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## China - Peoples Republic of

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### China Exporter Guide

**Report Categories:**

Agricultural Trade Office Activities

Exporter Guide

Food Processing Ingredients

Food Service - Hotel Restaurant Institutional

Retail Foods

Promotion Opportunities

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**Report Highlights:**

Mainland China has grown to become one of the largest markets for U.S. food and agriculture exports in the world. It is also an extremely diverse and highly fragmented market. Growth is likely to continue, shifting toward the fast-growing second and third tier cities. This report provides a general profile of the China markets for interested exporters.

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## Section 1. Overview

### 1.1 Economic Situation

Since 2010, China has become the second largest economy in the world (CIA World Factbook, International Monetary Fund, World Bank) and the world's largest exporter. It currently has a \$ 11.29 trillion GDP in Purchasing Power Parity Index (2011 estimate). After five years of over 10% economic growth (2003-2007), China's GDP growth rate has weakened in recent years to 9.1% in 2011, after tightening measures were put in place to combat high inflation from a credit-fueled stimulus in 2010-2011. Its GDP growth is expected to weaken even further to 8.2% growth in 2012 and 8.6% growth in 2013, (World Bank) due to tighter domestic policies and a weaker global economic environment.

#### GDP Growth Rates in Percentages (%)

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
9.1	10	10.1	11.3	12.7	14.2	9.6	9.2	10.4	9.1

Source: [World Bank](#)

China's economic growth is uneven; there is greater economic development in the coastal provinces than in those in the interior. Further challenges that plague China's economy include a high savings rate and low domestic demand, sustaining job growth, debt from the recent stimulus program, and a property price bubble. While China has many economic challenges to overcome, it continues to have strong consumption growth, sustained consumer confidence, increasing household income, and declining inflation. , Notwithstanding since June 2010, there has been a gradual appreciation of the yuan, which had previously been pegged to the USD since the beginning of the financial crisis. China recently announced its 12<sup>th</sup> Five Year Plan in March 2011, which features economic reforms and an emphasis on increasing domestic consumption in order to become less dependent on exports.

However, its household savings rate is alarmingly high. Average consumers save about 80 percent of their income, which is preventing China from becoming a consumer economy comparable to the United States. Another issue is the limited investment options offered to average citizens, which has inadvertently stimulated real estate prices that many analysts consider an unsustainable bubble.

### 1.2 Demographic Developments

Demographic characteristics in China have generally remained consistent: universal marriage, nuclear households, a preference for sons, rapidly declining fertility, reduced infant mortality, and a rising life expectancy. The new main trends in demographic developments in China include a gender imbalance, longer life expectancy, below replacement fertility levels, and, since 1990, an increasingly aging China. The one child policy has created an incentive for couples to marry at a later age and start having children near 30 years of age. Currently most concerning to demographers is the below replacement fertility level and the increasingly aging China, as such is expected to not only shrink China's population in a few decades, but increase the dependency ratio, thereby potentially slowing down economic growth.

China's population age structure is characteristic of a mature, working age population (15-64 years old). However, since its peak in 2011, the proportion of the population in their working age is declining. This has negative implications for China's population age structure, productivity and consumption effects, and dependency ratio. Demographers project that China's population age structure will become one characteristic of an old population. Furthermore, China's dependency ratio (number of dependents) is projected to increase from 2012 onwards; the composition of the dependency ratio (which is made up of youth dependents and elderly dependents) will shift from youth centered to elderly centered as the old age dependency ratio surpasses that of the youths in 2020. Demographers predict that China's aging population will only become a serious problem after 2025. Older populations characteristically tend to consume more and produce less, whereas working age populations tend to produce more and consume less. The movement of China's population age structure from a working-age one to an elderly one has potentially beneficial implications for imports as Chinese are willing to spend more on food with a reassurance of health and safety for the elderly and only children.

Other demographic changes include significant internal migration and a rapidly increasing urbanization rate as migrants, many of whom illegally "float," move towards the Eastern and Southern cities. There are about 10 million people who are leaving farming every year and, in the most dynamic cities in China (ex: Shanghai, Beijing, Guangzhou and Shenzhen), about 20-30% of the residents registered their household as somewhere else in 2003. These cities currently feature the greatest economic development and rapid economic growth, the largest proportion of working age population, the oldest population, the smallest households, and the highest percentage of urbanization and education as compared to the central and Western regions. Compared to that in the Central and Western regions of China, the population in the Southern and Eastern cities is aging at a quicker pace. The initial migration patterns came as a result of Deng's Opening and Reform Policies in 1978 which began in special economic development areas located in the Pearl River Delta. By pricing agricultural inputs low to fuel industrial growth and development, China's leaders created economic incentives for peasant labor to migrate from the countryside to cities.

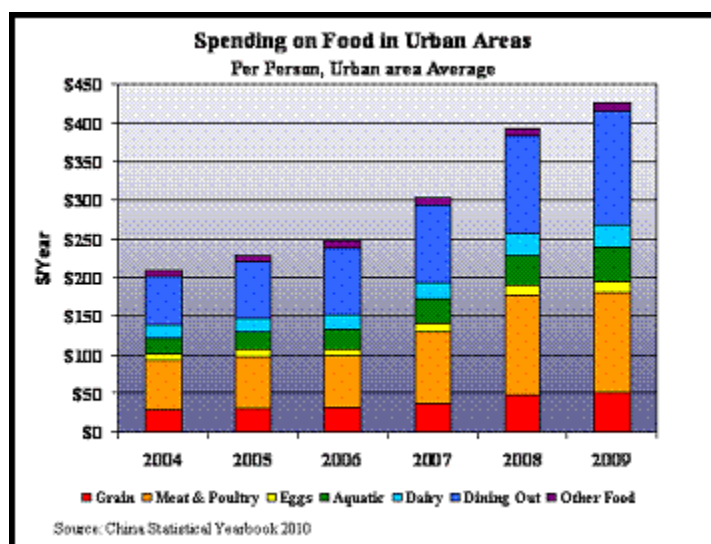
The Central and Western regions feature lower population densities and more minorities- whom have a greater natural increase than the Han majority because of a relaxation of the central family planning for minorities.

### **1.3 Consumer Buying Habits**

China's growing economy and increasing incomes have created a new class of Chinese consumers- ones who prioritize quality (defined by brands they trust), lifestyle, health and safety- (many times influenced by Chinese medicine which defines many food and beverage items as functional rather than nutritional) and ones who are willing to spend more on prestigious items. Growth in premium products, many of which are imports, has greatly increased over the past few years. More and more Chinese consumers are buying products which were previously seen as too expensive, such as organics, higher value vegetable oils, dairy products, meat, and seafood. Recently, due to food safety scandals and the financial crisis, there has been a trend towards eating more at home and eating out less. ([CH0816](#)).

The new business elite is very status-conscious and not very price-sensitive; thus, they are willing to spend more on products that connote quality and prestige, as, for example, imported products. These consumers typically trust famous brands although, for unfamiliar products they also tend to judge quality based on price. For example, when purchasing imported wine, consumers largely buy on price and on the country of origin. France has invested heavily to build the brand, making them the default origin of choice for consumers. Nevertheless, consumers are eager to learn and form their own opinions about these products.

Traditional consumer habits still pertain- the emphasis on freshness for meat and produce, expensive gifts, etc. Moreover, Chinese are willing to spend more on food for babies and the elderly, as high quality foodstuff for these two particular demographic groups are seen as extremely important and moreover, are purchased as gifts for others. While most traditional consumer habits remain, a positive income effect is shifting consumption away from staple foods (pork, rice and vegetable oil) and towards greater protein consumption.



