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Report Highlights:

China's raisin production is forecast to decline by 11 percent to 170,000 metric tons (MT) in Marketing Year (MY) 2024/25 because of lower grape production in Turpan in Xinjiang Province where persistent heat has affected pollination. Despite this production shortfall, slowing economic growth in China and high international raisin prices are expected to reduce domestic consumption and imports. In MY 2023/24, Chinese exports of raisins reached a record high 68,500 MT, due to reduced competition from Türkiye. Post forecasts continued strong exports in MY 2024/25.

Production

Post estimates China's raisin production at 170,000 MT in MY 2024/25 (August-July), a decrease of 11 percent from the previous year, largely because of lower grape production in the Turpan region of Xinjiang Province, the single largest raisin processing region in China. According to local processors high temperatures in early summer affected fruit pollination. Nearly 70 percent of the fresh grapes harvested in Turpan are processed into raisins. Turpan produces more than 90 percent of the nation's total raisins. Other raisin production regions include Hami and Hetian, also located in Xinjiang Province. Xinjiang Province accounts for more than 95 percent of China's total raisin production.



Figure 1: Chinese Raisin Production Area

Xinjiang province is shown in orange with the Turpan region shown in red.

The most recent official estimate for grape planted area in Turpan was 38,025 hectares (ha) in 2021. According to the Chinese official state media outlet, Xinhua News Agency, planted area has grown to 42,000 hectares (HA) in MY 2024/25 and most of this area is dedicated to grapes for raisins and fresh consumption, with less than 10 percent planted to wine grape varieties. The abundant sunlight and large temperature difference between day and night contributes to the unique quality of Turpan grapes. Although producers in Turpan plant numerous grape varieties, the dominant variety has been Thompson Seedless, which can be processed into raisins or sold to the fresh market as table grapes. Turpan farmers normally choose better quality grapes to produce green raisins that are mainly consumed as snacks. Lower grade grapes are used to produce dark raisins, which are used as ingredients in food processing. In Xinjiang, about 4-5 kilograms (kg) of fresh grapes make one kg of dried raisins.

Traders report that green raisins still dominate Turpan raisin production in MY 2024/25, with a market share of 60-70 percent. Green raisins, which are wind-dried by hanging the grape clusters in special drying houses, are a long-established specialty product of Xinjiang province. Although this traditional drying method retains the original flavor, it is inefficient and easily affected by weather. Local traders indicate that the natural drying process for green raisins takes as long as 40-50 days. Turpan also produces dark raisins that are sun-dried on the ground. The drying process for green and dark raisins begins in early August and ends in early November, but the processing, which involves cleaning, sorting, and packaging may last the entire year. Overall raisin quality has significantly improved over the past few years. Large processors that source raw raisins from farmers have introduced modern equipment for the purposes of dust/stem removal, grading, color separation, cleaning and air drying (dark raisins), and packaging. The

graded products, often with accompanying brands, are mainly sold to retail markets and the international market. However, the quality of bulk raisins that are purchased and processed by smaller factories remains inconsistent. These less well-capitalized processors target wholesale or low-end markets across China. Raisin production was negatively affected by COVID-19 restrictions in recent years; MY 2023/24 was the first year without such restrictions affecting production.

Stocks

Post estimates MY 2023/24 raisin ending stocks at 5,000-10,000 MT. These low stock levels are due to an export boom, notably to Europe, the UK, Central Asia, and Australia, which cleared out a large portion of unsold raisins in storage warehouses, mostly in Turpan. The stock level is likely to stay at a relatively low level because of reduced raisin production in MY 2024/25. Post estimates that MY 2023/24 beginning stocks were 20,000-30,000 MT due to weak domestic demand.

Price

According to local raisin processors, raisin prices in Turpan have increased by about 40 percent from the previous year, driven by reduced supply of fresh grapes and lower warehouse inventories/stocks. For example, the wholesale prices of green raisins were quoted at RMB 12-15 (USD \$1.70-2.10) per kg this year, compared to RMB 8-9/kg in the previous year. Dark raisins prices have also risen to RMB 8-11/kg in 2024 versus RMB 5-6/kg in 2023. In 2024, fresh grapes rose to RMB 3.8/kg this season, an increase of nearly 30 percent on a yearly basis, according to media reports.

Consumption

Raisin consumption is trending downward due to sluggish demand amid a broad economic slowdown. Most raisins are used for traditional pastries and bread. While higher quality green raisins are consumed as snacks, dark raisins mostly flow to bakeries and low-end food processing plants. Currently, the food processing sector, especially the bakery and dairy sectors, have struggled with profitability. Industry sources indicate more bakeries have closed recently and high-end bakery chains, a main consumer of imported raisins, have stopped expanding their business in major cities. The consumption of dairy products, such as yogurt, ice-cream, and cheese that use raisins as ingredients, is also on the decline (see GAIN report [CH2024-0133](#)).

