

BUSINESS

Coronavirus Outbreak

Shortage of skilled leaf-pluckers affects tea trade

By MA ZHENHUAN in Hangzhou, WANG ZHUOQIONG in Beijing and YANG JUN in Guiyang

Tea growers in Hangzhou, Zhejiang province, famous for its Longjing tea, are a worried lot these days due to the lack of leaf-pickers.

Jin Weiqiang, a veteran Longjing tea grower in Meijiawu village in Hangzhou, said on Thursday: "The Longjing tea plantation will be ready for picking, as usual, in mid-March and we are still waiting for further notice from the village authorities (concerning the arrangements for tea-pickers)."

Usually, about eight leaf-pickers from nearby Jiangsu, Anhui and Jiangxi provinces are needed for his 3,300 square-meter tea plantation.

Tea picking in the core production area of West Lake Longjing is normally around mid- to late March, but it is difficult to predict the exact time this year, said Jiang Xinbing, an official with the West Lake Scenic Area Administrative Committee.

"There are more than 6,000 tea farmers in the core area, and every year, more than 10,000 tea-pickers will come from outside Hangzhou to collect the tea leaves," said Jiang. "Now we are concerned about how these tea-pickers can leave their home city and come here."

It is hard to find replacements. "The tea-pickers are experienced and skilled, have been doing this for many years and are familiar with the tea fields here," he said.

Tea growers have constantly tracked the ongoing situation. Weng Yongxiang, Party secretary of Wengjia village in Longyou county, said tea farmers in his village had contacted their tea-pickers in advance to learn about their local epidemic-control situation.

About 66.7 hectares of land and 300 farming households are involved in tea cultivation in Wengjia village. Each year, about 1,600 tea workers are needed, most of whom are from nearby counties and Shangrao in Jiangxi province, Weng said.

"Tea farmers are anxious," he said. "The amount of tea leaves picked has a direct impact on the income of each household for the whole year."

"However, the epidemic prevention and control is still our most important task. Only after the epidemic is brought under control can we look into matters like tea-picking."

Sales during the spring season account for half of the tea marketing for the whole year in China, making it the most significant period for the tea industry. Mei Yu, secretary-general of the China Tea Marketing Association, was quoted by the Economic Daily on Feb 25



A tea grower in Yibin, Sichuan province, processes tea leaves. ZHUANG GE'ER / FOR CHINA DAILY

that due to the impact of coronavirus outbreak on the country, tea-pickers, especially migrant workers, are expected to be in severe shortage.

Alleviating the impact of the epidemic on the tea industry is critical to poverty-reduction efforts, since the tea industry is a key driver of poverty-alleviation efforts in many places in the country, with nearly 227 out of 832 national-level poverty-stricken counties involved in the tea production.

In nearly 30 percent of poverty-stricken counties, the tea industry is the core source of income for local farmers, said Mei.

Meanwhile, tea marketing and trade, which often take place at tea malls and markets, are yet to be affected by the outbreak, he said. Currently, most of the tea markets are not open to trade yet. The association has launched an online platform for local governments to recommend leading tea enterprises and farmers to trade and get deals done.

"Our estimate is that the cost of production will rise," Mei said. He said the supply of medium-range tea is expected to grow with a fair price, but the supply of high-end teas may drop, leading to an increase in prices. He urged the government to roll out more subsidies and measures to stimulate tea consumption.

In Guizhou province, which has the country's largest tea plantation area, epidemic prevention and control measures have been adopted in the tea production areas, to mitigate the impact of the virus on spring tea production.

According to Lei Ruiyong, head of agriculture and economy station,

Department of Agriculture and Rural Affairs in Guizhou province, large-scale tea-picking is expected to kick off by mid- to end-March, with most of the tea growers expected to have started work by the end of this month.

By Monday, 442 leading tea companies in Guizhou had resumed production, accounting for 86.3 percent of the total tea producers in the province.

Lei said due to the epidemic, the cost of production will rise and prices are expected to surge. Last year, tea production in Guizhou province in Southwest China had reached 401,000 metric tons with revenue of 45.1 billion yuan (\$6.41 billion).

Most of the respondents in a survey conducted among 622 tea growing and trading companies, accounting for 10.9 percent of the total tea companies in Guizhou, said liquidity crunch, transportation difficulties after the Spring Festival holiday, lower market demand, shortage of prevention materials, rising production costs, and disruption of supply chains were the main factors preventing them from resuming work on time.

The province has made preparations for the challenges by delaying the tea-picking date, adopting more machines to pick tea and increasing communications with recruiters of tea-pickers to make sure they return to work once the epidemic is under control.

Sanitation work is what keeps production safe for tea growers who have already started to collect spring tea.