### ***Greater Meat & Seafood Consumption***

Officially reported meat consumption averaged around 6 kg/ month during the summer of 2011; however, these numbers are expected to be higher as meat consumption in non-home settings was not taken into account. Out of all meats, pork is the most widely consumed meat, with poultry and beef following. Meat consumption varies by region: Chengdu has the highest meat consumption, followed by Beijing and Nanjing.

Chinese are also purchasing more live seafood, providing a very large market for seafood exporters. The declining local supply of seafood helps boost the export boom in live seafood. High-end restaurants, which typically feature tanks with live seafood which the customers can then pick out, are the ones who are importing the most. See the report titled [Live Crab & Lobster Exports Boom](#) for more details.

### ***Frozen & Processed Foods***

Partly due to increasingly busy lifestyles, there has been a growth in demand for more heavily processed foods and frozen foods. These are mostly high starch and in low protein. While frozen food demand typically targets traditional Chinese products such as dumplings (jiaozi or guotie), black sesame balls (tangyuan), wonton, and noodles, manufacturers are currently seeking ways to transform these traditional products to differentiate themselves from the competition. For example, Sanquan, a frozen food giant, has already started producing fruit-flavored tangyuan and is importing blueberry fillings from the U.S. for use in such products. Thus, there is a rapidly growing potential market in frozen foods materials and frozen foods for exporters; Furthermore, there is a shift in the Chinese diet towards more western style packaged foods and supermarkets, and away from wet markets. Younger workers prefer frozen food and packaged foods because of the convenience especially since most urban couples hold two jobs. See [Frozen Foods an Opportunity for U.S. Exporters](#) report and the [2012 Annual Report](#) on food manufacturing for more details.

#### 1.4 Consumer Foods Market Size & Growth

For the past 30 years, the Chinese food industry has grown rapidly; 2010 gross sale value nearly reached \$812 billion USD, food exports reached \$41.1 billion USD, and imports reached \$21.6 billion. The CPI reached 6.5% in mid 2011, which coupled with rising labor costs, weaker export markets, and higher prices made growth much harder. From 2004 to 2009, urban Chinese have increased their spending on food by almost 30%, measured in USD, with annual food purchases in Shanghai, Beijing, and Guangdong topping average. Moreover, average food purchases in Sichuan and Chengdu came in around average, delineating the great potential in Western China. See the [2012 Annual Report](#) for more details.

#### 1.5 Advantages and Challenges Facing U.S. Suppliers of Food Products to China

Advantages	Challenges
U.S. products are regarded as high in quality, and manufactured with high safety standards.	Limited distributors- especially a problem for processed products such as snack foods and wine imports
Consumers are interested in new tastes. They respond well to new packaging and features.	Limited cold chain distribution facilities
Many U.S. brands are widely recognized and respected in China's major urban markets.	Many U.S. products are more costly than their local counterparts. Overall incomes remain relatively low, with imported products selling mainly to higher income groups.
Purchasing power is growing rapidly in second and third tier cities, creating a whole new range of opportunities.	Consumers are price sensitive, and often unwilling to risk spending money on unfamiliar products without trying them first.
Western foods are more widely available than ever, and growing in popularity with consumers. For example, dairy products (CH11766), snack foods and breakfast cereals	Many U.S. companies have established plants in China, manufacturing their products in China with Chinese ingredients.
China's entry into the WTO reduced tariffs on a wide range of imported products. However, countries	Distribution and logistics remain underdeveloped outside of the largest urban centers, making

with free trade agreement are receiving the bulk of the preferential treatment with lower duties and seamless import procedures.	distribution of imported products to interior cities difficult.
The number of qualified distributors for imported food in the Mainland China market is growing, along with the volume of direct exports. However, U.S. bulk commodities account for the lion's share of total U.S. agricultural exports to China.	Lack of knowledge about U.S. products and how to prepare them properly makes consumers hesitant to buy.
Rapid growth in retail chains has created the potential for bulk sales, with consequent improvement in pricing, merchandising and handling.	Labeling regulations and sanitary restrictions limit access to the market. Enforcement of regulations is haphazard, creating confusion for exporters.
China is the world's largest food market and also a large processor of many food categories that supply both domestic and export markets.	Many U.S. fruit, tree nut and frozen meat exporters continue to rely on gray market channels, reducing their level of contact with end users and understanding of the market.
Upscale food manufacturers eagerly look for high quality ingredients that add value to their products, increase their profitability and raise their image. Leading food producers are more likely to use imported ingredients to develop new products.	Purchasing by most foreign-invested chains remains decentralized, preventing them from sourcing in bulk. Close relationships between store managers and local distributors help to reinforce this tendency, though entry fees are high and payment options benefit the retail chain disproportionately.
Increasing concerns about food safety and health creates more opportunities for high quality ingredients.	Fragmented markets in a geographically large nation with underdeveloped logistics and infrastructure as well as a cold chain refrigeration management system that is backed by policy as well as required by supermarket retail chains.
A large number of emerging city markets offer tremendous opportunities for further growth.	Food processing, retail and HRI sector as well as distribution channels in less developed areas lag far behind those in the affluent coastal region, hampering further penetration and there is no incentive by the smaller producers to increase safety or quality.
The ongoing appreciation of Chinese RMB makes U.S. products more competitive in this price sensitive market.	Incomplete Chinese standards and discrepancies between Chinese and U.S. standards may create technical barriers to trade.
A cost advantage makes China a good base for value-added processing.	Increased access for imports has resulted in greater competition from other exporting countries especially those with free trade agreements. TBT and SPS issues impact trade.
Urbanization and changes in living styles favor consumption of more processed food.	Logistics and distribution channels in newly developed areas still lagging. There is also limited trade service and promotional support in 2 <sup>nd</sup> and 3 <sup>rd</sup> tier cities markets.
High-income earners favor products that can improve their quality of life, and are willing to pay a higher price.	Infringement of intellectual property rights remains a serious concern in China.

there is great focus for children and the elderly to consume safer and healthier food.	Basic agricultural production is not well integrated with the commercial food processing sector.
Effectiveness of the Food Safety Law and establishment of the State Food Safety Commission will create a friendlier environment for the food processing industry. Huh? No way! Enforcement and stricter punishment measures might but these are long-term goals.	Political friction between China and the U.S. adversely affect trade.

## SECTION 2. Exporter Business Tips

### 2.1 Local Business Customs

China's business culture values age and hierarchical position, the importance of personal relationships, group orientation, and the concept of face ("what others think of you" or "others' impression of you"). Often business lunches/ dinner and banquets are used to help develop personal relationships, establish face, and impress potential partners and/or clients. For more information about business customs, read FAS reports: [CH6820](#) and [CH4836](#).

### 2.2 Consumer Tastes

Chinese tastes vary greatly by region. While the Chinese generally prefer traditional tastes, consumers are eager to experiment with new tastes, providing a great potential market for exporters. Moreover, recently, in top tier cities, an international and fusion dining cuisine have developed as expatriates, tourists, business people, and international visitors have influenced local tastes. This creates an opportunity, for imported products to be featured on menus. Local dishes prepared with high quality imported products are becoming more common.

Regardless of region, the Chinese have certain similar preferences including an inclination towards freshness, smaller dish portions, attractive packaging, and brand-names. As a result of the recent food scandals, tastes are trending more towards high quality food products, as these are more likely to be safe. Imports are also seen as safer than local products.

Regional Patterns: Northern China (including Beijing) tends to prefer savory dishes. However, many habitants in Northern China also prefer spicy foods. East China (Shanghai) prefers sweet dishes. Central China (Sichuan and Hunan) prefers spicy and hot foods. Finally, South China (Guangdong, Fujian) prefer "pureness" and more delicate and varied tastes and textures, rather than heavily seasoned food with particular emphasis on steamed seafood dishes and exotic foods.

