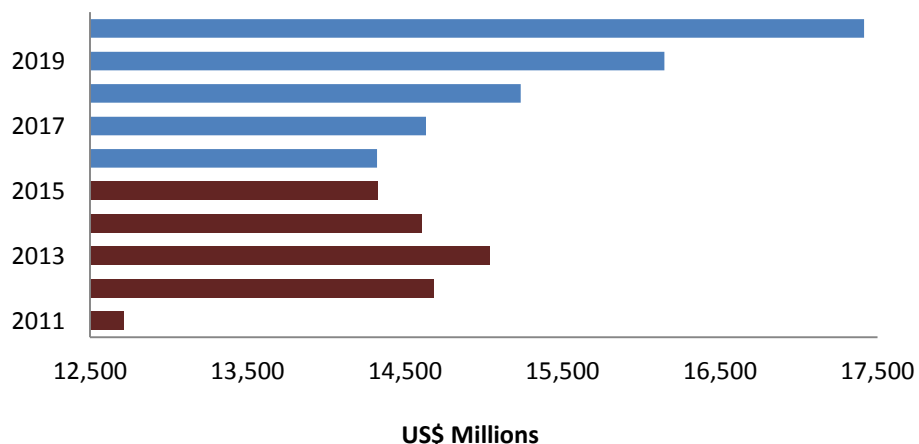


**MARKET TRENDS****WORLD LEADER IN OILSEED CONSUMPTION**

- Large population, oil-based cooking styles, and increasing living standards make China the leader in oil seed consumption.
- Awareness of health and nutrition issues are influencing the demand for higher-end and healthier oils with value-added nutrition.

OILSEED TRADE

- China accounted for 44% of the world's import with a value of US\$39.9 billion in 2015.
- From 2011 to 2015, imports increased by a growth rate of 6% due heavy dependence on oilseed imports caused by limited arable land and recent domestic policies favouring grain production.
- Soybean and canola seeds are two major oilseeds that are imported for oil crushing in China, accounting for 98% of the total imports in 2015.
- Canada is China's 4th largest supplier after Brazil, the United States, and Argentina, with import sales worth US\$2.5B in 2015.
- With a 23% increase, Canada saw the fastest growth rate from 2011 to 2015 in comparison to China's other top suppliers.

HISTORIC AND FORECAST RETAIL SALES**HISTORIC AND FORECAST RETAIL SALES****FROM 2011 TO 2015, OILSEEDS PRODUCT SALES GREW AT A RATE OF 3%**

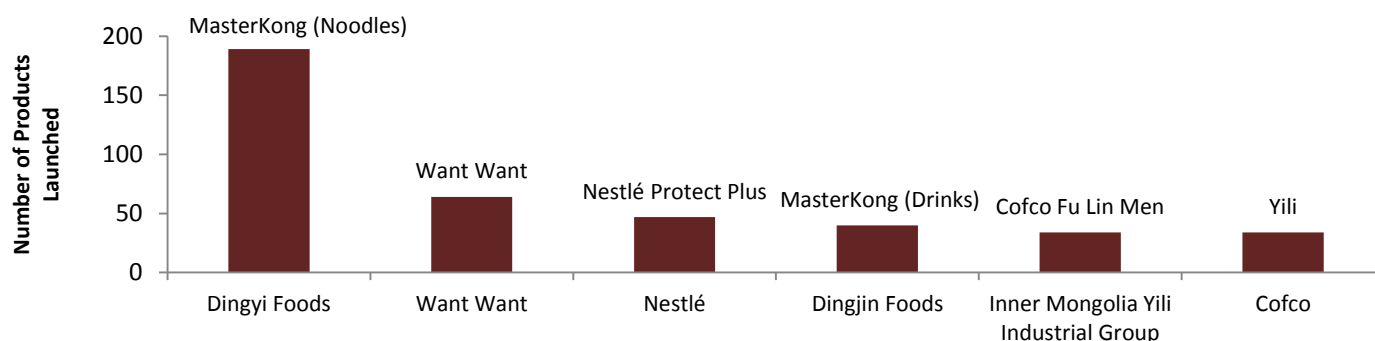
- Retail sales of oilseed products decreased by 2% in 2015 to US\$14.3B from US\$ 14.6B.
- Value growth was largely hindered by decreasing unit price of oilseeds.

OILSEED PRODUCTS SALES ARE EXPECTED TO INCREASE TO US\$17.4B BY 2020 WITH A GROWTH RATE OF 5%.

