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Report Highlights:

Sales of organic products in China reached \$17 billion in 2024, making it the third-largest organic market after the United States and Germany. Fueled by rising consumer awareness, concerns about health and sustainability, urbanization, and increasing disposable income, the market is expanding rapidly. While challenges such as regulatory barriers and domestic competition persist, products can capitalize on opportunities through cross-border e-commerce and by leveraging the trusted USDA Organic certification seal.

Table of contents

Introduction..... 2

Opportunities for U.S. Exporters 2

Organic Production in China..... 3

Regulatory and Certification Requirements 4

Market Size and Growth..... 4

Consumer Demographics 5

Trends in Consumption..... 6

 Product Trends..... 6

 Packaging Trends..... 7

 Consumption Channels 7

Trade and Competitive Landscape 8

Related GAIN Reports..... 9

Contact Information 9

Introduction

Consumer demand for high-quality organic products remains strong despite China’s slower growth rate. With effective business strategies and trustworthy partners, qualified U.S. organic products can enter the market by leveraging China's cross-border e-commerce channels. While opportunities abound, exporters face challenges such as regulatory barriers, price competition, and consumer skepticism regarding authenticity. By leveraging USDA organic certification, traceability, and localized strategies, export opportunities exist for U.S. producers in this dynamic and fast-growing market.

Opportunities for U.S. Exporters

China’s organic sector is expanding but remains complex for foreign exporters. Key challenges include certification integrity, consumer education, and growing competition from domestic producers. However, demand for trusted international labels, particularly the USDA Organic seal, creates opportunities through cross-border e-commerce, where reputation and transparency carry weight.

Industry analysts estimate that, in 2023, China exported approximately \$320 million worth of organic products to the United States - mainly tea, traditional Chinese medicine, edible mushrooms, and certain processed foods. By comparison, U.S. exports of organic goods to China (led by dairy, nuts, and grains) totaled about \$850 million.

High-potential segments include infant nutrition and senior-focused products, with strong demand for infant formula, baby food, dairy, juice, and wine. U.S. exporters can also look to lower-tier cities, where awareness is rising, and tailor offerings with smaller, affordable packaging to attract first-time buyers.

To succeed, exporters should prioritize trust-building through clear certification, and innovate with lifestyle-oriented products, packaging and design marketing strategies that resonate with young families, seniors, and health-conscious millennials.

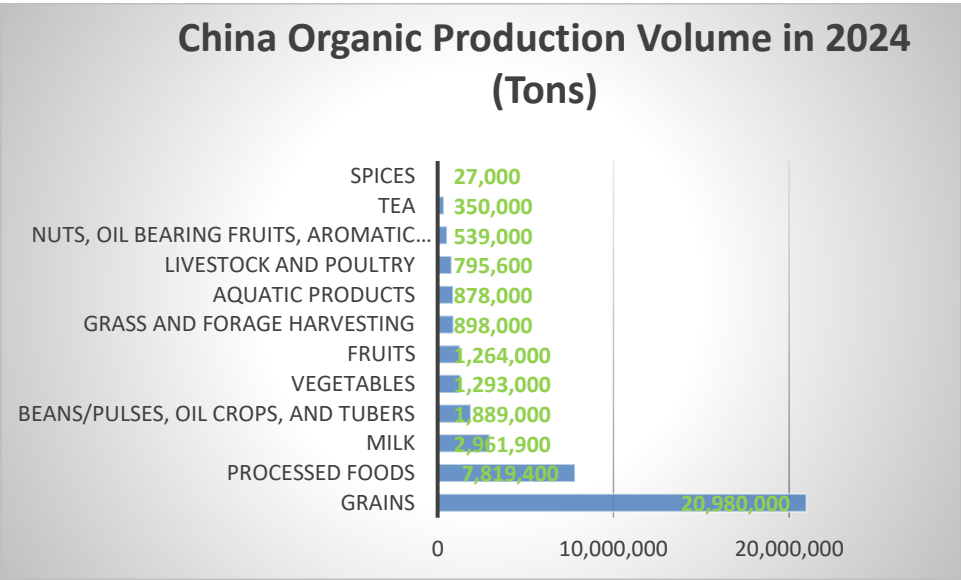
Organic Production in China

China has emerged as a key player in the global organic market, demonstrating remarkable growth in production capacity, certification volume, and overall market size.

By the end of 2024, China had 17,966 certified organic producers holding a total of 30,068 certificates. The area dedicated to organic production reached 3.6 million hectares, representing a 4.8 percent increase from the previous year. Five provinces - Anhui, Yunnan, Jiangxi, Heilongjiang, and Sichuan - accounted for 43 percent of certified organic products, according to the China Agricultural University.

