

Voluntary Report – Voluntary - Public Distribution

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Report Name: Consumer Interest Growing for Sustainable Products

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Report Highlights:

Demand for sustainable and eco-friendly products in China is increasing, driven by government policies and changing consumer values that support green manufacturing and responsible consumption. Chinese consumers are showing increased interest in sustainable, organic, and health-oriented products. However, while some are willing to pay a premium for sustainable products, a gap remains between consumers' willingness and actual purchasing behavior. This is largely due to challenging economic factors as well as difficulty in identifying sustainable products.

Regulatory Developments

In 2024, China introduced several government initiatives related to mandatory and voluntary sustainability information disclosure for environment, social, governance (ESG) issues. On April 12, 2024, major Chinese stock exchanges issued their respective “Guidelines on Self-Regulation of Listed Companies: Sustainability Report” (collectively, the “Sustainability Report Guidelines”). Effective May 1, 2024, these guidelines represent the first disclosure requirements for listed companies on ESG issues. According to the requirements, entities subject to mandatory disclosure must publish their 2025 annual sustainability reports by April 30, 2026. Other listed companies may voluntarily adopt the guidelines and are encouraged to disclose their 2024 annual sustainability reports in advance.

In December 2024, the Ministry of Finance (MOF) finalized the [Corporate Sustainability Disclosure Standards – Basic Standards \(Trial\)](#), which outline general requirements for sustainability information disclosure by Chinese enterprises. These guidelines are broadly aligned with the International Sustainability Standards Board (ISSB) framework, requiring disclosures on governance, strategy, risk and opportunity management, and performance indicators. However, the MOF guidelines differ by adopting the principle of double materiality, which evaluates ESG impacts not only on a company’s financial performance but also on broader environmental, social, and governance outcomes. It marks the beginning of MOF’s plan to issue both the general standard for corporate sustainability disclosure and the climate-related disclosure standard by 2027, with the goal of establishing a unified national sustainability disclosure system by 2030.

On September 3, 2025, China’s Ministry of Finance (MOF) issued the [Application Guide for the Corporate Sustainability Disclosure Standards – Basic Standards \(Trial\)](#), offering enterprises detailed instructions for applying the trial version of the country’s sustainability disclosure framework. It requires companies to define the scope of their value chain in disclosures, reassess sustainability risks and opportunities when significant changes occur, and align sustainability information with financial statements and other public reporting.

As a result of these new policies, companies are expected to invest in compliance measures such as traceability and data integration, which may increase operational costs. Companies are likely to prioritize ESG-compliant suppliers, driving demand for sustainable raw materials, green technologies, and renewable energy. On the demand side, consumer preferences are expected to shift toward products from companies with strong ESG performance, while investors increasingly support businesses with robust sustainability practices.

General Consumer Trends in Sustainability

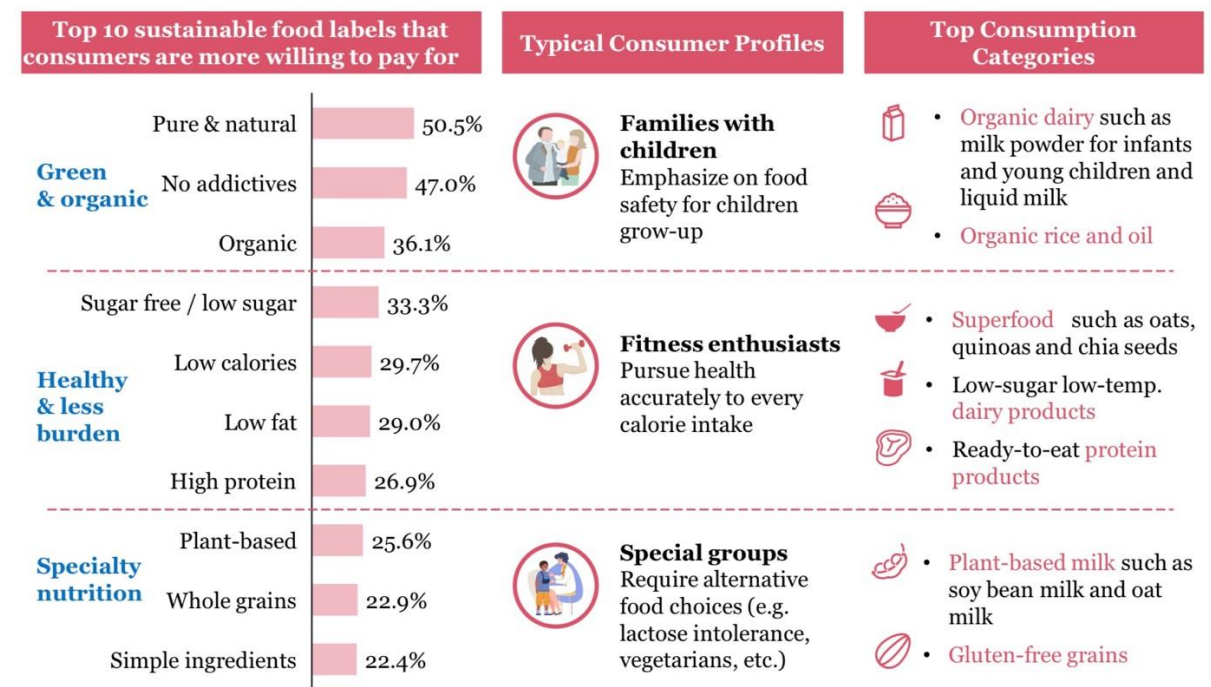
Chinese consumers are becoming more aware of sustainability and environmental issues, which will impact purchasing behavior. Recent surveys reveal that Chinese mainland consumers are willing to pay a premium for sustainable products at rates. A survey by Price Waterhouse Coopers (PwC) showed approximately 10 percent higher than the global average. Millennials and Gen Z are driving this trend, with Millennials prioritizing “healthy living” and educating future generations, while Gen Z embraces sustainability as both a lifestyle choice and a social trend.

