	102	Haiti	16
3	Canada	92	53	Argentina	54	103	Serbia	12
4	Switzerland	91	54	Kazakhstan	53	104	Uganda	12
5	Japan	88	55	Bangladesh	52	105	Burundi	3
6	Austria	87	56	Azerbaijan	52	106	Mozambique	0
6	Israel	87	56	Algeria	52	106	Sudan	0
8	Ireland	87	58	Tanzania	51	106	Sierra Leone	0
9	Qatar	86	59	Oman	51	106	Syrian Arab Republic	0
10	Netherlands	84	59	Thailand	51	106	Venezuela, RB	0
11	United Kingdom	82	61	Colombia	51	106	Yemen, Rep.	0
12	Kuwait	81	62	Belarus	50			
13	Italy	80	63	Burkina Faso	47			
14	United Arab Emirates	79	64	Jordan	47			
15	Belgium	79	65	Peru	45			
16	United States	79	66	Tunisia	44			
17	Korea, Rep.	76	67	Philippines	44			
18	Germany	75	68	Guinea	42			
19	Czech Republic	75	68	Uruguay	42			
20	Saudi Arabia	72	70	Bolivia	42			
21	Bahrain	72	71	Niger	41			
22	Panama	71	72	Myanmar	40			
23	Portugal	71	73	Morocco	40			
24	France	71	73	Ukraine	40			
25	Hungary	70	75	Uzbekistan	39			
26	Chile	70	76	Tajikistan	38			
27	Romania	70	77	Benin	37			
28	Finland	69	78	Sri Lanka	37			
29	India	68	79	Ecuador	37			
30	Poland	67	80	South Africa	35			
31	Russian Federation	66	81	Slovak Republic	34			
32	Mali	66	82	Cambodia	33			
32	Nepal	66	83	Ghana	33			
34	Honduras	65	84	Nicaragua	33			
35	Australia	65	85	Guatemala	32			
36	Malaysia	64	86	Paraguay	31			
37	Indonesia	64	86	Senegal	31			
38	New Zealand	63	88	Botswana	31			
39	Pakistan	62	88	Ethiopia	31			
40	Sweden	62	90	Togo	29			
41	Dominican Republic	60	91	Brazil	29			
42	Turkey	60	92	Lao PDR	28			
43	Costa Rica	59	93	Rwanda	28			
43	Denmark	59	94	Kenya	27			
45	Spain	59	95	Nigeria	26			
46	Mexico	58	96	Angola	21			
47	Norway	58	97	Cameroon	21			
48	Vietnam	57	98	Chad	20			
49	Egypt, Arab Rep.	56	99	Madagascar	18			
50	Greece	56	100	Malawi	17			

The Elite Quality Report 2022 (EQx2022) provides Country Scores & Global Rank for 151 countries
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