WWF’s Focus on Markets & China

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population × consumption ≠ planet
Global Trends

Population—3 billion more

Consumption will double by 2050

Longer supply chains fewer players—more direct contact

In future, developing countries will dominate trade

Focus on carbon and water footprints
Agriculture’s Global Footprint

33% of Earth’s surface in crops or grazing but 55% of habitable area
Why Market Transformation?

Amazon – soy, cotton, livestock, timber
Coral Triangle – tuna, live reef fish, aquaculture
Indus Delta – rice, cotton, sugarcane
Borneo – palm oil, timber
East/Southern Africa – biofuels, tuna
Arctic – cod and pollack, carbon
Priority Commodities

Forest Products
Timber
Pulp and Paper

Agriculture & Bioenergy
Palm Oil
Soy
Sugarcane
Cotton
Beef
Dairy*
Bioenergy

Marine Seafood
Whitefish
Tuna
Forage fish*
Shrimp*

Aquaculture Seafood
Salmon
Shrimp
## Insatiable Appetite for Resources

### China’s consumption of some major commodities

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Quantity</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rice</td>
<td>127 million tons</td>
<td>30% of world’s total output in 2008&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td>Cotton</td>
<td>10.3 million tons</td>
<td>40% of the world’s total in 2009 &lt;sup&gt;2&lt;/sup&gt;</td>
</tr>
<tr>
<td>Palm Oil</td>
<td>6.4 million tons</td>
<td>Imported 6.4 million tons of palm oil, in 2009 &lt;sup&gt;3&lt;/sup&gt;</td>
</tr>
<tr>
<td>Soy beans</td>
<td>54.55 million tons</td>
<td>78% were imported in 2009, representing 40% of global soybean output&lt;sup&gt;4&lt;/sup&gt;</td>
</tr>
<tr>
<td>Rubber</td>
<td>5.99 million tons</td>
<td>More than a quarter of the world’s total in 2008&lt;sup&gt;5&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

Source:  
1. Food and Agriculture Organizations  
2. Cotton Incorporated  
3. US Department of Agriculture  
4. ResearchInChina  
5. International Rubber Study Group
Follow the Money

Average Annual Global Investments in LDCs

- NGO: $2 billion
- Multilateral: $12 billion
- Bilateral: $57 billion
- Private Sector: $225 billion
- China: $38 billion
Brazilian Soy & Pigs in China

Million Metric Tons

Brazil Soy Production
China Soy Production
China Pig Production

China Imports Soy, Cotton and Sugar from Brazil, but…

...is buying water, soil, efficiency, and reduced pollution
Investors

Primary producers/extractors

Consumers

Supply Chain

So use point of leverage here

Need to reduce the threat!

Engage with >1B producers

Persuade >6B shoppers?

About 300-500 companies control ~ 70% of choice

WWF Global Priorities

Need to reduce the threat!
<table>
<thead>
<tr>
<th>Places</th>
<th>Commodities</th>
<th>and Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amazon</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Coral Triangle</td>
<td>✓</td>
<td>cargill, ADM, Louis Dreyfus Commodity</td>
</tr>
<tr>
<td>Borneo</td>
<td>✓</td>
<td>Nestle, Bunge</td>
</tr>
<tr>
<td>East Africa</td>
<td>✓</td>
<td>JBS, wilmal, ED &amp; F MAN,闪烁</td>
</tr>
<tr>
<td>Arctic</td>
<td>✓</td>
<td>Cargill, Illovo, SEKAB, Maruh Nichiro</td>
</tr>
</tbody>
</table>

- **Biofuels**: ✓
- **Cotton**: ✓
- **Livestock**: ✓
- **Palm Oil**: ✓
- **Soy**: ✓
- **Sugarcane**: ✓
- **Cocoa**: ✓
- **Whitefish**: ✓
China’s African Policy

General Principles and Objectives

- Strategic partnership
- Sincere friendship and equality
- Mutual benefit and shared prosperity
- Mutual support and close coordination
- Learning from each other and developing together

Source: official paper of China’s African Policy
China’s African Policy

China-Africa cooperation characterized by:

- **All-around cooperation**
  Political; economic; education, science, culture; security

- **Historical comparability and friendship**
  Similar experience on national development

- **Beyond resources**
  Political and diplomatic support and backing is also sought after

- **No strings attached**
  China’s aid to and investment in Africa are not conditional

- **High trade volume**
  Over $100 billion in 2008

*Source: official paper of China’s African Policy*
<table>
<thead>
<tr>
<th>areas</th>
<th>actions</th>
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</thead>
<tbody>
<tr>
<td>Climate change and energy</td>
<td>China-Africa partnership in addressing climate change</td>
</tr>
<tr>
<td></td>
<td>Enhance cooperation in science and technology (100 joint demo projects and 100 postdoctoral fellows to China)</td>
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<tr>
<td></td>
<td>Enhance cooperation in agriculture (demonstrations and training)</td>
</tr>
<tr>
<td></td>
<td>Enhance cooperation in human resources development and education (build friendship schools and provide training)</td>
</tr>
<tr>
<td></td>
<td>Expand people-to-people and cultural exchanges</td>
</tr>
<tr>
<td>Capacity building</td>
<td></td>
</tr>
<tr>
<td>Trade and aid</td>
<td>Further open China’s market to African products</td>
</tr>
<tr>
<td></td>
<td>More concession loans and debt forgiveness</td>
</tr>
<tr>
<td>Public wellbeing</td>
<td>Deepen cooperation in medical care and health (equipment donation and epidemic prevention)</td>
</tr>
</tbody>
</table>

China for a Global Shift
- Policy reforming and transformation

Major Strategies and activities

- **Build political support to address China’s global footprint**
  Engage the National Development and Reform Commission to build the ‘footprint’ concept into national Five-Year plans

- **Support sustainable finance**
  Work with Chinese banks to create the first Chinese-led development of green lending policy

- **Drive responsible trade**
  Work with Ministry of Environmental Protection to develop environmental guidelines for Chinese companies investing overseas

- **Establish low carbon development models**
  Work with Shanghai and Baoding to pilot low carbon city model
THANK YOU