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Report Highlights:

China was the world's second largest importer of food in 2024, at $197 billion, with a significant portion going into food processing. The sector grew by 2.2 percent to $1.26 trillion in 2024, with the modest increase reflecting the recent trends of slowing consumer spending and downgraded consumption. The United States was the fourth largest exporter of consumer-oriented products to China in 2024, declining by 6 percent to $7 billion. Despite these headwinds, there remain ample opportunities for U.S. processing ingredients in the China market, such as tree nuts, dried peas, hops, and heat-treated chicken paws.

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Executive Summary

China's gross domestic product in 2024 reached $18.8 trillion (134.9 trillion RMB), up 5 percent from the previous year, according to the National Bureau of Statistics. U.S. agricultural and related exports to China totaled $27.3 billion in 2024, down 13 percent from $31.6 billion in 2023, but China remained as one of the top markets for U.S. agricultural exports.

Consumer-Oriented Agricultural Imports

China's total consumer-oriented product imports in 2024 were about $80 billion, down 3.7 percent from 2023. Seafood imports were also substantial, at $22 billion. The United States was the fourth largest exporter of consumer-oriented products to China in 2024, at $6 billion, declining 6 percent from the previous year.

Consumer-Oriented Products Imports, 2024

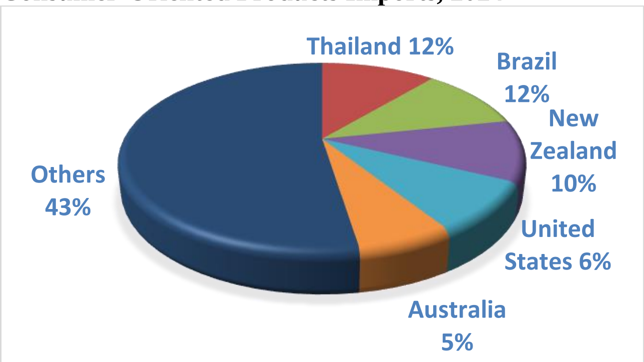


Chart 1: Top Exporting Countries to China
Source: Trade Data Monitor, LLC

Food Retail Industry

China's total food retail sales reached about $431.9 billion (3,109.6 billion RMB) in 2024, reflecting a 5.9 percent increase from the previous year. Looking ahead to 2025, the food & beverage sector is projected to continue growing, although slightly less than the previous year.

Food Processing Industry

In 2024, the food processing industry faced challenges such as declining prices and increased revenue pressures. Nevertheless, the industry grew by 2.2 percent, reaching $1.26 trillion (9.1 trillion RMB). Despite these challenges, the sector is poised for steady expansion in 2025.

Food Service Industry

In 2024, China's food service sales reached $773.9 billion, a 5.3 percent increase from 2023. Its growth rate, however, has slowed in line with the overall economy. In 2025, the sector is expected to continued expanding but with intensified competition and downgraded consumption.

Quick Facts CY 2024

Imports of Consumer-Oriented Products

$80.6 billion

List of Top 10 Growth Products in China

1) Fresh Fruit	2) Beef & Beef Products
3) Dairy Products	4) Soup & Other Food Preparations
5) Pork & Pork Products	6) Tree Nuts
7) Poultry Meat & Products (ex. Eggs)	8) Processed Vegetables
9) Meat Products NESOI*	10) Distilled Spirits

*NESOI- not elsewhere specified or indicated. Includes offal, sausage products, etc.

