

China soy buyers ask exporters to guarantee coronavirus-free cargoes

BEIJING: China's soybean buyers are asking exporters to sign a letter guaranteeing that their cargoes are not contaminated with the novel coronavirus, US and Brazilian soy industry officials said on Tuesday.

The move comes as China tries to prevent any risk of new Covid-19 infections from imported goods as it takes aggressive measures to contain a recent spike in coronavirus infections linked to a sprawling wholesale food market in Beijing.

Two export traders contacted by Reuters said their companies have not responded to the request and are looking to federal agriculture officials or broader industry groups like the North American Export Grain Export Association or Brazil's export grain association Anec for a unified response.

The US and Brazilian departments of agriculture did not immediately respond to requests for comment.

Sergio Mendes, director general of Brazil's Anec, said the group is studying its response. Contamination is virtually impossible as the ship loading process is almost entirely automated, he said. "We would be guaranteeing the unimaginable," Mendes said.

Last week, the General Administration of Customs asked overseas suppliers of meat and fruit to sign declarations ensuring the safety of their shipments to China.

Efforts to ensure soybean cargoes are free from the coronavirus are coming from local customs authorities however, not Beijing, said Zhang Xiaoping, China director of the US Soybean Export Council.

The local offices have asked Chinese importers to guarantee shipments are safe and importers have been seeking such commitments from soybean exporters in recent days, he said.

"Seems ripe for false positives," a US soybean export trader said, who asked not to be identified in order to speak frankly. "How in the world do you argue that you verified it to be coronavirus free? We have not responded to it." Port workers unloading beans present a greater risk for contamination than the beans themselves as bulk shipments spend at least three weeks at sea, longer than the virus can survive without a host, said Iowa State University grain quality expert Charles Hurburgh, a professor of agricultural engineering.

"No one will certify to that risk, I am sure," he said.

China is the world's top soybean buyer and is expected to import about 94 million tonnes in the 2019-20 crop year, mostly from Brazil and the United States. Imported soybeans are crushed to produce soymeal to feed livestock.

It is not clear how many exporters have signed such letters, said Zhang.

A China-based trader with an international firm said the company had received numerous letters from Chinese crushers seeking such promises of coronavirus-free cargoes.

The trading firm had not yet signed any letters as it is seeking guidance from its home country's authorities, he said.