

**Universität Hohenheim**



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Masterarbeit zum Thema

**Struktur und Wirtschaftlichkeit der Milchproduktion und  
–verarbeitung in urbanen Gebieten in China  
( Fallbeispiel: Großraum Peking)**

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## **Abstract**

This paper focuses on the structure and competitiveness of China's dairy sector. Empiric data was used to calculate the income structure of milk production. 9 farms have been visited out of which 4 are family farms, 2 private and 3 state owned farms. Due to incomplete data and bad data quality only 5 farms could enter in the analysis.

The history of China's dairy industry is very short and only since the open-door policy in 1978 it is the most quickly-developed food industry and gains more and more importance. Demand is increasing rapidly, especially in big cities like Beijing. Per-capita consumption is still far lower comparing to the average consumption worldwide.

The study comprises a cost-effectiveness analysis and the results show a revenue of 1827 Yuan and 1937 Yuan for family farms, 4597 Yuan for the private farm and 6926 Yuan and 7388 Yuan for state owned farms. According to statistics in China, the average revenue out of one single dairy cow is approximately 3500 Yuan per annum and 500 Euro, respectively. Hence, the own results are even higher as mentioned in literature and the dairy production is a way to promote the enhancement of farmers' income. Comparing small scale agriculture dairy production accounts for a significant higher net income even so revenues are still far below income possibilities in other sectors.

Small scale dairy production is not competitive in comparison to state or commercial farms due to firstly a low labor efficiency and secondly a non-optimal business organization due to outdated technology and husbandry systems. To overcome these major problems this paper suggests to improve the management. Here the European cooperative structure could function as model. Second family farms should be strengthened and be used as a basis for a future competitive dairy industry. Last structural adjustment and an advanced quality management have to be built up and enforced.

The Melamine-scandal shaken the consumer's confidence in China's dairy industry but at the same time revealed existing management problems. Now China's governments' prior aim is it to secure quality standards and discusses the reorganization and extension of family farms as a means.

Thus the scandals functions as a chance for Chinas dairy industry to solve its problems and position itself new on the market.