Food Industry by Channels (USD, billion)

Retail Food Industry	$431.9
Food Service-HRI	$773.9
Food Processing	$1259.1
Food and Agriculture Exports	$75

Top 10 China Retailers (based on sales)

Wal-Mart; Yonghui; RT-Mart; CR-Vanguard; Hema Fresh; Wu-Mart; Lianhua Supermarket; Jiajiayue; Zhongbai; Qiandama

GDP/Population

Population: 1.408 billion
GDP (*USD*): $18.8 trillion
GDP per capita *(USD)*: $12,969

Sources*:* Trade Data Monitor, LLC, National Bureau of Statistics of China, and China Chain Stores & Franchise Association

Strengths/Weaknesses/Opportunities/Threats

Strengths	*Weaknesses*
-U.S. food ingredients are perceived as high-quality, safe, and offer a wide selection.	- U.S. exports face retaliatory tariffs. - China's consumer demand has slowed.
Opportunities	*Threats*
-Rising consumer demand for healthy products. - Growing reliance on online purchase platforms (e.g., Alibaba and Pinduoduo)	- Strong competition from domestic production and third countries (e.g., Brazil and Australia). - Uncertainty in the U.S.-China bilateral relationship.

Section I. Market Overview

China's GDP in 2024 grew by about 5 percent to $18.8 trillion, and its total food imports reached $197 billion, representing an 8.3 percent decrease from the previous year. This decline included consumer-oriented products, which fell 4 percent to $80.6 billion, and marked the first drop since 2021. The post-pandemic market presents challenges for the food processing industry, with declining prices, rising costs, shifts in consumption, and intense competition prevalent throughout the year. However, online retail sales of physical goods, including food items, grew by 8.7 percent year-on-year, accounting for 25.6 percent of total retail sales. Additionally, the fast-moving consumer goods sector, encompassing packaged foods and beverages, experienced modest growth last year. This trend persisted into early 2025, indicating a more cautious consumer approach to everyday essentials.

The Chinese food processing sector grew by 2.2 percent in 2024 to $1.26 trillion. The United States continues to be a major agricultural exporter to China, with the $6 billion of consumer-oriented products in 2024 accounting for 6 percent of China's total. Recent developments, however, have introduced challenges to this trade relationship. On March 4, 2025, China imposed additional tariffs of 10 to 15 percent on major U.S. agricultural exports in response to increased U.S. tariffs on Chinese goods (See GAIN Report: China: SCTC Announces Retaliatory Tariffs on US Agricultural Products). This may impact the competitiveness of U.S. food processing ingredient exports to China.

Table 1: Advantages and Challenges for U.S. Agricultural Products

ADVANTAGES	CHALLENGES
U.S. agricultural products are known for their high safety, quality, and consistency. Strict food safety regulations and advanced farming techniques ensure products meet international standards, appealing to Chinese consumers. A robust presence of U.S. food companies and Agricultural Trade Offices (ATOs) reinforce the reputation of U.S. products as safe and healthy.	Escalating trade disputes have led to reduced imports of U.S. agricultural products. China imposed additional retaliatory tariffs of 10 to 15 percent on key U.S. agricultural imports, including soybeans, pork, and beef in March 2025.
Demand for high-quality food products is on the rise, as the middle class and urbanization expands.	Political tensions with trade partners undermine importer confidence.
The U.S. exports a wide range of agricultural goods, including bulk commodities (soybeans, wheat, corn), consumer-oriented foods (dairy, meat, processed foods), and specialty crops (nuts, fruits).	To mitigate risks associated with trade tensions, China has sought alternative suppliers for key commodities. For instance, China's reliance on U.S. soybeans decreased as it turned to Brazilian sources.
Trade shows with USA Pavilions and educational seminars bridge the gap for importers unfamiliar with U.S. food and agricultural products.	Local producers adapt swiftly to market changes in China, while third nation competitors are allocating greater resources to marketing their products.

Section II. Roadmap for Market Entry

Entry Strategy

Potential exporters may find the below entry strategy useful to enter the Chinese market, which is vast, fast-paced, and unique, with complex regulation and distinct market conditions.

