



**CCM**

Data & Business  
Intelligence

# **Insecticide Market in China of Q1 2017**

June 2017

**Researched & Prepared by:**

**Kcomber Inc.**

**Copyright by Kcomber Inc.**

**Any publication, distribution or copying of the content in this report is prohibited.**

## Contents

Executive summary .....	1
Methodology .....	2
1 Policy Dynamics .....	3
1.1 China plans to issue Emission Standard of Water Pollutant of the Pesticide Industry in 2017 .....	3
1.2 Pesticide residue may become key item of inspection in 2017 .....	3
1.3 2017 No.1 Central Document: deepen advancement of agricultural supply side structural reform .....	3
1.4 Regulations on Control of Agricultural Chemicals (Revised Draft) conducive to long-term development of pesticide industry .....	6
2 Ex-works prices in Q1 2017 .....	9
3 Production overview and newly added capacities .....	13
4 Registration .....	14
5 Export .....	15
6 Highlight .....	20
6.1 Pests to strike main crops heavily in 2017, says NATESC .....	20
6.2 CCPIA: Chinese pesticide industry to develop well in 2017 .....	26
6.3 MEP launches air quality inspection in Q1 2017 .....	28
6.4 Three more pesticides to be banned in China in 2017-2018 .....	28
6.5 Guadipyr: additional neonicotinoid insecticide harmless to bees to be registered in China .....	30
6.6 Biopesticides listed as key products in strategic emerging industries .....	32

## LIST OF TABLES

Table 1.3-1 Themes of No.1 Central Document, 2004–2017
Table 2-1 Ex-works prices of major insecticides in China, Oct. 2016–March 2017
Table 3-1 Idle chlorpyrifos production equipment in China, Jan.–March 2017
Table 4-1 China's new registrations of insecticide TC/TK, Jan.–March 2017
Table 5-1 Export volume and price of imidacloprid from China in Jan.–March 2017
Table 5-2 Export volume and price of chlorpyrifos from China in Jan.–March 2017
Table 5-3 Export volume and price of thiamethoxam from China in Jan.–March 2017
Table 6.4-1 China's 25 banned pesticides and forbidden scope, as of March 2017
Table 6.6-1 Selected microbial pesticides registered in China, as of early Feb. 2017
Table 6.6-2 Selected biochemical pesticides registered in China, as of early Feb. 2017
Table 6.6-3 Selected botanical pesticides registered in China, as of early Feb. 2017
Table 6.6-4 Selected agricultural antibiotics registered in China, as of early Feb. 2017

## LIST OF FIGURES

Figure 6.6-1 Valid registrations of biopesticides in China, as of early Feb. 2017
Figure 6.6-2 Number of biopesticide formulations applying for field tests in China, as of early Feb. 2017

## **1. Introduction**

This report is about China's insecticide market in Q1 2017. It attaches importance to the following parts:

- Policies related to the pesticide and insecticide industry that happened in Q1 2017, which have significant impact on the pesticide and insecticide industry;
- Ex-work prices of about 30 kinds of insecticides in China and price analysis will be made for some most important insecticides during Q1 2017;
- An overview of insecticide production in Q1 2017 and the key players, idle players and potential players will be showed in the report;
- Newly registrations of insecticides in Q1 2017, from which you can peek into the domestic pesticide development tendency;
- Exports about some key insecticides in Q1 2017;
- Highlight that had important influences on the pesticide and insecticide industry in Q1 2017.

This report is formulated in June 2017. The data is based on various sources as mentioned in the methodology below.

## **2. Approach for this report**

### Desk research

Sources of desk research are various including published magazines, journals, government statistics, industrial statistics, customs statistics, associated seminars as well as information from the Internet. A lot of work has been done to compile and analyze the information obtained. When necessary, checks were made with Chinese market players regarding market information such as production, demand, consumption, competition, etc.

### Telephone Interview

- The interviewees cover:
- Pesticide producers
- Agricultural experts
- Traders
- Local governments
- Researchers
- Peasants
- Associations

CCM carried out extensive telephone interviews with many producers of some insecticides. From those active producers, potential producers, even producers who stopped production, CCM sourced and verified the detailed production information and market situation as well as players' comments on some insecticides.

To directly analyze the export situation of some insecticides, many importers and exporters were contacted whenever the verification was needed.

#### Data processing and presentation

The data from various channels have been combined to make this report as precise and scientific as possible. Throughout the process, a series of internal discussions were held in order to analyze the data and draw conclusions from it.

Monthly exchange rates of USD against CNY from Oct. 2016 to March 2017 are as follows:

- In Oct. 2016, USD100=RMB670.08
- In Nov. 2016, USD100=RMB677.34
- In Dec. 2016, USD100=RMB689.58
- In Jan. 2017, USD100=RMB697.98
- In Feb. 2017, USD100=RMB685.56
- In March 2017, USD100=RMB687.98

### 3. Executive summary

In H2 2016, the overall domestic insecticide market finally turned around after a long depression, and this upturn continued to Q1 2017. Many insecticides, including nicotinoids and biological and organophosphorus insecticides, have witnessed a recovery in price in Q1 2017.