The most recent production data available, published in the report on *China’s Organic Product Certification and Industry Development* by the National Certification and Accreditation Administration (CNCA), provided insights into the country’s organic sector in 2024.

Chart 1 (Data Source: CNCA)



China's organic production sector is expanding rapidly, and is the 5th largest in certified organic farmland area. There is notable growth in dairy, aquatic products, and processed goods, reflecting rising demand for sustainable, certified organic products.

Regulatory and Certification Requirements

Organic products sold in China must comply with national standards to ensure their authenticity and quality. The certification process encompasses inspections of production sites, environmental conditions, and sales documentation. Since 2020, certification requirements have expanded to include organic business operators, reflecting the industry's ongoing commitment to earning consumer trust.

All certified organic products must display an organic product certification label on their minimum sales packaging. Each certified product receives a unique 17-digit traceability code, enabling consumers to verify product origins and authenticity through the website of the [Certification and Accreditation Administration of China](#) (CNCA). This traceability system was established to strengthen consumer confidence and promote supply chain transparency.

Imported organic products are likewise subject to China's national standards and must obtain the Chinese organic seal before entering the domestic market. Notably, qualified products sold through Cross-Border E-Commerce (CBEC) channels are exempt from these certification requirements. For a deeper understanding of the CBEC business model, relevant GAIN reports offering practical insights are referenced later in this report.

In 2024, the CNCA reported that 24 certification bodies conducted overseas certifications across 52 countries and regions, issuing 557 certificates to 274 enterprises under Chinese organic standards. By comparison, China issued 5,103 organic certificates to 3,715 enterprises based on foreign organic standards.

Effective January 1, 2026, China implemented a sweeping regulatory overhaul of its organic food market, targeting loopholes and reinforcing consumer trust. Key reforms include:

- Banning "organic transition" labels on processed foods;
- Mandating a real-time digital tracking system that matches production volumes with sales data to deter fraud; and
- Requiring unannounced spot-checks on certified companies.

Together, these measures set a higher bar for authenticity and transparency in what has become the world's third-largest organic market.

Market Size and Growth

China's organic market is experiencing rapid expansion, driven by growing consumer focus on health and sustainability. In 2022, China surpassed France to become the world's third-largest organic market,

with sales reaching \$12 billion, trailing only the United States and Germany. In 2024, sales had grown to \$17 billion (RMB 125 billion), a 22.8 percent year-on-year increase. Primary processed products dominated the market, accounting for 93.5 percent of total sales, lead by milk, liquor, baby food, and “processed grain” products.

Demand is concentrated among health-conscious millennials, urban middle-class households, and affluent families in Tier 1 (most developed, metropolitan, Beijing, Shanghai, Guangzhou and Shenzhen) and Tier 2 (fast-growing, mid-sized) cities. New first-tier cities (15 cities such as Chengdu, Hangzhou, Wuhan, and Dongguan, act as high-growth "Tier 1.5" regional hubs, offering lower operational costs, expanding middle-class consumption, and specialized industrial strengths) are leading growth, accounting for nearly 20 percent of the new demand. Lower-tier cities represent the largest consumer base and offer significant room for expansion.

Despite its rapid growth, China’s organic market remains underdeveloped in terms of per capita spending. FiBL data shows that Chinese consumers spend only \$9.9 per capita on organic food, far below the global average of \$18.7. Organic products account for just one percent of the China market, compared to 13 percent in Denmark, highlighting significant untapped potential.

Consumer Demographics

Organic food consumption in China has expanded well beyond its origins in first-tier cities, gaining meaningful traction in emerging and lower-tier markets. Demand is especially pronounced in infant and senior product categories, where families place a premium on safety and quality for their most vulnerable members.

Four consumer segments drive the bulk of this growth:

- Urban middle class: seeking healthier everyday choices as disposable incomes rise
- High-income households: with the spending power to prioritize premium, certified products
- Mothers with young children: motivated primarily by food safety concerns
- Health-conscious millennials: integrating organic consumption into broader wellness and lifestyle identities

These segments are not static. Age, life stage, and income interact to shape distinct purchasing behaviors, a dynamic captured in the *China Organic Food Consumption Trends White Paper 2024*, which identifies three key generational profiles:

Older Consumers (50–59 years old). This cohort represents the market's most reliable and high-value buyers. Strong purchasing power, combined with a heightened focus on personal health, translates into consistent brand loyalty and repeat purchases. Marketers targeting this group should emphasize quality credentials, health benefits, and trust signals.