The consumption of raisins as snacks is expected to decrease marginally in the immediate future due largely to increased domestic prices. Consumers have become more price-sensitive, and they are shifting purchases to choose smaller packages of snacks. In addition, market data shows that the growth of “daily nuts,” a category of retail packaged snack food containing a variety of nuts and dried fruit (mostly raisins) has slowed since 2022 (see GAIN report [CH2024-0125](#)).

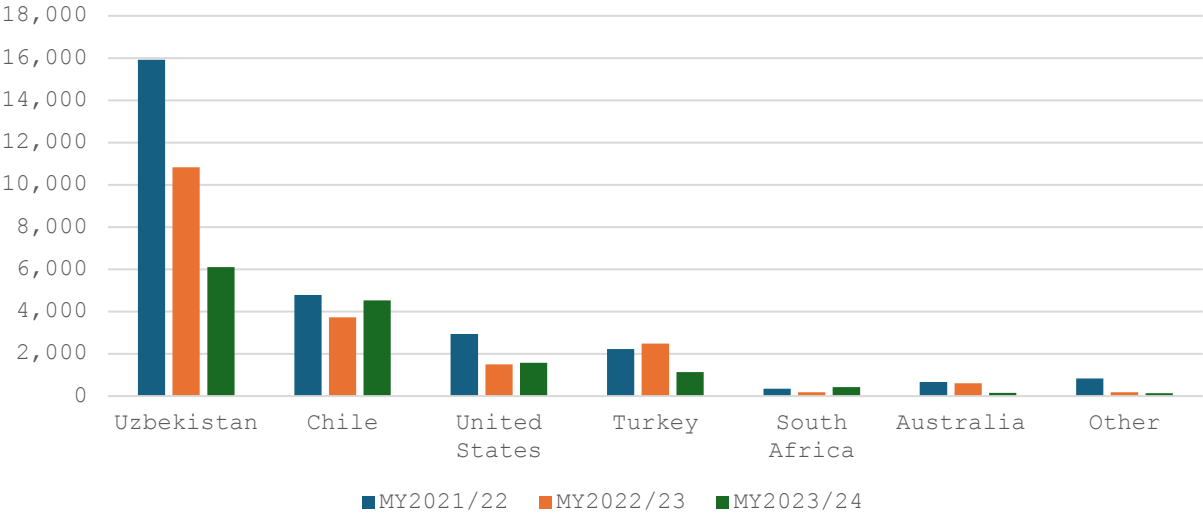
While supermarkets and convenience stores remain important channels for raisin sales, more consumers are choosing to buy raisins through online platforms.

Trade

Imports

Despite declining domestic production, Post forecasts China’s raisin imports to further slide in MY 2024/25 due to rising prices in major suppliers, such as Turkey, Chile, and the United States. Chinese customs statistics show that China’s raisin imports dropped by nearly 30 percent by volume in MY 2023/24 to 14,080 MT, which was largely due to high prices in the world market, according to traders.

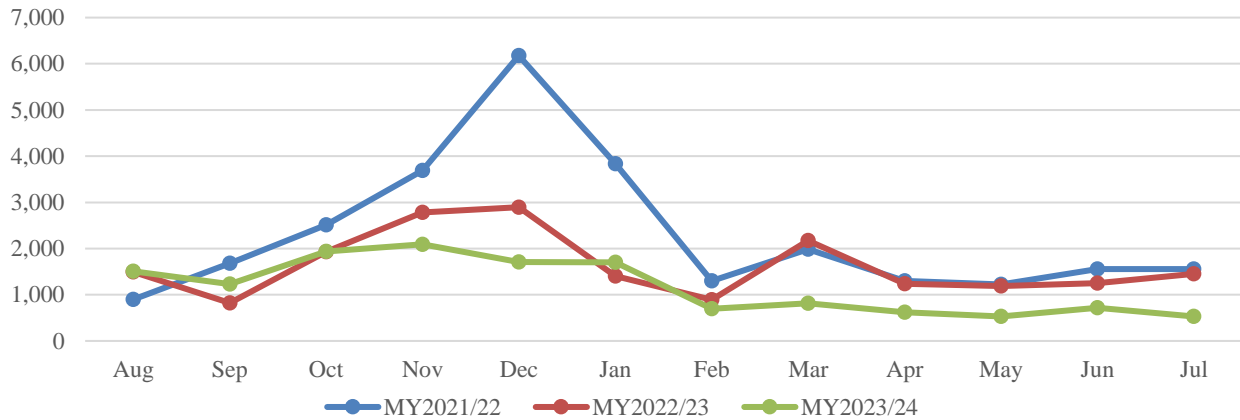
Chart 1. China: Top Raisin Suppliers in Marketing Year (in MT)



Source: Trade Data Monitor, LLC, (Note: Marketing year begins in August and ends in July)

Uzbekistan remained the largest supplier, but its market share has fallen rapidly. Raisin imports from the United States remain below their pre-2018 levels when China started to impose retaliatory tariffs, but the volume seems to have stabilized in the past two years. Raisin imports occur year-round, but the peak season falls in October-December (see Chart 2 on the following page).