According to CCM's research, in Q1 2017, the supply of insecticides in China was tight. Specifically, in Jan. 2017, producers of insecticides in southern regions had products which were available to be purchased in small quantities and the producers based in Shandong Province had almost no products to offer, despite of resuming production following the completion of the national environmental inspections in mid-Nov. 2016. In Feb. and March 2017, the supply of insecticides was still not abundant because the downstream of insecticides stored up heavily when the peak demand season was coming.

Even though the operating rates of insecticide producers were improved in March 2017, the supply is likely to remain tight in the short term. Besides, the prices of many raw materials of insecticides continue to run high. What's more, with the demand for insecticides becomes stronger, the insecticides, such as imidacloprid, would witness increases in prices in the coming months.

### 4. What's in this report?

***Note: Key data/information in this sample page is hidden, while in the report it is not.***

## 1 Policy Dynamics

### 1.1 China plans to issue Emission Standard of Water Pollutant of the Pesticide Industry in 2017

On 10 Jan., 2017, the Water Environment Management Department of the Ministry of Environmental Protection of the People's Republic of China (MEP) held the expert panel on the *Emission Standard of Water Pollutant of the Pesticide Industry* (Exposure Draft). Experts all agreed that the drafting group made lots of researches and the standard enjoys scientificity, innovativeness, applicability and operability.

### 1.2 Pesticide residue may become key item of inspection in 2017

On 4 Jan., 2017, the China Food and Drug Administration (CFDA) issued the *Plan and Requirements of Food Safety Sampling Inspection in 2017*, which indicated that pesticide residue will become key items of inspection this year. In recent years, China was strengthening the inspection on pesticide residue, as it is the top issue for ordinary people.

## 2 Ex-works prices in Q1 2017

- Imidacloprid

In Q1 2017, the imidacloprid TC price continued increasing significantly as a result of the tight supply. The supply shortage is unlikely to be eased in the short term, since operating rates of the imidacloprid producers may not greatly improve resulted by the environmental inspections. The imidacloprid TC price rose from USD18,624.93/t in Jan. to USD22,423.80/t in March 2017.

Driving factors behind the increases include:

.....

- Chlorpyrifos

In Q4 2016, the Chinese chlorpyrifos market rebounded. The price of chlorpyrifos had kept rising since then, which rose from USD4,475.76/t in Jan. 2017 to USD5,714.45/t in March 2017.

The price went up mainly thanks to the following factors:

.....

Table 2-1 Ex-works prices of major insecticides in China, Oct. 2016–March 2017

No.	Product	20161008		20161108		20161208		20170108		20170208		20170308	
		RMB/t	USD/t	RMB/t	USD/t	RMB/t	USD/t	RMB/t	USD/t	RMB/t	USD/t	RMB/t	USD/t
1	95% Abamectin technical	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
2	97% Acephate technical	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
...	.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
35	85% Triazophos technical	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

*Note: Ex-works price includes VAT.*

*Source: CCM*

### 3 Production overview and newly added capacities

In Q1 2017, due to the Spring Festival, some pesticide production line didn't work. What's more, the MEP made further efforts on environmental protection; thus, pesticide manufacturers were facing increasing pressure. So, in Q1 2017, the production of insecticide was not better than that in Q1 2016. In general, as of March 2017, most of insecticides were in tight supply, especially spot products. Affected by the heavy haze, some insecticide producers in main producing areas, such as Shandong and Hebei provinces, maintained a low operating rate, and some even suspended production.

Newly added capacities

.....

Table 3-1 Idle chlorpyrifos production equipment in China, Jan.–March 2017

No.	Enterprise	Operation status	Idling period
1	XXX	XXX	XXX
2	XXX	XXX	XXX
3	XXX	XXX	XXX
4	XXX	XXX	XXX
5	XXX	XXX	XXX

Source: CCM

#### 4 Registration

According to the Institute for the Control of Agrochemicals, Ministry of Agriculture (ICAMA), 20 insecticide TC/TK (involving 16 insecticide active ingredients) was newly registered in China in Jan.–March 2017 by 19 companies. Thereinto, an active ingredient, indoxacarb was registered for 4 times, and spiroticlofen was registered for 2 times.

Table 4-1 China's new registrations of insecticide TC/TK, Jan.–March 2017

No.	Active ingredient	Spec.	Registrant	Valid registrations, as of 31 March, 2017
1	Tolfenpyrad	95%	XXX	XXX
2	XXX	XXX	XXX	XXX
3	XXX	XXX	XXX	XXX
...	XXX	XXX	XXX	XXX
20	XXX	XXX	XXX	XXX

*Note: New registrations in Jan.–March 2017 did not include the update of old registrations.*

*Source: ICAMA*

#### 5 Export

Imidacloprid, chlorpyrifos and thiamethoxam are the main insecticides for export in China. In Q1 2017, China totally exported XXX tonnes of imidacloprid (calculated by 100% AI), XXX tonnes of chlorpyrifos (calculated by 100% AI) and XXX tonnes of thiamethoxam (calculated by 100% AI).