1. **Attend trade shows in China** to gain market information, gauge interest in your product(s), observe competitors, and meet potential partners. Depending on the product, we recommend several exhibitions such as: Food Ingredients China, Food & Hotel China, SIAL China, Bakery China (Shanghai), China Bakery Exhibition (Guangzhou), China Fisheries & Seafood Expo, China International Meat Industry Week, and China Food & Drinks Expo (also known as Tang Jiu Hui). Other noteworthy shows can be found in the GAIN report 2025 China Based Trade Shows and Conference Report.

2. **Participate in State Regional Trade Group (SRTG) activities**, such as trade missions to China. Trade missions typically include site tours of processing facilities, one-on-one meetings with importers, exhibiting under a unified USA pavilion at trade shows, and attending exporter training and educational events.

3. **Work with state departments of agriculture and state trade promotion offices** and participate in their trade missions and activities like those organized by the SRTGs.

Import Procedures

U.S. exporters should visit FAS' Global Agricultural Information Network (GAIN) system for the latest reports from FAS staff on-the-ground around the world. Exporters may find the following FAS GAIN reports particularly useful:

- The Exporter Guide provides readers with market access information, entry strategies, import procedures, and market trends.
- The Food and Agricultural Import Regulations and Standards (FAIRS) Country Report provides comprehensive information on product-specific regulations and standards and includes product testing, labeling, packaging, and production facility registration requirements.
- The FAIRS Certificate report offers a brief outline of the import certificates and other documents needed to import U.S. products into China.