Wang Yonghong, general manager of Shuicheng County Tea Devel-

opment Co Ltd, said having started work on Feb 6, they have sanitized processing factories and ensured isolation of workers who have been in contact with people from other provinces or those with high-temperatures.

Wearing masks, checking body temperature twice a day and ensuring local tea-pickers use sanitizers and are two meters away from each other, these are some of the steps being undertaken, Wang said. "We have started picking tea at lower-altitude planation areas, with about 300 workers a day," said Wang. "But the shortage of labor will emerge soon when large-scale picking begins."

"Tea traders should have started procuring tea by now. But this year more trade will move online due to limited flow of workers," said Lei.

Jin Xun, chairman of Guizhou Meitanlanxin Tea Co Ltd, said they have been working on marketing innovations to offset the negative impact.

"E-commerce is certainly our priority this year," said Jin, expecting to raise their online sales percentage from last year's 15 percent to more than 20 percent this year.

"We are inviting e-commerce experts in Hangzhou city to train nearly 100 tea enterprises in Guizhou province on online marketing skills, including how to open online stores and how to lay out products to make them look more appealing," said Jin.

Dong Xianwu in Guiyang contributed to this story.

Contact the writers at mazhenhuan@chinadaily.com.cn

Investment allure of China 'still intact'

Temporary disruptions will not hamper nation's key role in global supply chains

By ZHONG NAN, MA SI and JING SHUTUYU

China's key role in global supply and industrial chains will not be altered due to the temporary disruptions from the novel coronavirus epidemic, said officials and global business leaders.

At present, there is no large-scale transfer of supply and industrial chains to foreign countries due to the outbreak, said Zong Changqing, director-general of the department of foreign investment administration under the Ministry of Commerce.

"Fundamentals of China's long-term economic development and its competitive advantage in attracting foreign capital have not changed," said Zong, adding that most of the multinational firms are confident about prospects in the country and have not altered their investment strategy.

The government has released a number of measures to help both domestic and global companies resolve issues such as work resumption, logistics, gathering sufficient production material, and items for epidemic prevention and control to restore their earnings strength.

Volkmar Denner, chief executive officer of Bosch Group, said most of the company's China plants are ramping up operations again, while also taking precautionary measures to ensure associates' safety. Bosch believes that the impact on the Chinese economy will only be temporary.

"Once China recovers, we have full confidence that it will continue to develop sustainably," he said.

Supported by over 60,000 employees in China, the German industrial conglomerate will put its first innovation and software center outside Germany into operation in Wuxi, East China's Jiangsu province, in mid-2020.

Li Xingqian, director-general of the department of foreign trade under the Ministry of Commerce, reiterated that China is an important link in the global supply chain for many multinational companies. "The impact of the epidemic on

the supply chain in the area of foreign trade mainly occurred in material supply and product assembly. Export-oriented firms have encountered temporary difficulties," he said. "However, its influence is regional, limited and fully controllable."

The work resumption rate of China's machinery manufacturers reached 71.89 percent by Thursday, data from Beijing-based China Machinery Industry Federation showed.

The country's foreign trade development has been backed by resilience and ample space for innovation. With successive policies related to foreign trade stabilization, more favorable conditions will be created to enrich the nation's industrial chain in supporting foreign trade, Li said.

Li's view is shared by Honson To, chairman for China and Asia-Pacific at KPMG. He said after more than four decades of rapid growth, China has a solid industrial foundation, complete industrial chain and high-quality labor force, which cannot be replaced by any other economy in the world.

Apple CEO Tim Cook said in an interview with Fox Business earlier this week that China is getting the epidemic under control and he was optimistic about the company's prospects.

"On the supplier side, we have suppliers — you know, iPhone is built everywhere in the world. We have key components coming from the United States, we have key parts that are in China, and so on and so forth," said Cook.

"When you look at the parts that are done in China, we have reopened factories, so that the factories are able to work properly," he said.

Wei Jianguo, former vice-minister of commerce, said the outbreak has no national borders and countries such as South Korea and Japan are also fighting the virus, which would mean further disruptions to the global supply chain.

Contact the writers at zhongnan@chinadaily.com.cn

Green body to manage medical waste work

By LIU YUKUN liuyukun@chinadaily.com.cn

The China Energy Conservation and Environmental Protection Group is stepping up efforts in handling coronavirus medical waste to avoid secondary infections as part of its battle against the epidemic.

The move aligns with the call from the Ministry of Ecology and Environment earlier this month to ensure an efficient handling of medical waste and to pay attention to key steps including the collection, classification and transportation of those materials.

