

North Asia

China

83

ACIAR Regional Coordinator



China:

Dr Simon Hearn
Phone: 02 6217 0547
hearn@aciar.gov.au



Inner Mongolian herders grazing livestock

China

Key statistics	
GDP per capita (US\$)	2,604
Population (millions)	1336.3
Funding	
Bilateral actual 2007–08	\$2.33m
Bilateral allocation 2008–09	\$2.26m
Bilateral budget 2009–10	\$1.37m
Bilateral + multilateral budget 2009–10	\$1.39m

Country manager

*Mr Wang Guanglin
Acting ACIAR Country manager, China*



ACIAR-funded research spanning 20 years has helped China grow better yielding eucalypts

Key program managers

Dr Paul Fox, Crop Improvement and Management

Dr Simon Hearn, Agricultural Development Policy

Dr Peter Horne, Livestock Production Systems

Dr Mirko Stauffacher, Land and Water Resources

Medium-term strategy

The Australian Centre for International Agricultural Research (ACIAR's) program in China is increasingly concentrated on sustainability aspects of agricultural production, through policy and technical projects on better management of land and water resources in north-western China. In addressing sustainable production, the need to raise farmers' incomes through increased productivity and marketability of produce is also taken into account in project design. To reach those most affected by poverty and land degradation, the program will increasingly target rainfed crop-livestock systems with an emphasis on north-western China, primarily Gansu province.

There is an ongoing related but broader emphasis on maintaining efforts to improve agricultural productivity in Tibet Autonomous Region. Both north-western China and Tibet Autonomous Region are confronting significant environmental challenges, which need to be addressed through strategies that foster income growth for smallholders. In recognition of the evolving nature of Australia's development assistance relationship with China, all new activities will take the form of partnerships that include significant co-investment by our Chinese partners.

Key performance indicators (2009–10)

- improved understanding by Chinese partners of opportunities and challenges from World Trade Organization (WTO) accession and associated farm adjustment prospects
- joint analysis undertaken to assess the viability of alternative frameworks for global agricultural trade negotiations
- improved understanding of wheat breeding potential to address dryland wheat production and related conservation farming systems in north-western China.

Position

ACIAR first commenced projects with China in 1984. Over the last decade the focus of ACIAR's program has shifted towards western China. This is in line with the need to raise farmers' incomes in this part of the country and to better manage land and water resources. The refocus of ACIAR's involvement has allowed for a concentration of available funding to achieve critical mass in joint projects, and continuity of research in a region of high poverty and associated land degradation.

In view of the significant human and financial resources now available within the Chinese National Agricultural Research System, and the strong mutual benefits to Australia, ACIAR requires Chinese and Australian research providers to substantially share costs of projects in China. ACIAR will usually seek a funding commitment through case-by-case exchanges of letters at the development stage of full project proposals. Only a very small proportion of the

highest priority projects can be supported. Projects chosen must:

- address the highest priority of Chinese partners
- address overall Australia–China development policy to ‘further mutual interest by supporting China’s balanced development policies and working together in the region’ (China–Australia Country Program Strategy 2006–2010, AusAID)
- complement other schemes for China–Australia collaboration, including the AusAID Australia–China Environment and Development program
- be in areas where the overwhelming driver is Australian technical comparative advantage
- complement rather than duplicate activities of other (larger) donors.

Box 9. Australian intergovernmental cooperation

ACIAR projects form only one part of Australia–China intergovernmental cooperation in agriculture and natural resources management. Australia’s aid program in China has largely shifted away from discrete poverty reduction activities towards the sharing of ideas, high-level capacity building and policy engagement. AusAID’s China strategy for 2006–10 has the goal of furthering mutual national interest by supporting China’s balanced development policies and working together in the region. It has three strategic objectives: building capacity in selected sectors in China, in particular governance, environment and health; enhancing the Australia–China relationship by building institutional linkages; and working collaboratively to strengthen the region.

ACIAR’s China program, while maintaining a focus on sustainable resource management in the poorer and environmentally degraded western regions, reflects the strategic objective of building capacity in China. It focuses strongly on capacity enhancement in technical and policy issues relating to the environment, as it is either affected by agricultural production or, in turn, affects production sustainability. The Australia–China Environmental Development program is a five-year AusAID initiative with the objective of supporting and improving policy development in China in the area of environmental protection and natural resources management. Initially, the focus is on water resources and river basin management, but inclusion of other areas can also be considered based on Australia–China agency partnerships.

This thematic focus will be enhanced by increased attention to policy development avenues. It will assist in identifying suitable reform programs that enable farmer adjustment and adoption of technical opportunities for income improvements through effective conservation practices. Recent land reform determinations in China are expected to present increased opportunities for farm-level community adjustment and innovation. ACIAR’s mode of operation in China is through the development of strong institutional linkages between Australian and Chinese government R&D and policymaking organisations, supporting the second strategic objective of the overall Australian aid program in China.