- Corn, canola, and sunflower oil are expected to see the fastest growth rate of 6% from 2015 to 2020.
- Eastern China is expected to maintain over 30% of China's oilseed sales in 2020.
- The south region is expected to see the fastest period growth of 6.3% from 2016 to 2020.

OILSEED AS INGREDIENT**NEW PRODUCTS USING OILSEED AS INGREDIENT IS ON A RISE**

- From 2010 to 2015, 4,841 new product launches used a type of oilseed in their product formulation.
- Products using oilseed increase by 200%, growing from 408 launches in 2010 to 1,299 in 2015.

CHINA'S TOP COMPANIES TO LAUNCH OILSEED PRODUCTS WITH THEIR LEADING BRANDS FROM 2010 TO 2015

**SNAPSHOT OF OPPORTUNITIES IN CHINA'S OILSEED SECTOR****LEADING MANUFACTURES ARE REFORMULATING AND PROMOTING PRODUCTS WITH REDUCED TRANS-FAT****Top 5 Growing Claims**

1. Organic
2. Low/No/Reduced Lactose
3. High/Added Fiber
4. Premium
5. Ease of Use

Top 5 Declining Claims

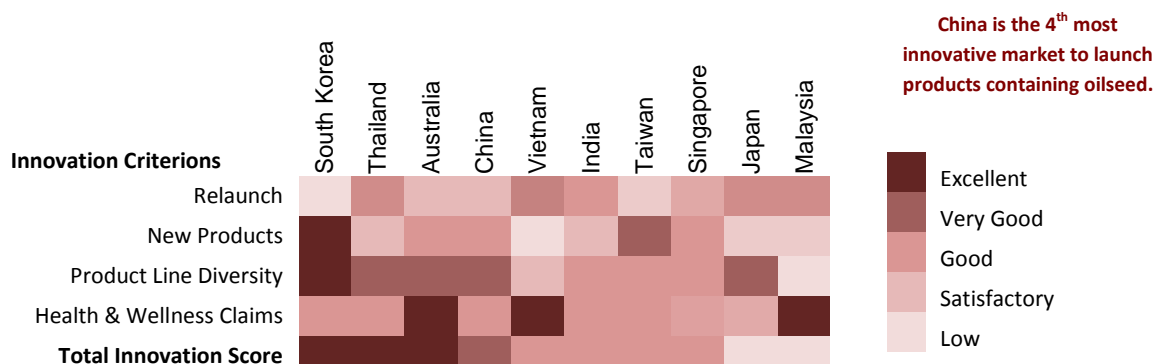
1. Seniors (aged 55+)
2. Low/No/Reduced Calorie
3. Female
4. Immune System (Functional)
5. Added Calcium

CONSUMERS ARE SWITCHING FROM UNPACKAGED OIL TO PACKAGED OIL**Top Package Type**

1. Flexible
2. Bottle
3. Tub
4. Flexible sachet
5. Can

Top Packaged Materials

1. Metallised Film
2. Plastic unspecified
3. Polypropylene plastic
4. Metal steel
5. Multi laminate

TOP INNOVATIVE MARKETS FOR OILSEED IN ASIA PACIFIC**FACTORS OF CONSIDERATION**

- Exports must meet China's import requirements, especially the phytosanitary requirements.
- Exporters should:
 - be cognisant of registration requirements with the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ).
 - know if tariff or custom duties are applied to their products.
- Labelling must comply with China's relevant National Standards.

RECOMMENDATION FOR ENTRY

- Awareness of Government of Canada programs that offers competitive advantages abroad.
- Be cognisant of regional differences in China.
- Develop a good understanding of regulations and procedures that comply with trade.
- Follow import guidelines to avoid import shipments be detained.
- Develop a clear market strategy prior to entry.
- Develop relationship with local importers and relevant stakeholders.
- Develop a business cultural adaptation strategy.

HOW WE CAN HELP

We offer multiple [programs and services](#) to help you achieve your international business goals, such as the Agri-Food Trade Service, AgriMarketing Program, and Canada Brand.

[International Trade Commissioners](#) are also an excellent point of contact for export advice and can provide Canadian industry with on-the-ground expertise regarding market potential, current conditions, and local business contacts.

HAVE WE PIQUED YOUR INTEREST?

For more information on opportunities in China or to join our distribution list, make suggestions, or request more information, contact Single Window at MAS-SAM@agr.gc.ca.



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