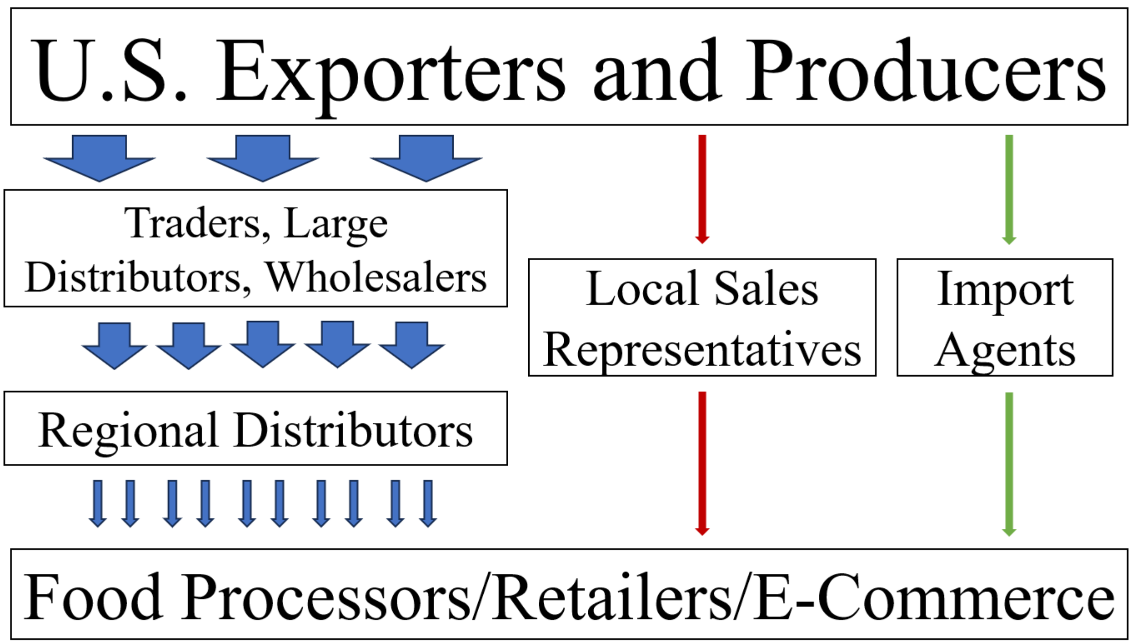
Facility Registration

Exporters should ensure that their facilities producing products for export to China comply with the various facility registration requirements under the purview of China's General Administration of Customs (GACC). U.S. exporters should follow procedures for exporting to China as outlined by relevant U.S. food safety regulators: FSIS, APHIS, and FDA. Most processed food products will need to register in the China Import Food Enterprises Registration system; however, U.S. exporters of meat, poultry, dairy, infant formula, and seafood products should consult with either FDA or FSIS to understand their specific requirements. Please see the following GAIN reports for more information: Decree 248 Guidance for U.S. Exporters and Decree 248 Product List Update-November 2024. In addition, exporters of many plant and plant-based products and animal or animal-products must have facilities registered with GACC's Department of Animal and Plant Quarantine. Exporters are encouraged to work with FAS, FSIS, FDA, and APHIS to ensure facilities are registered before exporting.

Distribution Channels

The structure of distribution channels for imported products is evolving. The figure below is an attempt to illustrate the various options. The distribution of traffic through the channels changes depending on the economic situation and the introduction of new business models like e-commerce.

Figure 1: Imported Food Ingredients Distribution Channels



Note: Width of arrows denotes relative volume of trade.

Market Structure and Share of Major Segments

Official Chinese statistics separate its industrial food production into three categories:

- **Food processing**, including primary processing activities such as rice milling, flour milling, oil refining, sugar refining, slaughtering, salt processing, feed processing, and aquatic product processing.
- **Food manufacturing**, consisting of packaged food, pastries and confections, dairy products, canned foods, fermented products, and condiments.
- **Beverage manufacturing**, which is the production of alcoholic beverages (i.e., distilled spirits, beer, and wine), soft drinks and tea.

Table 2: Main Indicators of Food Processing Enterprises Above Designated Size in China 2023 Billions of U.S. Dollars (100 million of RMB)						
Sector	**Business Revenue**		**Operation Cost**		**Total Profit**	
	Value	**YOY Change**	**Value**	**YOY Change**	**Value**	**YOY Change**
Processing of Food from Agricultural Products	$734.8 (52,908.3)	-0.3%	$676.9 (48,735.2)	-3.4%	$18.9 (1,363.6)	-0.2%
Manufacture of Foods	$303.7 (21,863.6)	4.9%	$236.8 17,051.7	4.5%	$24.7 (1,780.9)	6.3%
Manufacture of Liquor, Beverages, and Refined Tea	$220.6 (15,880.6)	2.8%	$138.8 (9,996.9)	1.9%	$45.7 (3,287.2)	7.1%

Source: China National Bureau of Statistics
Note: Average exchange rate $1 = 7.2 RMB

Company Profiles & Company Products

The size of China's food industry, and its thousands of companies, precludes a meaningful list of profiles. If you have an interest in a specific company, please contact one of the four ATOs in China.

Sector Trends

1. *Rationality and Emotion on Food Consumption*
   Chinese food consumers are influenced by both rational and emotional factors. Rationally, they seek to balance health benefits with cost-effectiveness, reflected in a 4 percent decline in consumer-oriented food imports in 2024. Emotionally, they emphasize personal experiences and perceived value for their money. Notably, 36 percent of consumers prioritize finding the most cost-effective brands and products. However, for most food consumers, price ranks as the fourth most important factor in their purchasing decisions, after safety, health, and taste.

2. *Health Concept Continuing*
   Chinese consumers are increasingly focused and aware of their health, choosing food and beverage products for their health benefits. 80 percent of consumers prioritize health considerations over taste when making food purchasing decisions. Accordingly, the sales of imported products with healthy ingredients, such as food supplements and premium tree nuts, are booming. Many food processing brands are capitalizing on this trend and producing new products that appeal to health-conscience consumers.

3. *Generational Consumer Demands*
   Various unique foods have emerged as a means for young people to express their emotions. Pre-prepared kitchen foods, compound seasonings, and light meals allow middle-aged individuals to convey their family responsibilities. Additionally, adaptive and functional foods that address the physiological and nutritional needs of the elderly are increasingly popular.