Other activities that are taken into account by ACIAR, and which may be alternative sources of support for researchers interested in China, include:

- **the Australia–China Agricultural Cooperation Agreement (ACACA)**, (<www.daff.gov.au/market-access-trade/iac/acaca>), jointly administered by the Australian Department of Agriculture, Fisheries and Forestry (DAFF) in Australia and the Chinese Ministry of Agriculture. ACACA provides funding for agricultural exchange projects between Australia and China. The present focus is on projects that demonstrate commercial potential and provide clear flow-on benefits to industry. DAFF has also established an Agricultural Technical Cooperation Program, with initial projects in wool marketing and grasslands management. In addition, DAFF has formed a Strategic Partnership Agreement with AusAID to strengthen the whole-of-government approach to development cooperation in the Asia–Pacific region. This partnership has helped facilitate recent water management assistance projects with China
- **Australia–China Special Fund for Science and Technology Cooperation** (<<https://grants.innovation.gov.au/ISL/Pages/Doc.aspx?name=ChinaFund.htm>>) administered by the Australian Government Department of Innovation, Industry, Science and Research. The fund includes competitive grants, in which agriculture, biotechnology and environmental research form three of the priority areas. In addition, missions and workshops to promote science and technology collaboration are managed under the International Science Linkages (ISL) Science Academies Program by the Australian Academy of Science (<www.science.org.au>) and the Australian Academy of Technological Sciences and Engineering (<www.atse.org.au>)
- **the Asia Pacific Partnership on Clean Development and Climate (APP)**, (<www.climatechange.gov.au/international>) which includes Australia, Canada, China, India, Japan, Republic of Korea and United States of America in partnership to address the challenges of climate change, energy security and air pollution. The partnership provides support for collaborative research and technology demonstration.

Research priorities

ACIAR has consulted with China to establish priorities for research collaboration, including meetings with senior leaders and researchers from the ministries of Science and Technology, and Agriculture and Water Resources, as well as the China Academy of Sciences, China Academy of Agricultural Sciences, universities and provincial authorities. ACIAR's China program for 2009–10 has the following themes:

Subprogram 1: Increased water productivity of crop-livestock systems in western China

- Selection of technologies for improved water-use efficiency, with an emphasis on dryland agriculture
- Development of policies and institutions for improved land and water use
- Wheat breeding for dry land conditions and conservation farming systems
- Improvement in integrated crop-livestock systems in favourable areas of Tibet Autonomous Region and rangelands of north-western China.

Subprogram 2: Implications of Chinese trade developments for smallholders

- Analysis of alternative frameworks for agricultural trade negotiations



Crawford Fund International Masterclass students inspect wheat fields

- Assessment of environmental governance and regulatory policy options based on Australian and Chinese systems
- Identification of policy constraints to adoption of research findings.

Current project portfolio

(Possible new projects commencing in 2009–10 shown as 'proposed')

Subprogram 1: Increased water productivity of crop-livestock systems in western China

ADP/2007/055	Improving the efficiency of land-use change policy in China
CIM/1999/072	Oilseed <i>Brassica</i> improvement in China, India and Australia
CIM/2003/067 (multilateral)	Ensuring productivity and food security through sustainable control of yellow rust of wheat in Asia (CIMMYT)
CIM/2005/111	More effective water use by rainfed wheat in China and Australia
LPS/2005/129	Mineral response in Tibetan livestock
LPS/2006/119	Integrated crop and dairy systems in Tibet Autonomous Region
LPS/2008/048 (proposed)	Improving herder livelihoods and grassland management in northern and western China
LWR/2002/094	Promotion of conservation agriculture using permanent raised beds in irrigated cropping in the Hexi Corridor, Gansu province, China
LWR/2003/039	Improving the management of water and fertiliser use for agricultural profitability, water quality and reduced nitrous oxide emissions in China and Australia
LWR/2007/191	Improving productivity and sustainability of farming systems in semi-arid regions of eastern Gansu province

Subprogram 2: Implications of Chinese trade developments for smallholders

Following accession to the WTO and strong economic growth rates, there is a high level of interest in China and its trading partners on future policy options to maximise mutual benefits from trade. To achieve these outcomes, researchers need to focus on domestic agricultural reform policy options and future industry prospects, providing decision-makers with well-analysed farm policies and information on trade liberalisation opportunities. Consequent farm income growth will, in turn, contribute to greater technical innovation and improved environmental management. Similarly, China is interested in designing improved land rights arrangements and regulatory systems to enhance productivity and environmental management systems. Recent rural–urban migration has opened new opportunities for rural adjustment in China.

ADP/2009/002	Climate change and regional agricultural commodity flows
--------------	--

Active projects in China

