



Fuhua Tongda to acquire 65,000-Tonne Glyphosate capacity quota from Shandong Yier Chemical

22 July 2026 | News

Capacity transfer strengthens Fuhua Tongda's position among the world's largest glyphosate producers while aligning with China's industrial capacity control framework



Fuhua Tongda Chemical Co., Ltd. has announced plans to acquire a 65,000-tonne-per-year glyphosate production capacity quota from Shandong Yier Chemical Co., Ltd., a move that will significantly expand its manufacturing footprint and reinforce its leadership in the global herbicide market. The proposed transfer enables Fuhua Tongda to increase its glyphosate production capacity under China's capacity replacement policy governing high-energy and high-emission industrial projects. Rather than constructing new facilities, the company will secure existing production quotas through a negotiated transaction, providing a faster and more cost-efficient route to expansion.

Prior to the transaction, Fuhua Tongda operated approximately 153,000 tonnes per year of glyphosate production capacity, placing it among the world's three largest manufacturers of the widely used non-selective herbicide. The addition of Yier Chemical's 65,000-tonne quota is expected to further strengthen the company's competitive position in both domestic and international crop protection markets.

Shandong Yier Chemical, established in 2003, is a state-designated pesticide manufacturer specialising in the research, development, production and marketing of agrochemicals and fine chemicals. The company is also recognised as one of China's key producers of PMIDA, a major intermediate used in glyphosate manufacturing, alongside glyphosate itself.

The transaction reflects China's ongoing efforts to optimise industrial capacity through quota transfers rather than unrestricted expansion. Under the country's "two-high" policy, which regulates industries characterised by high energy consumption and high emissions, companies seeking to add production capacity must obtain equivalent quotas from existing operators.

For Fuhua Tongda, the acquisition offers both strategic and operational advantages by accelerating expansion while reducing the capital expenditure and approval timelines typically associated with greenfield projects. The deal is also expected to reinforce Leshan's position as one of China's principal glyphosate manufacturing hubs, supporting further industrial concentration within the region's green chemical sector and strengthening the city's role in the global agrochemical supply chain.