Wheat-based dishes (noodles, dumplings) are more common in Northern China, while the southern half favors rice-based meals. While pork is the preferred meat nationwide, beef and mutton are more widely consumed in the North and West. Turkey meat is also finding a good market in the far west province of Xinjiang.



## 2.3 Regulatory Framework

The Chinese government has published many regulations on the standards and labeling of foodstuffs. FAS has prepared reports on Chinese rules and regulations, which exporters should read in order to make informed business decisions. For an overview of Chinese government regulatory framework, please see the [China FAIRS Report](#) and FAIRS Subject Reports: [Food Administration Qualification FAIRS Subject Report](#) , [Food Safety Standards FAIRS Subject Report](#).

Recently, the Chinese government has published new regulations for organic and meat foods.

### **Organics:**

As of March 1, 2012, the Chinese government has implemented new organic standard rules as well as stricter enforcement in regulating the labeling of imported organic products. The Chinese Organic Standards law states that in order for any foodstuff to be labeled organic in any language, it needs to meet Chinese organic standards. Despite this, some cargoes of organic products have been able to enter, provided that they are not labeled as organic in Chinese. Acquiring this organic certification is expensive, and to some exporters may not be worth the cost. More information about Chinese organic standards can be found here: [Chinese Organic Standards Overview](#).

### **Meat, Directives:**

The Chinese government has recently published new directives on meat standards. Below is a summary of some of the new directives:

- *Directive #64- bans U.S. Processed Meat Products*  
Importers currently have to apply for import permits from China's Ministry of Agriculture (MOA) as China does not have national food safety standards for animal fats or processed meat. However, Directive #64 has banned imports of U.S. animal fats and processed meat products. For more information, see [GAIN Report on Directive #64](#).
- *"In lieu of" paper certificates need to be replaced with electronic ones*

USDA Food Safety Inspection Service (FSIS) "in lieu of" paper certificates for U.S. frozen meat products are no longer accepted for entry into ports under the supervision of the Shenzhen Quarantine and Inspection Bureau (CIQ). Only electronic certificates will be accepted. For more information, see [GAIN Report on "in lieu of" Certificates](#).

### **Intellectual Property Rights (IPR) Protection**

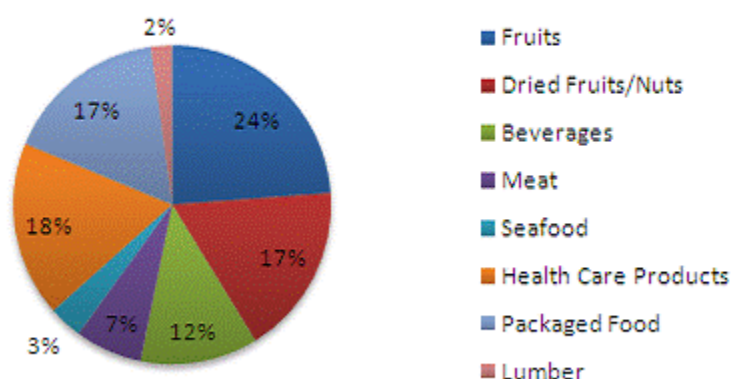
One of the greatest challenges facing U.S. exporters in China is the infringement of intellectual property rights. While China has strengthened its legal framework and IPR laws and regulations since joining the WTO, counterfeiting still remains a major problem. In fact, on average, 20% of consumer products in China are counterfeit.

Certain aspects of China's IPR laws are different from those of the United States and would be useful to exporters to know: China uses the first-to-file system for patents and trademarks. The first-to-file system, unlike the first-to-invent rule which the U.S. follows, grants patents or trademarks to those who file for such first, whether or not they are the inventors of the product. Thus, third parties are welcome to file for patents and trademarks without ownership of the product in question.

IPR for food products is minimal- especially for fresh and dried fruit, health supplements, beverages and packaged foods, and nuts.

The most common infringement issue was misleading claims about the origins of products- products were labeled or advertised to appear as though they came from the United States or other foreign countries. Highly recognized brands and unregistered trademarks are in most danger of counterfeiting trademarks. Wholesale markets, furthermore, were the most common places to find counterfeit food products. ATO advises that in order to reduce IPR infringement, exporters should educate, legally protect intellectual property, attack key distribution centers- namely wholesale markets, and have geographic certification labels to validate the authenticity of the U.S. grown products. For more information about IPR infringements on foodstuff, please see [CH10016](#).

**Infringement by Product Category**



FAS recommends that IPR protection begin before exploring Chinese market and is useful for any goods, even if they are not sold in China. Since China is a 'first registration' country, companies are advised to first register in the U.S. and use the registration paperwork to process a registration of intellectual property in China.

For more information on protecting IPR infringements, please see the U.S. Embassy's [IPR Handbook](#).

## **2.4 Notes on Distributors**

While distribution has improved in China over the years, especially in Beijing, Shanghai, and Guangzhou- where the majority of the big distributors are located, it is still greatly underdeveloped from the major cities to 2<sup>nd</sup> and 3<sup>rd</sup> tier cities. While China has built an intricate highway system, the trucking industry is heavily fragmented and cold-storage management including vehicles and warehouses are limited; thus, distribution is typically handled on a local basis with no government or industry standards in place as a guide for best practices. Furthermore, China's cold-chain system is rudimentary. Chinese

manufacturers of temperature sensitive products (or perishable goods) typically limit their destination to a single region, or else purchase and operate their own cold transport and storage facilities.

Distributors often require deposits or payments for imported food in advance of delivery, and many products change ownership multiple times before reaching the final destination thus increasing the value but not necessarily the quality of the food item.

Retail distributors are generally wary of new products because nearly all of the market risk falls upon them. There are generally two categories of distributors in retail: larger ones who are able to source larger volumes, and specialists who focus on one particular area and source smaller volumes, but market aggressively. Some large retailers may also serve as distributors/wholesalers mostly with their own private labels.

While China's distribution system lags far behind its economic and trade growth, it is improving. For instance, HRI distribution channels are usually more developed than traditional distribution channels; exporters may want to look into these channels first. Moreover, international retailers, such as Metro, are focusing on building nationwide distribution networks. Newer domestic specialty chains, such as BHG, have unified distribution networks that are being expanded to interior China as the chain grows.

## **2.5 Market-Entry Guide**

Just as in entering any market, entry into the Chinese market is hard, but potentially profitable. China's economic growth, shifting population, and changing views on foreign products make it an exciting, immense market with excellent potential. There are many resources available to help exporters enter into the Chinese market. While entry into the different sectors (Retail, HRI, E-commerce, Food Processing, etc.) is different, there are general tips for market entry that apply to all:

The single most important fact about China as a market is that it is immense and extremely diverse. As a result, it is critically important to pick one specific market (a city or a province) and a specific target demographic within it. Do as much research about the particular target market as possible. Tastes, consumer habits, logistics and regulatory practices vary widely, making it risky to apply broad generalizations or to seek to use the same approach that worked somewhere else in China.

For smaller exporters who do not have the resources to set up distribution in China, partnerships are the single most important factor in success or failure. Establish a relationship with distributors before you begin shipping products to China. Keep in mind that there is no substitute for regular face-to-face meetings with your partners and site visits – China is not a good market to attempt to set up operations and then walk away. Constant monitoring is essential. Finding a good partner can be difficult (see section 2.4 above) as there are a limited number of reputable distributors and most are not well known in the United States. In recent years, some retail chains have been involved in direct purchasing. ATOs keep lists of distributor contacts and can provide advice on good distributors for your product, as well as general market advice. However, finding and meeting face to face with a distributor before engaging in business is vital to conducting trade as distributors are the ones who will be directly handling the products and can offer vital information on marketing and promotion. Trade shows are often good

places to meet distributors and others in the market. Different ATO posts in China sponsor many of these and we suggest you contact each office separately

Lastly, pay attention to business culture (section 2.1) as *guanxi* (cultivating relationships) is extremely important in China.

