IV-2 Consumption

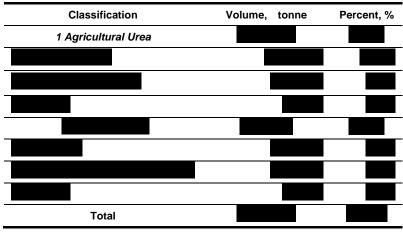


Table IV-2-1 Consumption situation of urea, 2008

Source: CCM International

IV-3 IE analysis

Table IV-3-2 Top10 importers by volume, 2008

Destination	Volume, kg	Share by volume	Value, USD	Share by value
India				
USA				
Korea				
Mexico				
Philippines				
Vietnam				
Bangladesh				
Taiwan province				
Chile				
Japan				
Total				

Source: CCM International

V-2 Policies on urea industry in China

Since urea industry plays a crucial role in China as a big agricultural country, Chinese government has issued several favorable policies on the industry to ensure farmers' income and crop output.

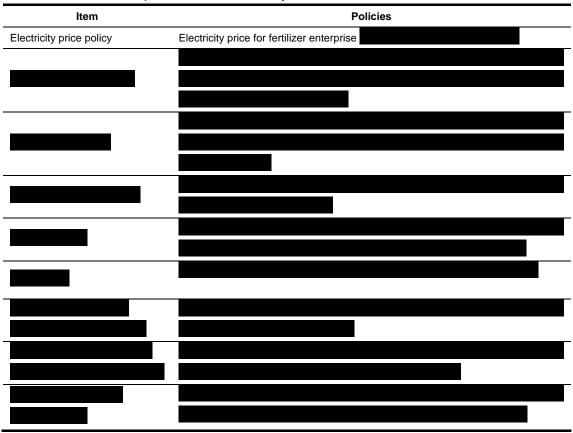


Table V-2-1 Favorable policies on urea industry

Source: CCM International

Electricity price policy, transportation policy, income tax policy, and value added tax policy have been ...

It is expected that Chinese government will ... in urea industry.

- Price control

Price control was once a useful method to curb high price of urea, but

- Export tax

As the fertilizer export policies are not very strictly implemented, domestic urea market