Chart 2. China: Raisin Import Volume by Month (Unit: MT)

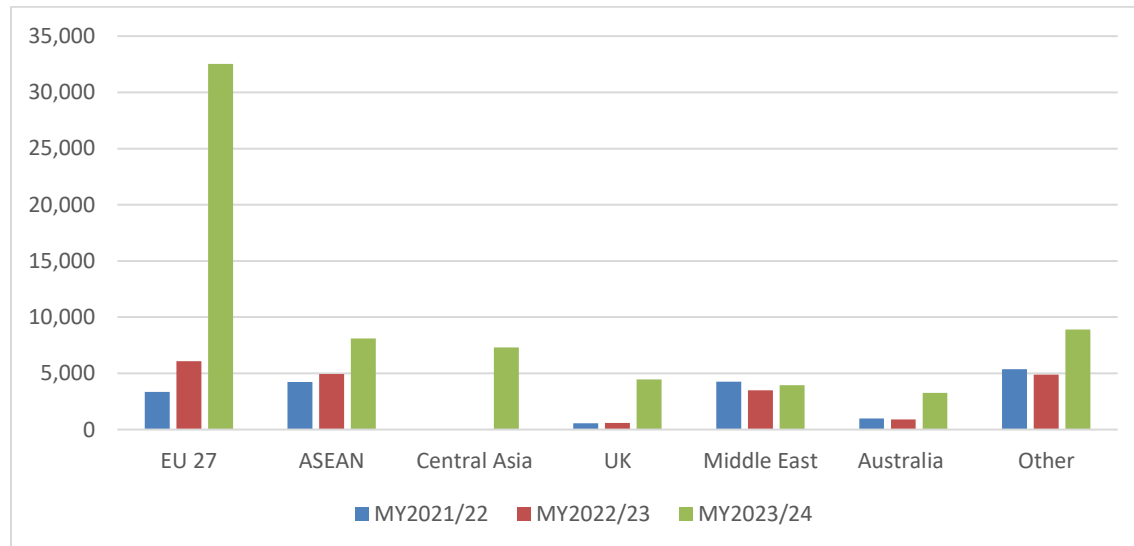


Source: Trade Data Monitor, LLC

Exports

Post forecasts China’s raisin exports to continue to be strong in MY 2024/25, driven by purchases from the European Union (EU) and the United Kingdom (UK) as Turkish raisin supplies slowly recover and as some buyers who were accustomed to buying Turkish raisins became more familiar with Chinese raisins during the prior year. [According to a report by FAS Ankara](#) in MY 2023/24, mildew disease affected Turkish grape production, and decreased raisin supplies in Türkiye, the world’s leading raisin exporter.

Chart 3. China: Raisin Export Markets (Unit: MT)



Source: Trade Data Monitor, LLC (note: marketing year begins in August and ends in July.)

Customs statistics indicate that China’s raisin exports more than tripled in MY 2023/24 to 68,487 MT, with shipment to EU and the UK soaring by 436 percent and 662 percent, respectively. Chinese exports of raisins reached a record high in MY 2023/24 and Chinese exporters expect the gap left by missing Turkish exports to remain open in MY 2024/25.

Traders indicate that China exports mostly dark raisins to other markets, including Europe and Southeast Asia, for food processing. A small portion of green raisins are exported to South Asia, Middle East, and Japan as snack foods. Due to high world prices, Chinese producers of dark raisins, see exporting as more attractive than servicing the lower-end of the domestic market.

Policy

The PRC continues to impose retaliatory tariffs on certain agricultural products, including raisins, from the United States. A tariff exclusion process that allows importers to apply for an exclusion to the PRC’s retaliatory Section 301 tariffs (see GAIN report [CH2020-0017](#)) has remained in place since March 2020. However, the process does not exclude the PRC’s retaliatory Section 232 tariffs. As a result, U.S. raisins are assessed an additional 15 percent import tariff on top of the 10 percent MFN duties (see details below).

Table 1. China: Import Tariff and VAT on Raisins with Major Trading Partners in 2024

Trade partner	Tariff (%)	VAT (%)
	Raisin (HS 08062000)	
Country/Region with FTA		
Chile	0	9
Australia	0	9
Country/Region with no FTA		
United States	25 (as of March 2, 2020) *	9
Uzbekistan	10	9
Türkiye	10	9
South Africa	10	9
Afghanistan	10	9

Source: China Customs, Note: *Actual rate (includes MFN and Section 232 retaliatory tariffs) after Section 301 tariffs have been exempted.

Attachments:

No Attachments.