- For particular tips about entry into the retail sector, read section II of the [CH0816](#).
- For entry into the food processing sector, read section II of [CH0407](#).
- For entry into the HRI sector, read [CH7402](#)

Contact the respective ATO office for more information and guidance on exporting to China.

## **Section 3. Market Sector Structure & Trends**

### **3.1 Food Retail**

Imported foods now sell to a range of different demographics. Expatriates and returned Chinese used to form the high end of the market, but this is now taken by wealthy Chinese. Expatriates are typically seeking familiar products that are not available in local markets (such as breakfast cereals), but are somewhat price sensitive and sufficiently familiar with the product to accept generic or off-brand versions. Specialty retailers to these communities are well-established, although some, like City Super in Shanghai, have managed to embrace the emergent market for the wealthiest Chinese as well. Wealthy Chinese are seeking both a guarantee of quality and prestige when they buy imports. As a result, famous brands are especially desirable, even if somewhat more expensive. Specialty retail chains such as BHG and Olé have emerged to cater to these buyers, and tend to focus on products with special health claims and high prestige value. Because of the importance of authenticity and quality, these chains typically handle their own logistics, or work closely with their distributors. Conventional hypermarket and supermarket chains carry a limited assortment of imported products, but sell to a much broader audience, Metro being an important exception. These chains typically source from a local import products distributor, and due to China's fragmented distribution and logistics, the arrangements vary widely from market to market as due the entry fees levied on traders who wish to market their products on their shelf space. Logistics problems are aggravated for temperature sensitive products, as China has no nationwide cold-chain trucking industry.

#### **Hypermarkets**

Hypermarkets, a hybrid supermarket and department store, are dominated by foreign operators- Carrefour, Walmart, Jusco, Metro, RT Mart and Tesco; although domestic operators do exist: CRV and Lianhua. These hypermarkets are extremely concentrated and tend towards certain favored distributors; they dislike working with unfamiliar companies. While imports are barely over 5% of SKU's, hypermarkets still remain the best retail venue for imports as they are extremely familiar with imported brands and products. They frequently undertake promotions for imported products, and organize free sampling events; however, for such promotions, exporters or distributors are often charged a fee or other service charges. Hypermarkets are typically located in 1<sup>st</sup> tier cities; however, they are rapidly expanding into 2<sup>nd</sup> and 3<sup>rd</sup> tier cities all over China.

## **Supermarkets**

Supermarkets are more dominated by domestic companies and unlike hypermarkets, they are more fragmented. While dominated by domestic companies, international hypermarket companies have attempted to expand into the supermarket realm- for example, Tesco started its supermarket chain Tesco Express in 2008 in Shanghai and in 2009, Walmart expanded into neighborhood market outlets. Supermarkets rarely carry imported foods, but if they do, they tend to buy directly from the importer rather than from a third party source. Of the limited imported foods that supermarkets do carry, those which the best sales are commodities that are already widely available; for instance, fruits, vegetables, and nuts. U.S. exporters looking to sell to supermarkets have the best chance with small private chains and should establish direct contact with the company managers before conducting business. The main customers of supermarkets are price-sensitive working class members.

## **Specialty Supermarkets/ Boutique Shops**

Specialty supermarkets and boutique shops have drastically increased in the past few years. These shops are typically located next to high-end department stores or business centers and carry 10-80% imported products. The target customers of such shops are upscale consumers in 1<sup>st</sup> tier cities, although these specialty shops and boutiques are expanding into 2<sup>nd</sup> tier cities. For exporters looking to join this market, retail-only and even HRI distributors are useful and necessary.

## **Convenience Stores**

Convenience stores exist in the main cities and while they have low levels of imports and are less familiar with imports, there is considerably high interest for imported products in such stores. Problems facing foreign imports include logistics and the need for small package sizes. In some regions of China ATOs have had success promoting U.S. snack foods, as in ATO Guangzhou's promotion with the Mannings convenience store chain. CH11669

## **New Trends in Retail:**

New trends in the retail sector include an increase in mergers and acquisitions, leading to an increasingly consolidated market; a movement towards direct sourcing from farm cooperatives or internationally; the creation of more supermarket branches from hypermarkets companies; and an increase in private labeling products from hypermarket/ supermarket/ convenience store companies themselves.

Furthermore, the specialty retail market, targeting wealthy Chinese, is booming. Retailers such as BHG and Ole have used the growing concerns about food safety and quality to develop a special marketing angle- they guarantee the authenticity and safety of the food they carry. Because these chains control their own distribution channels, as these chains develop, their own distribution channels will too develop, thus improving distribution abilities in China. For more information, see [Profiles in Retail: Beijing Hualian Group](#).

For more information about retail, please see GAIN report , CH11773, [CH0816](#), CH11777, and [CH7821](#).

### 3.2 Hotel, Restaurant & Institutional (HRI)

China's HRI sector is rapidly developing, thanks to growing demand from expatriates, tourists, business officials, and middle and high class nationals. However, it is the wealthy and middle- class urban nationals who are the primary customers of HRI. Recent international events hosted in China, such as the 2008 Beijing Olympics, 2010 Shanghai Expo, the 2011 Guangzhou Asia Games, and the Shenzhen Universide have increased demand for high quality imported foods.

HRI is great for introducing imported foods, as business dinners and banquets play a huge role in supporting the HRI sector. These dinners are often charged to large expense accounts; thus, price is not an issue, but high quality ingredients and presentation is. Thus, imported products are increasingly demanded to fulfill these requirements.

#### *Hotels & Resorts:*

While the 2008 financial crisis certainly has had a negative impact on hotels, many predict that business will increase when the economy recovers from the crisis. For the hotel and resort sector, food service accounts for a large part of the total revenue; outside guests frequently visit the hotel restaurants. Hotels usually purchase in bulk and groups, and international hotels prefer purchasing imported products- in fact, 30-50% of the total food purchases are imported foods.

#### *Restaurants:*

Although different regions of China have vastly different taste preferences in food, in first-tier cities, such differences are diminishing. Tourists, expatriates, students, and foreign business people all influenced the creation of an international cuisine culture in these cities; as a result, many restaurants feature different international cuisines. Cafés, premium restaurants, and bars are also growing rapidly as dining preferences increasingly shape around ambience, high quality food, and service. The fast food service sector is also rapidly growing as longer work days and shorter lunch breaks have increased demand for quickly prepared products.

#### *Institutional Food Service:*

Office complexes and private companies have recently started demanding institutional food services. Nevertheless, not all HRI has strong potential for imported foods. Local lunchbox catering companies prioritize low cost over other factors. Many businesses order these lunchboxes for their employees, which ranges from \$0.50 USD to \$4.00 USD. Imported products are typically not used in these boxed lunches.

Item	2006	2007	2008	2009	2010
<b>Hotels and Catering Services</b>					
Number of Corporation Enterprises (unit)	22091	25041	37151	35192	37308
Business Revenue (100 million yuan)	3125.5	3711.5	4824.4	4947.1	5993.0
From Meals (100 million yuan)	2017.8	2427.0	3246.1	3373.1	4037.1

Hotels						
Number of Corporation Enterprises	(unit)	10269	10971	14628	14498	15713
Business Revenue	(100 million yuan)	1551.9	1804.3	2231.6	2260.7	2797.8
From Meals	(100 million yuan)	607.2	715.7	887.7	931.8	1143.9
Catering Services						
Number of Corporation Enterprises	(unit)	11822	14070	22523	20694	21595
Business Revenue	(100 million yuan)	1573.6	1907.2	2592.8	2686.4	3195.1
From Meals	(100 million yuan)	1410.6	1711.3	2358.4	2441.3	2893.2

-Scope of hotels and catering services for 2006 and 2007 covers enterprises and establishments above designated size; those for 2008-2010 covers enterprises above designated size.