For the epidemic epicenter of Hubei and its surrounding areas, the group has asked its branches in Xiaogan, Jingzhou and Xinyang to upgrade medical waste packaging and strengthen supervision in their transportation, recording and handling.

The group also cooperated with local governments to guarantee smooth transportation of medical waste as many roads have been blocked to prevent the contagion from spreading.

The group's subsidiary, CECEP



Workers disinfect medical waste transferring boxes in a factory under CECEP in Xiaogan, Hubei province. PROVIDED TO CHINA DAILY

Environmental Protection Equipment Co Ltd, also ramped up production of related equipment to increase medical waste handling capacity in severely-stricken areas.

Lei Ming, executive director and general manager of CECEP Ecotech Co Ltd, the subsidiary specializing in medical waste treatment under the China Energy Conservation and Environmental Protection Group, said the company has managed to handle all medical waste they received on the same day the waste was generated to avoid secondary infections.

At this time, the company has two ways to handle coronavirus medical waste: burning or heating the material to disinfect it, Lei said.

"For medical waste generated from the novel coronavirus, the safest way to handle it is to burn the waste at a temperature of 850 degrees Celsius in an oven that has good emission treatment systems to

ensure the emitted gas and fogs will not harm the environment or people," Lei said.

Although the coronavirus medical waste-handling procedures are similar to normal medical waste, the former has stricter requirements for its collection and transportation and making sure the work staff's prevention equipment includes protective goggles and face masks, Lei added.

The subsidiary has decided to double the packaging layers for coronavirus medical waste and has specially designed recycling boxes. The company also disinfects storage boxes and vehicles before their transportation.

The subsidiary group started its emergency response plan on Jan 24. From Jan 25 to Feb 23, the company has handled 4,447 metric tons of medical waste, of which 484.76 tons were related to the novel coronavirus.

Three Gorges expedites power projects

By ZHENG XIN zhengxin@chinadaily.com.cn

China Three Gorges Corp, the builder and operator of the world's biggest hydroelectric power project — the Three Gorges Dam — has been stepping up the construction of its key domestic projects to support the resumption of operations, amid the coronavirus outbreak.

Baihetan Hydropower Station, the world's second-largest hydropower project located on the border of Sichuan and Yunnan provinces, has been under construction while under epidemic control. While some of the projects are behind schedule compared with the previous quarter, the corporation is planning to further optimize work procedures and allocate more resources to ensure that the annual targets are achieved for the hydropower station project. The project is expected to be completed by 2022.

Its Wudongde Hydropower Station, the fourth-biggest domestic hydropower station and the world's seventh-largest, is also under construction with the use of cutting-edge intelligent technologies, including real-time temperature monitoring and intelligent grouting equipment.

It is dubbed the "smartest" mega hydropower station in the world with the highest level of intelligent construction in China's dam industry, including thermometers and

38.9 billion kilowatts

electricity that the first batch of generator sets of Wudongde Hydropower Station can generate

cooling pipes in the concrete to detect the concrete temperature in real time and the intelligent water flow system to automatically adjust the flow to realize the cooling process of concrete in an intelligent way. The hydropower station is expected to see its first batch of generator sets put into production in July and be able to generate 38.9 billion kilowatts of electricity every year after its 12 generating units start operation.

Xiluodu Hydropower Station and Xiangjiaba Hydropower Station, together with Baihetan and Wudongde hydropower stations, will form a cascade of power stations on the Jinsha River, a cluster that is expected to reach an installed capacity of 46.46 million kilowatts, equivalent to twice the output of the Three Gorges Dam in the middle reaches of the Yangtze, and will generate about 190 billion kilowatt-hours of electricity annually.

The Three Gorges Reservoir in Central China's Hubei province has also raised its discharge volume to ensure water and power supply as

the outbreak has affected coal reserves and coal-fired power generation in the province.

Industry insiders say they believe the corporation plays a vital role in ensuring power supply in the fight against the outbreak.

Efforts of the State-owned energy companies can ensure that power supply plays a vital role in the combat against the outbreak, said Lin Boqiang, head of the China Institute for Studies in Energy Policy at Xiamen University.

The average flow of the Yangtze River in Yichang, where the reservoir is located, was recorded at 8,240 cubic meters per second in January, said the company. It is up nearly 70 percent from the average levels seen in the previous years.

According to the Yangtze River Water Resources Committee, the average inbound flow at the reservoir in January reached 5,850 cubic meters per second, while the outbound flow reached 7,850 cubic meters per second, meaning the discharge volume reached 2,000 cubic meters per second in the month. The reservoir will maintain an outbound flow of approximately 7,000 cubic meters per second in early February.

The increased discharge ensured the water and power supply in the downstream areas and also met the shipping demand during the drought season, it said.