



BUSINESSatOECD

Agriculture Sustainability and Green Growth in China

Business at OECD (BIAC) Forum

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Established in 1962, *Business at OECD* (BIAC) is the officially recognized institutional business stakeholder at the OECD.

We stand for policies that enable businesses of all sizes to contribute to economic growth, sustainable development, and societal prosperity. Through *Business at OECD*, national business and employers' federations representing over 10 million companies provide perspectives to cutting-edge OECD policy debates that shape market-based economies and impact global governance. Our expertise is enriched by the contributions of a wide range of international sector organizations.

Introduction

In October 1995, the OECD Council agreed on a programme of dialogue and co-operation with China. In addition, the OECD Council at Ministerial level adopted a resolution on 16 May 2007 to strengthen the co-operation with China, as well as with Brazil, India, Indonesia and South Africa, through a programme of enhanced engagement. Since then, the OECD has contributed to policy reform in China by sharing its member countries' experiences in a range of areas. In response, China puts its own policy experience on the table for scrutiny and discussion by OECD member countries. Leveraging on this relationship, *Business at OECD* (BIAC) China Expert Group contributes expert guidance to China–OECD cooperation in areas that improve trade and investment conditions, as well as the overall business environment in China. The expert group consults at least annually with the OECD Ambassador-led Informal Reflection Group on China, and it organizes and contributes to thematic ad-hoc sessions with delegations and the OECD.¹

In the context of this this collaboration, it is important to acknowledge the efforts regarding China on building sustainability commitments in alignment with the Sustainability Development Goals (SDGs). Since the 18th CPC National Congress in 2012, China has prioritized eco-environmental conservation and green development and the just-concluded 20th CPC National Congress has made further strategic plans for China's future green development in the New Era. China is applying a system thinking approach to the whole process of economic and social development and eco-environmental conversation and protection. Green development and eco-environmental progress are seen by China as the responsibility of all countries and China is actively participating in the global climate governance. China has reinforced the effort to achieve its Nationally Determined Contributions (NDCs), established the Belt and Road Energy Partnership (BREP) with 32 countries, hosted the first part of the 15th meeting of the Conference of the Parties to the Convention on Biological Diversity (COP15) and has carried out cooperation with other countries and regions in the fields of energy conversation, biodiversity protection, clean energy, response to climate change, biodiversity protection and others.

To build a green, circular, and low-carbon production system, China has integrated the concept of green development into the entire life cycles of industry, agriculture and the service sector. To conserve energy, reduce emissions, raise efficiency, and facilitate the comprehensive green transformation of traditional industries, China has encouraged innovations in technology, models, and standards. To transform the production methods of agriculture, China has created new systems and mechanisms for the green development of agriculture and strengthened the protection and efficient use of agricultural resources. Additionally, China has taken measures to save water for agricultural irrigation and to reduce the volume of chemical fertilizer and pesticides used by targeting higher efficiency.²

1 Access online: <https://www.oecd.org/china/china-and-oecd.htm>; <https://www.businessatoecd.org/policy/china-expert-group>

2 Access online: http://english.scio.gov.cn/node_9000497.html

In that context, on 25 June 2024, *Business at OECD* held the first Forum on **Agriculture Sustainability and Green Growth in China**, bringing together key public and private stakeholders to showcase how



Panel 2. Advancing China's Green Agenda through Climate Mitigation and Adaptat

innovative solutions in the agriculture sector can support China's Green Development in the New Era, establishing a pathway of further dialogue between China and OECD on supporting China's Green Development on the international agenda focusing on the role of Agriculture and the impact of climate change. The discussions underscore the importance of transitioning towards more sustainable agricultural practices, with a particular focus on supporting smallholder farmers. This includes adopting technologies like Direct Seeding Rice (DSR) and alternative wetting and drying techniques to conserve water and improve efficiency. The role of digital technology in spreading sustainable methods is highlighted as crucial for enabling small farmers to integrate into the agricultural system effectively, ensuring they can produce healthy, nutritious food while benefiting economically from their labor. The China Agricultural University's "backyard technology model" is praised for its potential to assist smallholders by bringing students and scientists to work directly with them, emphasizing the necessity of continuing efforts in this direction.