-For the designation of size for 2008-2010, the indicator was based on income from principal business; for other years, it was based on business revenue or turnover and engaged persons.

Source: China Statistical Yearbook 2011

Item	Number of Corporation Enterprises (unit)	Business Revenue (100 million yuan)	From Meals
<b>Catering Services by Sector</b>	<b>21595</b>	<b>3195.1</b>	<b>2893.2</b>
Restaurant	20106	2478.1	2194.3
Fast Food	764	572.8	566.9
Beverages and Cold Drinks	170	33.8	31.4
Others	555	110.4	100.6

Source: China Statistical Yearbook 2011

Item	Number of Head Stores (unit)	Number of Stores (unit)	Business Revenue (100 million yuan)
<b>Total</b>	<b>415</b>	<b>15333</b>	<b>955.42</b>
By Business Categories			
Restaurant	225	5172	311.81
Fast Food	156	8350	591.31
Tea Shop	2	10	0.34
Cafe	8	397	15.79
Others	24	1404	36.18

Source: China Statistical Yearbook 2011

For more information about HRI, read [CH9403](#) and [CH7402](#).

### 3.3 E-Commerce

With the largest internet population in the world, China is a huge emerging platform for e-commerce. There are typically two types of e-commerce sites: one for general products and one for specialty products. General product websites offer a variety of products, while specialty websites only focus on a particular category. According to Ali Research, the top three cities in terms of e-commerce development are Guangzhou, Shanghai and Beijing respectively, indicating that first-tier cities lead the way in developing e-commerce activities. It is believed that regional imbalance in online retailing is correlated with the development of logistic infrastructure. In general, comparing with the lower-tier cities, first-tier cities have better logistics infrastructure to support the robust development of online retail market. Still, the huge number of orders generated by online retailing may pose significant challenges to many logistics players, particularly the express delivery companies.

The growing ability to use internet, improved internet security, and new, more secure payment methods all contribute to a growing popularity in e-commerce websites. Furthermore, distrust of fake products in China has contributed to such increase in use because of the ability for other consumers to communicate their satisfaction and register any complaints via online platforms.

#### Ranking of e-commerce development indexes\* among prefecture or above cities in 2011

Rank	City	Rank	City	Rank	City
1	Guangzhou	7	Nanjing	13	Wenzhou
2	Shanghai	8	Jinhua	14	Tianjin
3	Beijing	9	Dongguan	15	Zhengzhou
4	Shenzhen	10	Wuhan	16	Quanzhou
5	Hangzhou	11	Chengdu	17	Chongqing
6	Suzhou	12	Ningbo	18	Qingdao

Source: Ali Research, Haitong Securities

E-commerce currently remains a limited, yet quickly broadening platform for food exporters. Some specialty e-commerce sites offer only food products- for example, yesmywine.com only sells 100% imported wines, while yiguo.com only sells fruit. Other e-commerce platforms, such as amazon.cn and taobao.com, offer food as one of the many products which they sell. Whether focused solely on food or merely including food in the arsenal of products sold, e-commerce sites are starting new trends in selling their food-products online. For example, the leading e-commerce retailer, Taobao.com, has recently started selling organic products on its website. Exporters may want to look into this trend. While e-commerce for imported food is a relatively new field, it is a rapidly growing one; exporters interested should look into distributors and research more about this growing field.

For more information about food imports, see the [Overview of China's Online Shopping Market](#).

### 3.4 Food Processing

Although food processing and manufacturing is the largest manufacturing sector in China, it remains



relatively small and underdeveloped, and focused on primary processing (rice milling, oilseed crushing, etc.) compared to more developed countries. It is, however growing and developing at a rapid pace. As of May, 2012, there were 41,900 sizable (over 5 million RMB in revenue) food manufacturers in China with a gross industrial output value of 3.5 trillion RMB. One of the fastest growing components is food manufacturing (deep processing). This industry is scattered across China, with a number of important regional clusters. Guangzhou is particularly notable as home to a wide range of processors of beverages, instant noodles and cookies and crackers. Beijing/Tianjin is also home to a large number of noodle manufacturers and low-end chocolate makers, while Dalian and Qingdao specialize in seafood processing. Zhengzhou is also notable as the center for frozen food manufacturing and meat processing. It is also a major processor of wheat, with major manufacturers of dry and instant noodles, among other products. From 2003 to 2008 the industry grew at about 30% annually, with major processing centers appearing in the inland cities of Chengdu and Chongqing. Growth is expected to moderate somewhat due to the new Food Safety Law (June, 2009) which raised the requirements for new food manufacturers. This is part of a general drive to improve food safety, which has become a major national concern. These developments will continue to favor expansion and consolidation of the largest manufacturers, who are now become recognized as household names, and potential buyers of high-quality food ingredients.

There is growing potential in the food processing industry for exporters. Fierce competition in this sector has influenced processors to increasingly look for new products to differentiate their products from others. Moreover, as the Chinese focus more on healthy eating, lowfat, fortified, and convenient foods and are becoming more heavily influenced by western lifestyles, there is an increasing demand for frozen prepared foods and packaged foods. The import market in the food processing industry is not only limited to ingredients; in fact, there is already an increase in demand for US processed foods. For more information about food processing, read [CH0407](#) and the [Profile of North China Food Manufacturing](#).

## **Section 4. Best High Value Product Prospects**

### **Best Products Prospects**

#### ***Products Present in the Market Which Have Good Sales Potential***

- Nuts and dried fruit (prunes, raisins)
- Seafood (especially live seafood)
- Poultry meat
- Red meat (U.S. beef and related products are currently not permitted entry into China)
- Frozen vegetables (esp. sweet corn)
- Infant formula
- Baby food
- Dairy products (cheese and butter)
- Baking ingredients and bread bases
- Cereals
- Frozen potato products

- Fresh fruit (oranges, apples, especially cherries)
- Premium ice cream
- wine and spirits
- USDA certified organic products

***Products Not Present in Significant Quantities, Which Have Good Sales Potential***

- Fresh fruit (, plums, pears)
- Processed/dried fruit (blueberries, cranberries)
- Mexican, Indian food
- Ready-to-cook and ready-to-eat foods
- Natural and Organic foods (niche market)
- Functional foods

Source: taken from [CH0816](#)

## **Section 5: Key Contacts & Further Information:**

For information about Chinese government regulatory agencies in Beijing, Shanghai, and Guangzhou, read [CH1068](#).

For more information, please contact the appropriate ATO office(s).