Young Professionals (30–39 years old). Balancing career demands with growing family responsibilities, this group approaches organic purchasing pragmatically. They are motivated by family health — particularly for children — but remain price-sensitive. Value-for-money positioning and family-oriented messaging resonate most strongly here.

Generation Z (20–29 years old). The youngest active consumers are curious, experimental, and quick to adopt new products — but equally quick to switch. Low brand loyalty reflects a preference for variety over commitment. Brands that engage this cohort through novelty, digital channels, and lifestyle alignment are best positioned to capture their attention, even if retention requires ongoing effort.

Trends in Consumption

Consumption trends in China show a growing demand for packaged and processed organic products, particularly in categories such as juices, dairy, and snacks. While raw and minimally processed organic products remain popular, there is a clear expansion toward deep-processed goods. This shift largely reflects the effect of urbanization and the rising emphasis on health among Chinese consumers.

Meanwhile, educated Chinese consumers place strong value on certifications and trust in product quality. Organic certifications - especially those recognized internationally, such as the USDA organic seal - are viewed as clear markers of authenticity and safety. Therefore, products with transparent labeling and reliable traceability are generally preferred.

It is important to note that consumers in China often favor directly imported organic products, associating them with higher quality and authenticity. Products that undergo repackaging or reprocessing in Southeast Asia face trust issues, leading to weaker sales and brand recognition. It has been reported that the market share of some international organic baby formula and wine brands declined significantly due to skepticism over repackaged goods.

Looking ahead, younger consumers are playing an increasingly important role in shaping demand. They place greater emphasis on transparency, environmental commitment, and social responsibility from brands. Nevertheless, price sensitivity remains a significant factor, especially under inflationary pressures.

Product Trends

- **Processed Organic Products:** Key categories currently include milk, liquor, baby food, and “processed grains” - though most “processed grains” are only minimally processed. The market is now looking for more innovative, value-added processed products.
- **Plant-Based Foods:** The plant-based trend is gaining momentum, with a 30 percent increase in sales in 2024. Consumers are demanding unique flavor experiences rather than simple substitutes for animal products, reflecting global trends toward sustainability and health-conscious eating.
- **Functional Foods:** Products with added health benefits, such as sugar-reduced foods, protein-enriched items, and supplements made from mushroom extracts, are increasingly popular.

- Other High-Demand Categories: Organic fruits, beverages, personal care items, and non-food categories like textiles and animal feed are also growing.

Packaging Trends

Packaging is a key driver of consumer choice in the organic market, with three notable trends emerging:

- Minimalist designs: Clean, simple packaging with prominent certification labels appeals to consumers who prioritize transparency and authenticity.
- Information-rich designs: Packaging featuring multiple certifications and detailed product information targets consumers seeking reassurance and in-depth knowledge.
- Smaller, affordable formats: Compact packaging options lower the entry cost and encourage trial purchases, making organic products more accessible to a broader audience.

Overall, these trends highlight how packaging not only communicates product quality but also influences accessibility and purchase confidence.

Consumption Channels

There is a growing trend toward purchasing organic products through both offline and online platforms. Once considered a high-end niche, organic products are now increasingly accessible to the mass market as price gaps with conventional goods narrow.

- Offline Channels: While brick-and-mortar stores face declining foot traffic and sales, organic foods - especially fresh produce - are gaining more shelf space. Ole, Sam's Club, and Hema (Freshippo) remain leaders in sales of organic products in China. After slashing prices of organic produce by 30 to 40 percent, Hema's organic vegetable sales in 2024 jumped 67 percent from the previous year, with SKUs topping 200 and repurchase rates in cities like Shanghai and Hangzhou exceeding 60 percent. Meanwhile, a new entrant, Albert Wang Market - positioning itself as China's version of Whole Foods or Erewhon - reportedly devoted 25 percent of its 6,000 SKUs to organic products, generating significant buzz in the organic retail sector.
- E-Commerce Growth: The rising presence of organic foods on Chinese dining tables reflects growing consumer interest in health and quality living. Online platforms—including apps launched by traditional brick-and-mortar chains—are successfully attracting organic shoppers, particularly as the price gap has narrowed with the entry of new e-retailers leveraging private-label strategies to control supply. Their core message is consistent: *“genuine organic, genuinely affordable, and genuinely wide selection,”* paired with rapid delivery in as little as 30 minutes. Regional supermarket chain Pupu, for example, set a goal in 2024 to triple its organic sales by 2026. With more players entering the field, successful product categories have expanded beyond fruits and vegetables to include organic meat, poultry and eggs, seafood, staple grains and oils, as well as mother-and-baby products and snack foods.
- Cross-border e-commerce (CBEC): Cross-border e-commerce platforms like Tmall Global and JD Worldwide are increasingly popular for selling international organic products. These

platforms allow international exporters to bypass some regulatory hurdles and directly reach Chinese consumers. Under the high tariff scheme for normal trade, the CBEC platforms are becoming more active in introducing U.S. products to sell as tariffs are not applied for qualified products. Products sold through CBEC channels must have complete certification and documentation to ensure smooth sales. To increase awareness of a product, social media platforms like Xiaohongshu are being used to promote organic products through influencer marketing and AI-driven language models.