Table 5-1 Export volume and price of imidacloprid from China in Jan.–March 2017

Specification	Jan.			Feb.			March			Total 100% AI volume, kg
	Volume, kg	Unit price, USD/kg	100% AI volume, kg	Volume, kg	Unit price, USD/kg	100% AI volume, kg	Volume, kg	Unit price, USD/kg	100% AI volume, kg	
Imidacloprid 10% SL	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Imidacloprid 10% WP	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Imidacloprid 97% Tech.	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Imidacloprid 98% Tech.	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
<b>Total</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>

Source: China Customs &amp; CCM

Table 5-2 Export volume and price of chlorpyrifos from China in Jan.–March 2017

Specification	Jan.			Feb.			March			Total 100% AI volume, kg
	Volume, kg	Unit price, USD/kg	100% AI volume, kg	Volume, kg	Unit price, USD/kg	100% AI volume, kg	Volume, kg	Unit price, USD/kg	100% AI volume, kg	
Chlorpyrifos 10% GR	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Chlorpyrifos 15% GR	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Chlorpyrifos 97% Tech.	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
<b>Total</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>

Source: China Customs &amp; CCM

## 6 Highlight

### 6.1 Pests to strike main crops heavily in 2017, says NATESC

In Jan. 2017, the National Agro-Tech Extension and Service Centre (NATESC) made a prediction of pests and disease occurrence for the year 2017.

"During the seminar held on 8-9 Dec., 2016, personnel from provincial crop protection stations and experts predicted that pests and diseases may strike heavily in the year 2017, with a national total occurrence area of 346.67 million ha (5.20 billion mu)," disclosed the NATESC.

✓ Rice

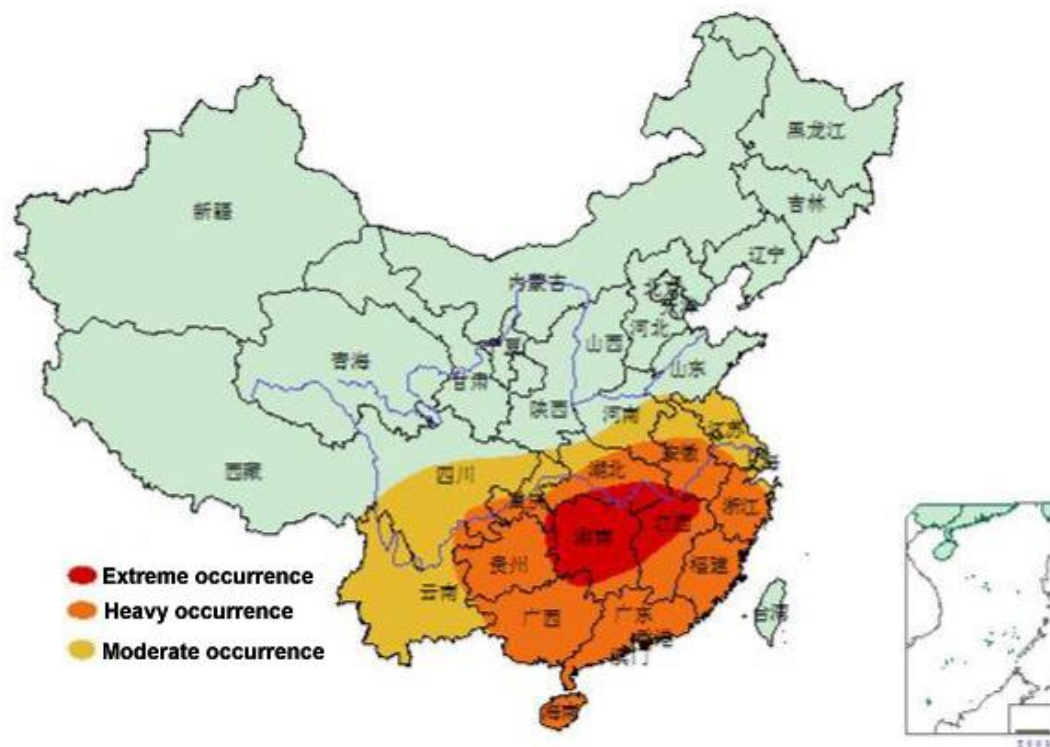
- Plant hopper

- Occurrence: to be heavy on the whole in 2017, with possible severe occurrence in South China, regions south of Changjiang River, regions along the middle and lower reaches of Changjiang River and Southwest China
- Estimated occurrence area: 26.33 million ha (395 million mu)

- Leaf roller

.....

Picture 6.1-1 Prediction of rice plant hopper occurrence in China, 2017



Source: National Agro-Tech Extension and Service Centre

.....

**If you want more information, please feel free to contact us**

Tel: +86-20-37616606 Fax: +86-20-37616968

Email: [econtact@cnchemicals.com](mailto:econtact@cnchemicals.com)