ATO Office	Email Address	Fax Number	Telephone Number
Beijing	<a href="mailto:atobeijing@fas.usda.gov">atobeijing@fas.usda.gov</a>	8610-8531-3055	8610-8531-3950
Shanghai	<a href="mailto:atoshanghai@fas.usda.gov">atoshanghai@fas.usda.gov</a>	8621-6279-8336	8621-6279-8622
Guangzhou	<a href="mailto:atoguangzhou@fas.usda.gov">atoguangzhou@fas.usda.gov</a>	8620-8667-0703	8620-8667-7553
Chengdu	<a href="mailto:atochengdu@fas.usda.gov">atochengdu@fas.usda.gov</a>	8628-8526-8118	8628-8526-8668

## **Section 6: Appendix**

### **6.1: Fast Facts**

### **6.2: Per Capita Annual Purchases in Urban Households**

### **6.3: Import Statistics- Overall**

### **6.4: Import Statistics- Fruits & Vegetables**

### **6.1: Fast Facts**

Table One (1). Key Trade & Demographic Information, 2010: Fast Facts	
<b>Population of China</b>	(10,000 people)
Total	134091
Urban	66978
<b>Annual Total Growth Rate</b>	0.57%

<b>Unemployment Rate (Urban)</b>	4.10%
<b>GDP</b>	(yuan)
GDP	40,120,200,000,000
GDP per capita	29,992
<b>Annual Per Capita Income &amp; Expenditures</b>	(yuan)
Disposable Income of Urban Households	19109
Net Income of Rural Households	5919
Consumption Expenditure of Urban Households	13471
Living Expenditures for Rural Households	4382
Living Expenditure on Food (average)	4804.71
<b>Exchange Rate</b>	
1 USD = 6.46 RMB (2011 estimate)	
1 USD = 6.39 RMB (as of July 25, 2012)	

Sources: China Statistical Yearbook 2011

## **6.2: Per Capita Annual Purchases in Urban Households**

### **Per Capita Annual Purchases of Major Commodities of Urban Households**

Item	1990	1995	2000	2005	2009	2010
Grain (kg)	130.72	97.00	82.31	76.98	81.33	81.53
Fresh Vegetables (kg)	138.70	116.47	114.74	118.58	120.45	116.11
Edible Vegetable Oil (kg)	6.40	7.11	8.16	9.25	9.67	8.84
Pork (kg)	18.46	17.24	16.73	20.15	20.50	20.73
Beef and Mutton (kg)	3.28	2.44	3.33	3.71	3.70	3.78
Poultry (kg)	3.42	3.97	5.44	8.97	10.47	10.21
Fresh Eggs (kg)	7.25	9.74	11.21	10.40	10.57	10.00
Aquatic Products (kg)	7.69	9.20	11.74	12.55		
Milk (kg)	4.63	4.62	9.94	17.92	14.91	13.98
Fresh Melons and Fruits (kg)	41.11	44.96	57.48	56.69	56.55	54.23
Liquor (kg)	9.25	9.93	10.01	8.85		7.02

Source: China Statistical Yearbook 2011

### **Per Capita Annual Consumption Expenditure of Urban Households by Region (2010)**

[Click Here for the Excel Sheet.](#)

Source: China Statistical Yearbook 2011

**Per Capita Annual Purchases of Major Commodities of Urban Households by Level of Income (2010)**

Item	Average	Lowest Income House-Holds (first Decile group)	Poor House-holds (first five percent group)	Low Income House-holds (second decile group)	Lower Middle Income House-holds (second quintile group)	Middle Income House-holds (third quintile group)	Upper Middle Income House-holds (fourth quintile group)	High Income House-holds (ninth decile group)	Highest Income House-holds (tenth decile group)
Edible Vegetable Oil (kg)	8.84	7.82	7.48	8.41	9.01	9.14	9.15	9.08	8.74
Pork (kg)	20.73	14.98	13.33	18.39	20.21	21.84	22.63	23.35	24.05
Beef (kg)	2.53	1.58	1.37	2.05	2.40	2.80	2.91	2.98	2.96
Mutton (kg)	1.25	0.88	0.88	1.03	1.21	1.38	1.43	1.38	1.35
Fresh Eggs (kg)	10.00	7.58	6.95	8.66	9.60	10.59	11.18	11.24	11.09
Fresh Vegetables (kg)	116.11	93.68	90.01	106.23	113.15	121.85	125.32	126.04	125.42
Liquor (kg)	2.08	1.81	1.62	1.94	2.20	2.28	2.19	1.94	1.74
Fruit Wine (kg)	0.24	0.08	0.07	0.12	0.16	0.21	0.34	0.37	0.53
Beer (kg)	4.66	3.30	3.08	3.66	4.55	5.03	5.47	5.23	5.03
Tea (kg)	0.28	0.19	0.18	0.21	0.24	0.28	0.34	0.36	0.40
Fresh Melons & Fruits (kg)	54.23	34.24	31.46	42.42	49.20	57.56	63.46	66.99	70.91
Cake (kg)	5.09	3.01	2.63	3.92	4.57	5.43	5.96	6.48	6.89
Milk (kg)	13.98	7.39	6.46	9.76	11.96	14.98	17.02	19.13	20.19
Milk Powder (kg)	0.45	0.25	0.22	0.36	0.39	0.45	0.53	0.62	0.67
Yogurt (kg)	3.67	1.81	1.53	2.61	3.11	3.83	4.59	4.95	5.57

Source: China Statistical Yearbook 2011

**Per Capita Annual Living Expenditure of Urban Households by Income Percentile (2010)**

Item	Average	Lowest Income Households (first decile group)	Poor Households (first five percent group)	Low Income Households (second decile group)	Lower Middle Income Households (second quintile group)
<b>Total Consumption Expenditures (yuan)</b>	<b>13471.45</b>	<b>5471.84</b>	<b>4715.33</b>	<b>7360.17</b>	<b>9649.21</b>
Food	4804.71	2525.32	2231.48	3246.69	3946.00
Grain	385.51	295.63	282.28	326.37	357.68
Meat, Poultry and Processed Products	914.22	563.93	492.96	728.82	835.87
Eggs	98.02	68.04	62.33	80.53	91.21
Aquatic Products	326.86	137.50	113.59	192.22	253.14
Milk and Processed Products	198.47	91.57	76.94	127.59	158.92
<b>Total Consumption Expenditures (%)</b>					
Food	35.67	46.15	47.32	44.11	40.89

[Continued]

Item	Middle Income Households (third quintile group)	Upper Middle Income Households (fourth quintile group)	High Income Households (ninth decile group)	Highest Income Households (tenth decile group)
<b>Total Consumption Expenditures (yuan)</b>	<b>12609.43</b>	<b>16140.36</b>	<b>21000.42</b>	<b>31761.63</b>
Food	4773.83	5710.14	6756.00	8535.21
Grain	393.05	425.51	453.87	492.37
Meat, Poultry and Processed Products	955.23	1051.41	1142.37	1242.16
Eggs	102.38	111.87	117.74	121.80
Aquatic Products	313.76	416.30	497.25	635.46
Milk and Processed Products	198.97	245.85	296.69	346.35
<b>Total Consumption Expenditures (%)</b>				
Food	37.86	35.38	32.17	26.87

Source: China Statistical Yearbook 2011

### 6.3: Import Statistics- Overall

China Import Statistics							
Commodity: Agricultural Trade SST, HS 1 through 24							
Year To Date: January - March							
Partner Country	Thousands United States Dollars			% Share			% Change 2012/2011
	2010	2011	2012	2010	2011	2012	
World	12399139	15627886	20127671	100.00	100.00	100.00	28.79
United States	5450310	7163399	7229932	43.96	45.84	35.92	0.93
Brazil	366013	451070	1803996	2.95	2.89	8.96	299.94
Canada	486012	729171	1170684	3.92	4.67	5.82	60.55
Malaysia	888767	863380	1020886	7.17	5.52	5.07	18.24
Indonesia	580154	815835	979142	4.68	5.22	4.86	20.02
New Zealand	464038	711611	937168	3.74	4.55	4.66	31.70
Thailand	574084	587949	840918	4.63	3.76	4.18	43.03
Australia	356208	468296	649723	2.87	3.00	3.23	38.74
Argentina	209518	270791	571744	1.69	1.73	2.84	111.14
France	235191	395590	555929	1.90	2.53	2.76	40.53
Russia	464401	384845	498316	3.75	2.46	2.48	29.48
Chile	231082	298128	483519	1.86	1.91	2.40	62.19
Vietnam	220297	313541	364953	1.78	2.01	1.81	16.40
Peru	228284	135149	328668	1.84	0.86	1.63	143.19
India	151363	254013	228152	1.22	1.63	1.13	- 10.18
Netherlands	108924	131393	176160	0.88	0.84	0.88	34.07
Zimbabwe	62079	1353	174414	0.50	0.01	0.87	∞
Germany	44278	76247	149358	0.36	0.49	0.74	95.89
Philippines	86588	118387	143328	0.70	0.76	0.71	21.07
Denmark	104199	100017	116082	0.84	0.64	0.58	16.06
Spain	45218	71713	106987	0.36	0.46	0.53	49.19
Korea South	83211	109063	106914	0.67	0.70	0.53	- 1.97
Norway	85073	88171	104560	0.69	0.56	0.52	18.59

