



**CCM** Data & Business  
Intelligence

# **Herbicide 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 .....	4
1.1 China plans to issue Emission Standard of Water Pollutant of the Pesticide Industry in 2017 .....	4
1.2 Pesticide residue may become key item of inspection in 2017 .....	4
1.3 2017 No.1 Central Document: deepen advancement of agricultural supply side structural reform .....	4
1.4 Regulations on Control of Agricultural Chemicals (Revised Draft) conducive to long-term development of pesticide industry.....	7
2 Ex-works prices in Q1 2017.....	10
3 Production overview and newly added capacities .....	14
4 Registration.....	15
5 Export.....	18
6 Highlight.....	21
6.1 MEP launches air quality inspection in Q1 2017 .....	21
6.2 CCPIA: Chinese pesticide industry to develop well in 2017 .....	21
6.3 China's glyphosate industry to be significantly influenced by international landscape changes.....	24
6.4 Registration of amicarbazone may increase rapidly in China.....	25
6.5 Three more pesticides to be banned in China in 2017–2018 .....	26

### LIST OF TABLES

Table 1.3-1 Themes of No.1 Central Document, 2004–2017
Table 2-1 Ex-works prices of main herbicides in China, Jan–Mar, 2017
Table 3-1 Idle glyphosate production equipment in China, Jan.–March 2017
Table 4-1 China's new registrations of herbicide TC/TK, Jan.–March 2017
Table 5-1 Export volume and price of glyphosate from China in Jan.–March 2017
Table 5-2 Export volume and price of paraquat from China in Jan.–March 2017
Table 5-3 Export volume and price of glufosinate ammonium from China in Jan.–March 2017
Table 6.4-1 Registration of amicarbazone in China, as of the end of Jan. 2017
Table 6.5-1 China's 25 banned pesticides and forbidden scope, as of March 2017

## 1. Introduction

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

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

To directly analyze the export situation of some herbicides, 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 Q1 2017, China's herbicide market cools down compared to that in the end of 2016. Some herbicides had seen narrow price rises and some had seen price decreases, but the market still presented an uptrend. In Jan.–March 2017, most herbicides were in a tight supply, especially spot products. The main factor influencing the herbicide production is the huge environmental pressure for the herbicide manufacturers. In Jan. and Feb. 2017, affected by the heavy haze, some herbicide producers in main producing areas, such as Shandong and Hebei provinces, maintained a low operating rate, and some even suspended production. In March, Ministry of Environmental Protection of the People's Republic of China (MEP) made further efforts on environmental protection; thus, pesticide manufacturers were facing increasing pressure. In 2017, the MEP will continue to control air, water and soil pollution, to carry out biological environment reform, and to realize a full coverage of environmental protection inspection by Chinese government. Notably, glyphosate TC suffered tense supply. Most producers of glyphosate said that there were many orders stockpiled. Purchasers held a wait-and-see attitude towards the market trend of glyphosate, whose producers still quoted a high price.

### 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 MEP held the export 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.

.....

## **2 Ex-works prices in Q1 2017**

### **Price analysis**

- **Glyphosate**

In general, the price of glyphosate was continuously declining in Q1 2017. In Q1 2017, the supplier and purchaser of glyphosate had been constantly negotiating about the price of glyphosate TC, but there was still no relatively fixed price for glyphosate TC due to the turmoil of China's glyphosate TC market. In early March, the ex-works price of glyphosate 95% technical declined to USDXXX/t in China. The main reason was the declining prices of raw materials of glyphosate, leading to a decrease in the production cost for glyphosate.

...

- **Paraquat**

After suffering from long-term depression, Chinese paraquat market finally met a U-turn on price. As of March 2017, Chinese paraquat kept a tight supply, and its price rise hit a record high over the recent two years.

From the end of 2016 to March 2017, tight supply had been seen in Chinese paraquat market. Currently, most domestic suppliers of paraquat said that they were unable to take new orders as their production plans had been scheduled till the end of June, mainly thanks to strong demand overseas. Paraquat manufacturers in Shandong Province maintained a low operating rate due to the huge environmental pressure, leading to a tense supply of the product.

...

- **Glufosinate ammonium**

At present, Chinese glufosinate ammonium is in a tight supply, and its price keeps climbing up, which is unlikely to reduce in the short term. In fact, at the end of 2016, there was a rising trend in the price of glufosinate ammonium, but most of purchasers took no notice of it. Some agro-dealers even considered that the price of glufosinate ammonium would gradually fall as the number of producers rose, or may have a slump in 2017. As a result, not many dealers stocked glufosinate ammonium at the end of 2016. However, after the Chinese Spring Festival,

when the stockpiling of glufosinate ammonium in some regions had been started, some manufacturers continued to raise the quotation of glufosinate ammonium. As of March 2017, the price of glufosinate ammonium TC has risen to XXX. According to CCM's price monitoring, in early March, the average ex-works price of glufosinate-ammonium 95% TC was USDXXX/t, which was basically the same as that in the end of Feb. 2017.

.....

Table 2-1 Ex-works prices of main herbicides in China, Jan.–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	Acetochlor 92% technical	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
2	97% Atrazine technical	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
3	96% Bensulfuron-methyl 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
28	95% Tribenuron-methyl technical	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
29	95% Trifluralin 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, some pesticide production lines didn't work during the Spring Festival. What's more, China's MEP made further efforts on environmental protection; thus, pesticide manufacturers were facing increasing pressure. So, in Q1 2017, the production of herbicide was not better than that in Q1 2016. In general, as of March 2017, most of herbicides were in tight supply, especially spot products. Affected by the heavy haze, some herbicide producers in main producing areas, such as Shandong and Hebei provinces, maintained a low operating rate, and some even suspended production.

What's worse, there was no newly added capacities in Q1 2017.

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

No.	Enterprise	Operation status	Idling period
1	Anhui Guangxin Agrochemical Co., Ltd.	XXX	XXX
2	XXX	XXX	XXX
3	XXX	XXX	XXX
4	XXX	XXX	XXX
5	XXX	XXX	XXX
6	XXX	XXX	XXX
7	XXX	XXX	XXX
8	XXX	XXX	XXX

Source: CCM

### 4 Registration

Herbicide makes the maximum proportion among Chinese pesticides and registrations of herbicide-containing pesticides keep increasing. According to the Institute for the Control of Agrochemicals, Ministry of Agriculture (ICAMA), 33 herbicide TC/TK (involving 26 herbicide active ingredients) were newly registered in China in Jan.–March 2017 by 24 companies. Thereinto, two active ingredients, namely glufosinate ammonium and pyribenzoxim, were registered for 3 times, and flufenacet, MCPA and mesotrione were registered for 2 times; two companies including Bayer CropScience AG and Jiangsu Fengshan Group Co., Ltd. obtained four herbicide TC registrations.



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

No.	Active ingredient	Spec.	Registrant	Valid registration, as of 31 March, 2017	New registration in 2016	New registration in 2015
1	2,4-D	98% TC	XXX	XXX	XXX	XXX
2	Clethodim	37% TK	XXX	XXX	XXX	XXX
3	Clodinafop-propargyl	95% TC	XXX	XXX	XXX	XXX
...	Cyhalofop-butyl	97% TC	XXX	XXX	XXX	XXX
33	Triclopyr-butoty	99% TC	XXX	XXX	XXX	XXX

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

Source: ICAMA

## 5 Export

Table 5-1 Export volume and price of glyphosate 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	
Glyphosate 41% IPA	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
...	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Glyphosate 96% Tech.	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
<b>Total</b>	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

Source: China Customs & CCM

.....

**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)