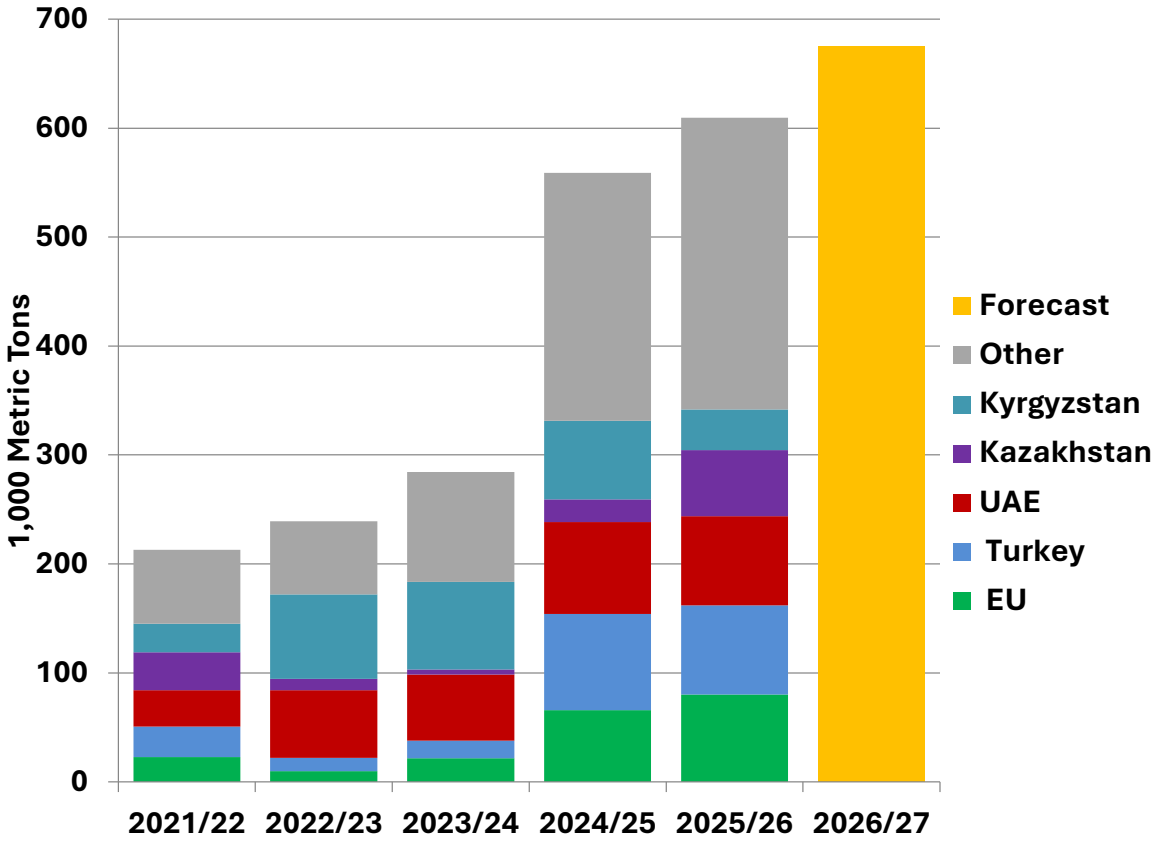
China Walnut Exports Continue Expanding



Source: Trade Data Monitor, LLC

China's walnut exports are forecast to continue expanding to reach 675,000 metric tons (in-shell basis) in 2026/27, maintaining the country's position as the world's top exporter for a third consecutive year. In the last 5 years, China's exports more than tripled on strong growth to the European Union and Turkey, eroding U.S. market share in these top markets and surpassing the United States as the top exporter. China also expanded shipments to the United Arab Emirates and border countries Kazakhstan and Kyrgyzstan where competition is limited. Over 70 percent of export growth during this period was driven by shelled walnut shipments, reflecting China's investment in modern processing facilities.

China's walnut production in 2026/27 is forecast to reach a record 1.6 million tons, a 7-percent increase from the previous year. After surpassing the United States as the world's leading producer in 2002/03, China has maintained this position and is projected to account for nearly 60 percent of global output. This expansion stems from an aggressive planting campaign launched more than 2 decades ago when national production hovered near 400,000 tons. Xinjiang Province now accounts for more than half of China's total output and Yunnan Province contributes another 40 percent. In both provinces, government poverty-alleviation initiatives encouraged farmers to plant walnut trees to supplement rural incomes but the regions have otherwise followed markedly different growth paths.

Growers in Xinjiang Province benefit from natural advantages created by mountain ranges that encircle the arid plains where walnuts are cultivated. Low humidity suppresses fungal and insect

pressure, significantly reducing pesticide and fungicide use. Snowmelt from surrounding mountains provides a dependable water source for irrigation. Flat terrain enables large-scale mechanical harvesting and supports high-yielding, densely planted cultivars. Post-harvest activities such as drying, sizing, shelling, sorting, and grading have increasingly shifted from individual farms to modern processing facilities that meet international standards.

In contrast, walnut production in mountainous Yunnan Province has expanded more slowly. The rugged terrain limits mechanization, leaving smallholder growers dependent on manual labor. Rising labor costs coupled with weakening farm-gate prices have prompted some growers to reduce harvests or abandon orchards when profits decline. Most of Yunnan's walnuts are consumed domestically, with some sold in local markets with the hull or processed into cooking oil.

China's expanding production capacity, improved processing capabilities, and rising compliance with international standards have strengthened its position as the dominant global walnut supplier. Supported by sustained export growth and increasing demand in key markets, China is expected to maintain its commanding lead. For more information about China's tree nut production and trade, see the FAS Post report 2026 China Tree Nuts Annual Report.