Cuba	45865	14898	99611	0.37	0.10	0.49	568.61
Singapore	99869	102113	94594	0.81	0.65	0.47	- 7.36
Japan	111230	127342	93522	0.90	0.81	0.46	- 26.56
Taiwan	51615	68085	75784	0.42	0.44	0.38	11.31
Pakistan	19133	28904	69159	0.15	0.18	0.34	139.27
Ethiopia	59029	67843	66500	0.48	0.43	0.33	- 1.98
United Kingdom	43114	49876	60362	0.35	0.32	0.30	21.02
Italy	35464	55761	60027	0.29	0.36	0.30	7.65

Source: World Trade Atlas

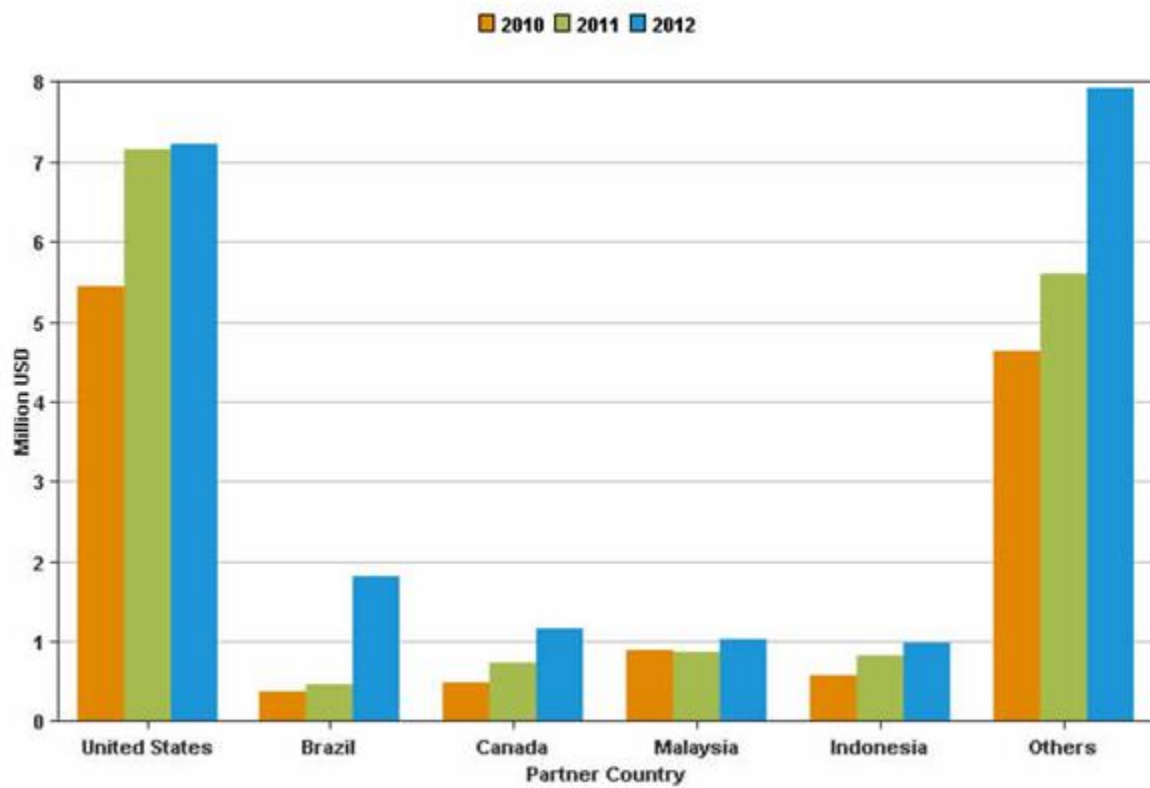


Figure 2- Graph of China's Agriculture Food Value Imports

Source: World Trade Atlas

China Import Statistics							
Commodity: Agricultural Trade SST, HS 1 through 24							
Year To Date: January - March							
(In Thousands)							
Partner Country	Unit	2010		2011		2012	
		USD	Quantity	USD	Quantity	USD	Quantity
World	n/a	12399139	n/a	15627886	n/a	20127671	n/a
United States	KG	5437557	11318032	7146152	11676601	7207033	12932110
Brazil	KG	365960	602932	451004	349593	1803776	2910952
Canada	KG	484666	946956	727477	1141129	1168347	1764988

Malaysia	KG	888008	1244399	862299	739459	1018999	948131
Indonesia	KG	580101	805325	813887	718331	979104	927826
New Zealand	KG	460154	171350	708095	224450	933539	275237
Thailand	KG	573133	1908926	585993	1296554	837590	1939353
Australia	KG	323810	689005	420502	565064	604964	1302957
Argentina	KG	207247	224080	267131	259578	566833	872845
Russia	KG	463213	332760	384183	291450	497865	385008
Chile	KG	213211	98841	265107	96909	436144	146869
France	L	152150	20947	277822	30829	393419	41031
Vietnam	KG	220028	804731	312683	901249	364201	1010386
Peru	KG	228180	160757	135140	77900	328668	233408
India	KG	151353	211715	253975	395416	228041	191504
Zimbabwe	KG	62079	7576	1353	205	174414	20799
Netherlands	KG	104214	53453	125561	40265	167240	36541
France	KG	82876	71811	117588	70859	162393	67242
Philippines	KG	86306	205129	118105	185128	142908	229751
Germany	KG	36881	21217	64209	28012	135211	56678
Denmark	KG	103229	101720	98743	61012	116004	58296
Norway	KG	84876	38767	88088	33115	104423	42989
Cuba	KG	45754	60006	14849	30545	99443	155057
Korea South	KG	75175	53507	99208	70295	96445	74119
Singapore	KG	99601	16423	99206	14180	92642	14754
Japan	KG	104375	48053	120536	52058	87585	40249
Spain	KG	37799	29624	49206	27537	81919	39434
Pakistan	KG	19133	18187	28820	36816	69159	113247
Ethiopia	KG	59011	46546	67824	50916	66432	52281
Taiwan	KG	43069	22518	54695	22335	64817	26524
Myanmar	KG	66081	394290	37749	377521	52719	498432

Source: World Trade Atlas

Reporting Countries Import Statistics (Partner Country: China)		
Commodity: _ Total, All Commodity Chapters		
Year To Date: January - March (Data Availability: 01/10 - 11/11)		
Description	Thousands United States Dollars	
	2010	2011
All Commodity Chapters	371508501	458439888
Fish, Crustaceans & Aquatic Invertebrates	1735254	2228867
Prep Vegetables, Fruit, Nuts Or Other Plant Parts	962538	1370112
Edible Vegetables & Certain Roots & Tubers	1117928	1570605
Edible Preparations Of Meat, Fish, Crustaceans Etc	812890	1074804
Pharmaceutical Products	903584	995561
Oil Seeds Etc.; Misc Grain, Seed, Fruit, Plant Etc	532935	683421
Edible Fruit & Nuts; Citrus Fruit	586378	688294