CBEC is normally viewed as a good starting point for foreign products testing the water on China market, gaining interest and consumer feedback before continuing with applying for organic certification or selecting the suitable sales channel. Most popular products among these platforms are organic baby foods, nuts, dried fruits, and ground or milled powders, with organic cosmetics and packaged baby foods proving particularly successful in this space. For more information regarding CBEC, please read:

[China Cross-Border E-commerce Market Opportunities for US Agricultural Products](#)

[Staying Cool - How New Cold Chains Provide Opportunities for US Fresh Products in China's Cross-border E-commerce](#)

[China: China E-Commerce Report - Strategic Insights for US Food Agricultural and Beverage Exporters](#)

Trade and Competitive Landscape

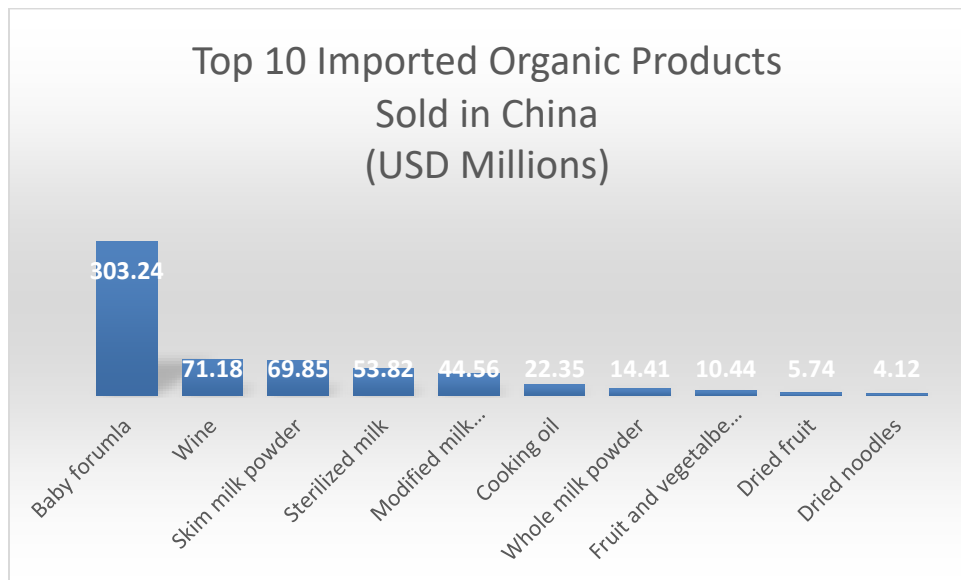
In 2024, China exported organic products valued at \$1 billion, with the United States, the Netherlands, and Germany as the top destinations. Imports totaled \$603 million, led by Ireland, Denmark, and New Zealand, with infant formula, formulated milk powder, wine, juice, and baby food among the leading categories.

China has sought to strengthen market access through equivalency arrangements. A mutual recognition agreement has been in place with New Zealand since 2016, a letter of intent was signed with Australia in 2024 and a Memorandum of Understanding on organic product certification cooperation was signed in May 2026 between China's State Administration for Market Regulation and Spain's Ministry of Agriculture. However, progress toward broader recognition remains slow. Industry stakeholders note that dual certification requirements continue to pose significant barriers for foreign exporters.

In 2024, China's main organic exports to New Zealand were coffee, frozen vegetables, and grains, while New Zealand primarily supplied dairy products, meat, and fruit. New Zealand's organic exports to China reached 11,200 tons, valued at \$69 million, compared with 2,600 tons of Chinese exports to New Zealand, worth \$2 million.

At the same time, domestic production is reshaping competition dynamics. Sales of imported organic products fell 12 percent in 2024, to \$603 million, as local producers gained competitiveness by offering lower-cost alternatives to imported goods.

Chart 2 (Data Source: CNCA)



Related GAIN Reports

[Organic Product Certification Administrative Measures Amended](#)

[China Publishes New Organic Standard and Certification Rules](#)

[Consumer Interest Growing for Sustainable Products](#)

[China Organics Report 2010](#)

Key Trade Show

[BioFach China](#), Shanghai, May 25-27, 2027

Contact Information

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Attachments:

No Attachments.