Key Highlights

Sustainable Agriculture and Support for Smallholder Farmers

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Jo Tyndall, Director, Environment Directorate, OECD

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Global Efforts in Food System Transformation and Methane Reduction

The panelists discussed global efforts to transform food systems and reduce methane emissions, with a focus on China's potential role in these initiatives. The importance of regulatory clarity and predictability for investments in



Jens Lundsgaard, Deputy Director, Directorate for Science, Technology and Innovation, OECD

genome editing within the private sector was emphasized, suggesting that consistent regulatory frameworks across different countries are crucial for fostering advancements in genome editing technologies. Additionally, the efforts to increase agricultural production, specifically soy, rice and corn, which not only proves to be more efficient but also attracts significant investment, were highlighted. The Nature Conservancy's leadership and partnership with the FAO in operating as a relationship manager focusing on responsible supply chains are mentioned as part of the broader efforts, as well as an example of partnering with NGOs, academia, public and the private sector.



Julia Nielson, Deputy Director at Trade and Agriculture Directorate, OECD

Regulatory Clarity and Predictability in Genome Editing

The need for distinct regulations for genome editing, separate from those applied to genetically modified organisms (GMOs), was stressed. This distinction is deemed essential for breeders to effectively use genome editing as a tool, contingent upon consistent regulatory frameworks. Advocacy from the private sector for science-based, predictable and globally harmonized policies to facilitate marketing and trade of genome editing products were

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noted, highlighting the significance of interdependence among countries in the realm of genome editing.

Digital Farming and Connectivity to Boost Sustainable Agriculture

Panelists shared that digital farming is a game-changer for sustainable agriculture, offering a suite of precision tools to optimize crop management, reduce waste, and promote eco-friendly practices. By leveraging advanced technologies like satellite imaging, drone applications, artificial intelligence, and access to data in the field, digital farming enables farmers to monitor and manage their fields with unprecedented accuracy. This includes precision irrigation, fertilizer application, and pest control, resulting in reduced chemical usage and environmental impact. Additionally, digital farming platforms provide valuable insights and data-driven recommendations, empowering farmers to make informed decisions and adapt to changing climate conditions. Panelists also mentioned that by embracing digital farming, the agricultural industry can significantly reduce its carbon footprint, enhance biodiversity,

and promote sustainable food production for a growing global population.

Challenges and Opportunities at the Farm Level

The panelists identified challenges and opportunities in transforming the food system at the farm level, particularly for smallholder farmers in China. Lack of information, data, and awareness among these farmers are significant challenges. Policy changes, particularly reallocating



Karim Dahou, Deputy Director, Global Relations & Cooperation Directorate, Head of China Unit, OECD

agricultural expenditures towards promoting new innovations as well as healthier and more nutritious production practices, was suggested as crucial for making agriculture more sustainable and environmentally friendly. The potential for introducing carbon emission reduction technologies and supporting smallholders to adopt more sustainable production practices was underscored as well as a more trade opportunities to provide farmers with new innovations that can boost regenerative agriculture. The value of partnerships between the government, private sector, academia, and other actors was highlighted during the conversations.

Conclusion and Next Steps

In summary, the key messages from the four panels highlighted on the critical role of supporting smallholder farmers in transitioning to sustainable agricultural practices, the importance of global efforts in food system transformation and methane reduction, the necessity of regulatory clarity for advancements in genome editing, and the challenges and opportunities in transforming the food system at the farm level. These discussions highlight a collective commitment to environmental sustainability, technological innovation, and the economic well-being of smallholder farmers.

China is a big nation with over 1.4 billion people that represent almost 18% of the world total population today. China has only about 8% of the world's arable land and 6% of the world's fresh-water resources. Ensuring food security for such a large population is a tremendous challenge and we believe that supporting domestic productivity is key to ensure food security, but also increase international trade of Agriculture commodities like soybean, corn and sorghum, that currently play a supplementary role in China's food security. To boost a more sustainable agricultural environment in China, the government has taken important steps to build a more sustainable food system.

As a contribution, the event marked a significant step forward in promoting sustainable agriculture and green growth. By continuing the dialogue and exploring opportunities for cooperation, we can drive meaningful progress and create a more sustainable food system for all, focusing on:



Regenerative agriculture that is crucial for achieving sustainable development and food security.



International cooperation and dialogue are essential for promoting innovative solutions and technologies.



Trade and investment to support the transition to sustainable agriculture.



Clear pathway for new technologies that can be delivered to small farmers.

By 2025, we will organize a second event jointly with the OECD Center in Beijing, to foster dialogue to support regenerative agriculture in China and facilitate trade and investment in new technologies and innovations. For this, we will engage in conversations with governments and policy makers to understand needs and priorities and identify opportunities for future cooperation.



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**More details about the
event can be found here:**



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