Or Melon Peel		
Wool & Animal Hair, Including Yarn & Woven Fabric	379005	625878
Fertilizers	619582	915336
Products Of Animal Origin, Nesoi	316719	384443
Miscellaneous Edible Preparations	311878	377680
Food Industry Residues & Waste; Prep Animal Feed	462210	426091
Coffee, Tea, Mate & Spices	287044	400188
Prep Cereal, Flour, Starch Or Milk; Bakers Wares	252949	303384
Beverages, Spirits And Vinegar	254424	242817
Tobacco And Manufactured Tobacco Substitutes	199180	220162
Sugars And Sugar Confectionary	190709	246168
Lac; Gums, Resins & Other Vegetable Sap & Extract	113439	147045
Meat And Edible Meat Offal	158007	175604
Live Animals	109168	114651
Veg Text Fib Nesoi; Veg Fib & Paper Yns & Wov Fab	141217	178425
Cereals	170430	94160
Animal Or Vegetable Fats, Oils Etc. & Waxes	74507	92691
Dairy Prods; Birds Eggs; Honey; Ed Animal Pr Nesoi	72745	98189
Cocoa And Cocoa Preparations	28205	58453

Source: World Trade Atlas

#### 6.4: Import Statistics- Fruits & Vegetables

China Import Statistics							
Commodity: fruits and vegetables,							
Year To Date: January - March							
Partner Country	Thousands United States Dollars			% Share			% Change
	2010	2011	2012	2010	2011	2012	2012/2011
World	518235	703357	1083501	100.00	100.00	100.00	54.05
Chile	111615	188674	310718	21.54	26.82	28.68	64.68
Thailand	92076	105465	208234	17.77	14.99	19.22	97.44
Vietnam	85857	102347	119863	16.57	14.55	11.06	17.11
Philippines	44283	79017	118808	8.54	11.23	10.97	50.36
United States	78675	106210	92251	15.18	15.10	8.51	- 13.14
Peru	18422	37729	53421	3.55	5.36	4.93	41.59
Indonesia	22615	6266	34515	4.36	0.89	3.19	450.87
South Africa	116	227	24189	0.02	0.03	2.23	∞
Taiwan	9519	8390	14488	1.84	1.19	1.34	72.68
Sweden	4190	19515	12448	0.81	2.77	1.15	- 36.21



Korea North	279	5199	11497	0.05	0.74	1.06	121.15
Myanmar	9016	8164	11237	1.74	1.16	1.04	37.65
Russia	601	955	11196	0.12	0.14	1.03	1072.42
Iran	19211	2899	9092	3.71	0.41	0.84	213.59
New Zealand	1050	958	6039	0.20	0.14	0.56	530.10
Canada	666	2363	4829	0.13	0.34	0.45	104.39
Mongolia	519	0	3756	0.10	0.00	0.35	0.00
Argentina	1666	968	3602	0.32	0.14	0.33	271.98
France	989	2199	3473	0.19	0.31	0.32	57.93
Latvia	977	1558	3113	0.19	0.22	0.29	99.88
Italy	914	2822	2849	0.18	0.40	0.26	0.98
Turkey	856	1596	2626	0.17	0.23	0.24	64.54
Finland	1969	1661	2432	0.38	0.24	0.22	46.41
Ecuador	347	177	2380	0.07	0.03	0.22	1240.91
Belarus	14	292	2220	0.00	0.04	0.20	659.76
Malaysia	1353	296	1956	0.26	0.04	0.18	561.50
Australia	419	1350	1383	0.08	0.19	0.13	2.50
Uzbekistan	0	512	1368	0.00	0.07	0.13	167.27
Iraq	216	884	1248	0.04	0.13	0.12	41.29
Israel	124	252	1200	0.02	0.04	0.11	375.80
Ukraine	533	1560	863	0.10	0.22	0.08	- 44.66

Source: World Trade Atlas

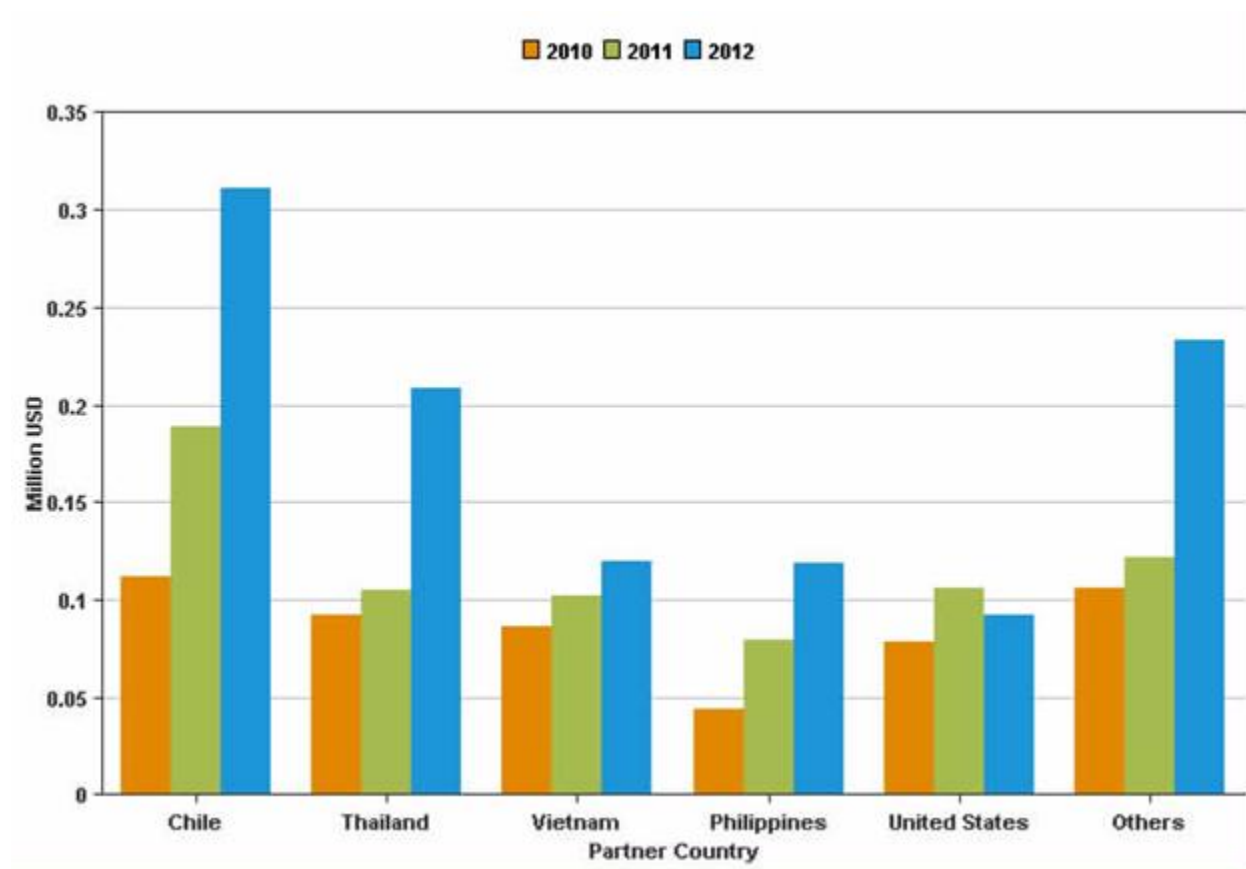


Figure 3- Imports of Fruits & Vegetables into China

Source: World Trade Atlas