4. *Diversifying Sales Channels*
   E-commerce platforms have emerged as key drivers for industry growth. Consumers now spend over 1.5 hours daily on content platforms, with their trust and reliance on these platforms

steadily increasing. Online sales from retail giants such as Sam's Club account for 50 percent of their total sales, highlighting the importance of developing emerging channels. Notably, while offline physical channels were previously overshadowed by e-commerce, the rise of emerging channels like membership and discount stores has revitalized them.

Section III. Competition

U.S. exporters face stiff competition from other countries in supplying food processing ingredients. Several key food ingredients exporting countries (e.g. Australia and New Zealand) have signed free trade agreements with China, making U.S. products less price competitive. Also, China is diversifying its sources for food processing ingredients by providing increased market assess for imported agricultural and food products from over 246 countries and regions in 2024. For further information on competition, please read China Hastens Ag Import Diversification, and China reports expanded imports of agricultural, food products in 2023. A large number of U.S. products are affected by Section 301 retaliatory tariffs. In 2020, China established a process for importers to seek tariff exclusions on certain products. The list of excluded products has been renewed periodically. Moreover, the Ministry of Finance State Council Tariff Commission on March 4, 2025, announced retaliatory tariffs on 740 U.S. products, further hindering the competitiveness of U.S. agricultural products. See this report for more information.

Section IV. Best Product Prospects

Table 3: Products Present in the Market with Good Sales Potential

Product Category	2024 China imports from United States (millions of USD)	2024 China imports from World (millions of USD)	Key Trends for China's Import in 2024
Heat-treated chicken paws	$168	$168	U.S. products increased by 262.2 percent year-on-year; U.S. products accounted for 100 percent of China's market share.
Pistachios, fresh or dried, in shell or shelled	$584.4	$869	47.6 percent growth year-on-year for U.S. exports to China, and China's total imports increased by 87.6 percent. Both pistachios in-shell and shelled increased, with shelled growing by 71.5 percent.
Cranberry juice	$1.8	$2.3	105.9 percent growth year-on-year for U.S. exports to China, while China's total imports grew by 72.6 percent. The U.S. has about 50 percent market share.
Prepared or Preserved Cranberries	$38.7	$74	14.6 percent growth year-on-year for U.S. exports to China, the highest level since 2019, with China's total imports increasing by 28.2 percent. The U.S. has about 50 percent market share.
Hops	$24.9	$78.8	14 percent growth year-on-year for U.S. exports to China, while China's total imports increased by 29.2 percent, fueled by craft beer production.
Protein Concentrates, Especially Pea Protein	$3.5	$8.6	7.3 percent growth year-on-year for U.S. exports to China, while China's total imports increased by 16.8 percent.

Source: Trade Data Monitor, LLC

Heat-treated Chicken Paws

Despite the declining import of chicken meat due to Highly Pathogenic Avian Influenza (HPAI) restrictions, U.S. exports of heat-treated chicken paws saw a continuous increase in 2024. China: Poultry and Products Semi-Annual offers a comprehensive overview of this situation. Challenges include unfamiliarly by local industry and the appearance of the final product after cooking and processing. Nevertheless, competitive pricing and efforts to enhance processing techniques may help expand opportunities for these products.

Bakery Ingredients

China's baking industry is undergoing a rapid transformation, with growing demand accompanied by consumers continuously asking for new products. Consumers prefer healthy and innovative baked goods, tending towards brands that include more natural, healthy, low-fat, and low-sugar options. Imported ingredients such as flour, butter, dried nuts, and dried fruits are essential for producing high-quality, western style baked goods. Data show that ingredients from the United States are highly competitive, with the import volume of several ingredients surging in 2024. Industry estimates that China's baked food retail market reached $84.9 billion (611.1 billion RMB) in 2024, a year-on-year increase of 8.8 percent, and is projected to reach $119.4 billion (859.6 billion RMB) by 2029.

