

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Strawberries

Report Categories:

Strawberries

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Report Highlights:

OAA/Beijing estimates that China's fresh and frozen strawberry production will reach 2.1 million metric tons and 150,000 metric tons, respectively, reflecting increases of five and fifteen percent over last year. More than 95 percent of open-field production is used to process frozen strawberries. Chile is China's largest frozen strawberry supplier, largely due to the timelines of exportable supplies and low import duties of nine percent, a benefit of the China-Chile free trade agreement.

Production:

Fresh Strawberries

OAA/Beijing estimates that China's fresh strawberry production for marketing year (MY) 2012/13 (November-June) will reach 2.1 million metric tons (MMT), an increase of five percent from MY 2011/12, based on favorable weather conditions and a slight acreage expansion in Northern China. China's strawberry acreage consists of greenhouses (40 percent), plastic sheds (40 percent), and open field (20 percent). Japanese varieties, such as Toynoka, Benihoppe, Akihime, and Tochiotome) are the leading sources for fresh strawberries. Due to the high price of commercial seedlings at RMB 50,000-70,000 per hectare (US\$7,900-11,000/ha), most farmers are self-cultivating their seedlings, resulting in lower yields and variety degeneration. Hebei, Shandong, Liaoning and Sichuan Province are the major production regions with fresh strawberries available from late November to June.

Frozen Strawberries

OAA/Beijing forecasts China's frozen strawberry production for MY 2012/13 at 150,000 tons, an increase of 15 percent over the revised MY 2011/12 figure, largely based on higher domestic supplies. U.S. and European varieties (such as Senga Sengana, Honeoye, All Star, American 13, and Totem) are the main sources for frozen strawberries as their acidity and firmness are key attributes for processing. Shandong, Liaoning and Hebei are major frozen strawberry producing provinces in China. More than 95 percent of China's fresh strawberries from open field production are processed.

Prices:

Fresh strawberries are very popular among consumers, especially in the winter, when few fresh fruits are available in Northern China. For instance, in December, prices for fresh strawberries in Beijing can reach RMB80/kg (\$5.80/lbs), while prices of apple and citrus fruits are around RMB7-12/kg (\$0.50-\$0.85/lbs).

The current average price for frozen strawberries in Hebei, the center of frozen strawberry producers, is around RMB3.5/kg (\$0.25/lbs), a decrease of 30 percent from MY 2011/12 due to larger domestic supplies compared to the previous year.

Consumption:

85 percent of China's total strawberry production is consumed fresh; 15 percent is delivered to processors. Strawberries are highly perishable, especially the soft Japanese varieties, so gaps in China's cold chain system limit the distribution reach of fresh strawberries. Air transportation is an alternative

delivery system from Sichuan Province to Beijing.

Domestic consumption of frozen strawberries is expected to increase steadily due to its increasing popularity as an ingredient in jam, jelly, juice, confectionary and dairy products.

Trade:

Imports: China has not granted import access for fresh strawberries to any country.

Frozen strawberry imports are forecast at 8,500 MT in MY 2012/13, a slight increase from the revised MY 2011/12 figure of 8,057 MT. Chile is the largest frozen strawberry supplier to China, accounting to 57 percent of China's import market in MY 2011/12, followed by Argentina (12 percent), Morocco (11 percent), Egypt (nine percent), and Peru (five percent). The majority of China's imported frozen strawberries are processed into freeze-dried (FD) strawberries for re-export to the Netherlands and Japan.

China's bilateral free trade agreements with Chile and Peru reduces the import duty for frozen strawberries to nine percent for Chile and 21 percent for Peru while all other countries pay a 30 percent duty.

	H.S. Code	Imp. Duty (%)		VAT (%)	
		2011	2012	2011	2012
Strawberries (fresh)	08101000	14	14	13	13
Strawberries (frozen)	08111000	30	30	13	13

Exports:

China only exports a small amount of fresh strawberries (H.S. code 081010) to neighboring countries due to high shipping costs. For instance, China's average export price in 2011 was \$1047 per ton, an increase of 20 percent from \$873 per ton in 2010. In MY 2011/12, China exported 1,159 MT to Vietnam, Russia, and Macau.

China's frozen strawberry exports (H.S. code 081110) are forecast at 120,000 MT in MY 2012/13 (June-May), a five percent increase from the 114,014 MT in MY 2011/12. China's exports have remained relatively stable between 110,000-120,000 MT from MY 2008-2011. The European Union accounted for 48 percent of China's total exports in MY 2011/12, with The Netherlands accounting for 17 percent of China's total exports in MY 2011/12.

According to China's Customs, China's average frozen strawberry export price in MY 2011/12 was \$1,433 per ton, a 29 percent increase over MY 2010/11 and 73 percent increase over MY 2009/10. Rising production costs (including labor and fertilizer) and appreciation of the Chinese Yuan are major

factors having an impact on export prices. The peak season for frozen strawberry trade is from May to September, in tandem with the processing period.

Marketing:

Pick Your Own” is a popular activity, particularly in urban areas, where the public picks fresh strawberries in greenhouses. Fresh strawberries are a popular gift during Chinese New Year (mid January-mid February), as their red color represents happiness and prosperity in the Chinese culture.

China’s domestic frozen strawberries have traditionally held a strong price advantage over imported products, therefore, high-end markets, such as star hotels and upper-level bakery shops, were the major buyers.

Capacity Building and Outreach:

Strawberry Symposium in Beijing, China:

In February 2012, Beijing hosted the seventh International Strawberry Symposium. Over 1,000 agricultural scientists from around the world exchanged views on the latest strawberry cultivation technology. Initiated by the International Society for Horticultural Science in 1988, the International Strawberry Symposium is held every four years and is a high-level academic event highlighting the latest global high-tech achievements, production, and developments in the strawberry industry. This was the first time this symposium was held in Asia.

Production, Supply and Demand Data Statistics :

Fresh Strawberries						
Commodity	Strawberries, fresh				(HA)(MT)	
	2011	Revised	2012	Estimate	2013	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2011		01/2012		01/2013
Area planted	120,000	133,000	125,000	135,000	0	133,000
Area harvested	120,000	133,000	125,000	135,000	0	133,000
Production	1,750,000	2,000,000	1,800,000	2,100,000	0	2,050,000
Imports	0	0		0	0	0
Total supply	1,750,000	2,000,000	1,800,000	2,100,000	0	2,050,000
Exports, fresh	600	800	500	1,000	0	1,000
Fresh Dome. Consumption	1,574,400	1,749,200	1,529,500	1,799,000	0	1,769,000
For Processing	175,000	250,000	270,000	300,000	0	280,000
TOTAL distribution	1,750,000	2,000,000	1,800,000	2,100,000	0	2,050,000

Frozen Strawberries						
Commodity	Strawberries, frozen				(MT)(Net Weight)	
	2010	Revised	2011	Estimate	2012	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		06/2011		06/2012		06/2013
Deliv. To Processors	122,000	145,000	167,000	167,000	0	178,000
Beginning Stocks	0	0	0	0	0	0
Production	110,000	130,000	150,000	150,000	0	160,000
Imports	7,500	8,057	8,000	8,500	0	8,000
TOTAL SUPPLY	117,500	138,057	158,000	158,500	0	168,000
Exports	95,000	114,014	130,000	125,000	0	130,000
Domestic Consumption	22,500	24,043	28,000	33,500	0	38,000
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	117,500	138,057	158,000	158,500	0	168,000