Table 4: China Imports from United States 2024 Baking Inputs, Ingredients
(Million USD)

Products	2021	2022	2023	2024	YOY Change
Total	**984.3**	**1,196.7**	**1,163**	**1,456.2**	**25%**
Other Processed Foods, Ingredients & Bvg Bases	935	1,153.1	1,122.1	1,410.6	26%
Baking Inputs, Mixes, & Doughs	15.4	17.7	20.4	18.2	-11%
Thickener	16.5	15.1	12.9	16	25%
Flavoring (Vegetable Saps & Extracts)	7.2	7.7	4.3	7.8	80%
Protein Concentrate	10.3	3	3.2	3.5	7%

Source: Trade Data Monitor, LLC

Pistachios and Cranberries

The daily consumption of tree nuts in China continues to grow, as people view them as a low-fat and low-sugar option that is high in protein. Tree nuts and dried fruit products do well in retail outlets and on various social media platforms, with private label brands for snack foods, mixed nut, and dried fruit packaging driving demand. Small-sized packaging, such as handheld sizes or packages under 50 grams, is popular due to low unit retail prices. For more information on market potential, see China: Tree Nuts Annual. Also, the Specialty Crop Market Situation and Trends from 2017 to 2023 discusses the trends from the past five years.

Hops

China is the world's largest beer producer, with the country's large-scale enterprises producing 35.2 million kiloliters of beer in 2024, a year-on-year decline of 0.6 percent. While this figure pertains to industrial beer, high-value categories such as craft beer, raw beer, and fresh beer have steadily gained popularity in recent years. As of December 2024, there are 11,843 registered companies related to craft beer, with 61 percent of these businesses established within the last five years. Industry estimates that by 2028, the penetration rate of craft beer in China will rise to 6.3 percent, with the market projected to reach $1.5 billion (11 billion RMB). Currently, craft beer's share of total beer consumption in China is still under 5 percent, significantly lower than the 24.6 percent in the United States, indicating substantial potential for growth. Key imported ingredients for the craft beer industry, particularly U.S. hops, can be widely used in the brewing process to create unique brews.

Plant-Based Proteins

With the rise of plant-based diets, pea protein is emerging as a viable alternative to soy-based products. Many Chinese consumers are adopting these diets for health reasons, boosting the demand for products like pea protein that offer nutritional benefits and are free from common allergens. The versatility of pea protein has led to its incorporation in various food items, including meat substitutes, dairy alternatives, and protein supplements, further enhancing its popularity. In 2024, the market generated approximately $167.4 million in revenue and is projected to reach $361.9 million by 2030, reflecting a compound annual growth rate of 13.7 percent from 2025 to 2030. However, challenges persist, such as the need for consumer education on plant-based products and competition from other protein sources. Read China: 2025 Pulses Report and China: FAS China Pea Market Insights From the China Pea 2024 and Plant-Based Congress for more information.

Category B. Products Not Present in Market with Good Sales Potential

Domestic producers are constantly seeking opportunities to increase the competitiveness of their products. Ingredients that align with recent consumption and market trends such as convenience, health and functionality, and innovation show good sales potential. As China’s consumer base becomes more health-conscious, the demand for starches and sweeteners, especially those that are natural, low-calorie, or innovative substitutes, is expected to rise in 2025.

Food processing ingredients from the United States are regarded as premium, high-quality products. However, China’s vast food processing industry is increasingly able to meet their input demands through the domestic market. The recent Food Ingredients China (FIC) Show held in Shanghai on March 17 – 19, 2025, featured a significant increase in exhibitors and attendees, marking a robust recovery in China’s exhibition industry. China-based companies at FIC highlighted their growing capacity to supply food ingredients, with many businesses representing intermediate products such as starches, flavorings, and edible oils.

Category C. Products Not Present due to Significant Barriers

Chipping Potatoes

Chipping potatoes from Idaho, Oregon, and Washington were among several U.S. agricultural products that received new and expanded access under the U.S.- China Economic and Trade Agreement signed on January 15, 2020. China has strong demand for high quality chipping potatoes, which presents a market opportunity for U.S. potatoes. However, current barriers for U.S. chipping potatoes, such as PRC requirements on storage conditions and higher prices, are a disadvantage.

Raw Chicken Paws
China is by far the largest market for U.S. chicken paw exports, but those exports are currently restrained by HPAI restrictions. In 2015, China imposed bans on poultry imports from specific U.S. states affected by avian influenza outbreaks. By November 2023, China Lifted Highly Pathogenic Avian Influenzas-Related (HPAI) Restrictions For Seven States, though some state-specific bans may still be in place. There are still 31 US states that are under HPAI-related restriction. Visit the FSIS Export Library for China for the latest information. U.S. chicken paw suppliers are encouraged to explore the heat-treated market.

Non-GE, Food-Grade Soybean
Although non-Genetically Engineered (GE) food-grade soybeans can be imported, China follows a zero-tolerance policy toward the presence of biotech in a food-grade soybean shipment. If a trace amount of biotech soybeans is detected, the entire load will be denied entry. Expanding U.S. non-GE food-grade soybeans is contingent upon China approving a low-level presence policy to address incidental contamination.

Table 5: Top 10 Food Processing Companies in China by Market Value

Company Name	Category	Website
1. Kweichow Moutai	Liquor	https://www.moutaichina.com/mtgf/index/index.html
2. Wuliangye Yibin Co. Ltd.	Liquor	https://www.wuliangye.com.cn/
3. Nongfu Spring	Beverage	http://www.nongfuspring.com
4. Shanxi Xinghuacun Fen Wine Factory Co.	Liquor	https://www.fenjiu.com.cn/
5. Haitian	Condiment & Sauce	https://www.haitian-food.com/en/
6. Muyuan Foodstuff	Pork	https://www.muyuanfoods.com/en/#/
7. Luzhoulaojiao	Liquor	https://www.lzlj.com/en/
8. Yihai Kerry	Edible Oil	https://www.yihaikerry.net/
9. Inner Mongolia Yili Industrial Group Co., Ltd.	Dairy	www.yili.com
10. Jiangsu Yanghe Brewery Joint-Stock Co., Ltd.	Liquor	https://www.chinayanghe.com/

Source: 2024 Hurun China Food Industry Top 100

Section V: Key Contacts and Further Information

Links to other government sources for data

- **International Trade Administration** Country Commercial Guides
  Reports on market conditions, opportunities, regulations, and business customs prepared at U.S. Embassies worldwide by the Commerce Department, State Department, and other U.S. agency professionals.

Links to FAS FAIRS and other GAIN reports

- Food and Agricultural Import Regulations and Standards Country Report
- Food and Agricultural Import Regulations and Standards Export Certificate Report
- Exporter Guide (2024)

Ministries Responsible for Food Policies and Import Policies

- **The Ministry of Agriculture and Rural Affairs of the People's Republic of China (MARA)**
  MARA is the cabinet-level executive department of the State Council that is responsible for agriculture and rural affairs in the country. MARA implements the guiding principles, policies, and decisions of the Communist Party of China's (CCP) Central Committee on work related to agriculture, rural areas, and farmers. http://english.moa.gov.cn/

- **General Administration of Customs of the People's Republic of China (GACC)**
  GACC, the headquarters of China Customs, is a key border agency of the People's Republic of China, with responsibilities of traditional customs, as well as border health checks, inspection, and quarantine for imported and exported animals, plants, and their products, imported and exported food safety, and commodity inspection. http://english.customs.gov.cn/

Table 6: FAS China Contact Information	
Agricultural Affairs Office Beijing	Phone: (011-86-10) 8531-3600
Physical Address: American Embassy No. 55 An Jia Lou Lu, Chaoyang District Beijing, China 100600	Email: AgBeijing@usda.gov
http://www.fas.usda.gov	

Attachments:

No Attachments