According to the 2024 Sustainable Consumption Report by Syntao Consulting, around 70-80 percent of consumers expressed a willingness to pay extra for sustainable products, particularly in transportation and travel, household appliances, and food & beverage category. However, their purchasing behavior remains rational, favoring low-carbon premiums within reasonable limits. Key motivators include societal advocacy, environmental concerns, and cost savings. However, challenges such as high prices, difficulty identifying low-carbon products, and limited options persist.

Moreover, consumers are increasingly willing to share their experiences on social media after purchasing sustainable products. According to the same survey, 72 percent of respondents shared their experiences with others after buying low-carbon products with nearly half hoping to inspire other consumers to embrace low-carbon consumption. Meanwhile, 80 percent of respondents expressed a willingness to try such products after seeing others share their experiences. Beyond purchasing and consuming sustainable or low carbon products, consumers expressed interest in simple and practical low-carbon lifestyle practices, such as reusing packaging bags, opting for smaller portions when ordering food, and conserving water and electricity in daily life.

Consumer Preferences for Sustainable Food and Agriculture Products

PwC analysis, based on a 2023 Chinese Consumer Insights White Book, reveals that the top 10 sustainable food labels consumers are most willing to pay for can be grouped into three high-potential product categories: green and organic food, healthy & less burden food and specialty nutrition. As this analysis is based on a report with only 1,500 responses, it should be considered as a reference rather than a definitive conclusion.



Source: PwC analysis, based on the 2023 Chinese Consumer Insights White Book

Over 50 percent of respondents were willing to pay more for products labelled as “pure and natural” with a similar number willing to pay for products without additives. Around a third of consumers were willing to pay more for organic products, products with zero or no sugar, and low-fat products. Around a quarter of respondents valued high protein, plant-based, whole grains, and simple ingredients.

In terms of categories, there is strong demand for sustainable basic foods such as dairy, rice, and oil. The typical consumers of these products are families with children, as parents prioritize food safety to support their children's healthy growth. Though sustainability can be perceived in many ways, it is often associated with healthy and functional products desired by the same consumer base.

Organic Foods

China became the world's third-largest organic consumption market in 2023. The report "2025 China Organic Product Certification and Organic Industry Development", released by the State Administration for Market Regulation, shows that China's organic product sales reached approximately \$171 billion in 2024, an increase of \$32 billion compared to 2023, representing a growth rate of 23 percent. Currently, Freshippo (retail platform under Alibaba Group) is the largest organic product sales platform in China. As of September 2024, Freshippo offers over 500 organic products, covering more than 20 categories, including vegetables, fruits, meat and poultry, and baked goods. Organic sales have increased by 28 percent year-on-year, and Freshippo's organic product user base has exceeded 10 million.

Despite the strong growth potential, green and organic food still faces challenges such as high production costs, an incomplete certification system, weak integration between production and sales, and the need to further enhance consumer awareness. Currently, the United States and China have not established an equivalency arrangement for organic product certification. Therefore, U.S. organic products must comply with China's organic product laws, regulations, and national standards, and obtain certification from a certification body approved by the State Administration for Market Regulation (SAMR) in order to be eligible for sale as organic in China.

Case Studies in the Food and Agriculture Industry

Driven by macro-level policies, companies are not only integrating sustainability into supply chains but are also intensifying efforts to promote sustainable consumption practices to educate consumers and strengthen brand value. Examples include:

- Alibaba's retail platform Freshippo organized a "Rebirth of Plastics" campaign, repurposing recycled fruit and vegetable boxes into seedling trays, creating a closed-loop recycling system that reduces waste and promotes circularity.
- Freshippo's "Ugly Vegetables" project marketed visually imperfect but edible produce at lower prices, reducing approximately 4 tons of food waste weekly.
- Meituan, a food delivery app, promoted green consumption through a “No Disposable Tableware Needed” feature, which has generated over 10 billion orders with 5.2 billion users participating.

- Bright Dairy's "Milk Packaging Recycling Campaign" collected 9.92 million milk cartons across 90 cities, engaging more than 580,000 participants. At the 2025 Shanghai International Carbon Neutrality Expo, Bright Dairy showcased exhibits including a bench made from recycled milk cartons and a T-shirt crafted from discarded plastic bottles.

As Chinese consumers demonstrate interest in ecological benefits and resource circularity, there is potential for U.S. products with strong sustainability messages. At the same time, exporters should be aware of China's regulatory requirements regarding product labeling, environmental claims, and organic certification. Failure to meet relevant regulatory requirements may affect market access. Exporters should also monitor changes in China's policies and standards to ensure compliance.

Additional Resources

If you are interested in exploring the market in China for sustainable food and agriculture products, the following resources and trade shows may be of interest:

Key Resources:

[China Organic Product Certification](#)

[China Green Food Development Center](#)

[China Food and Agricultural Product Certification Information System](#)

[The Animal Welfare International Cooperation Branch of the China Association for the Promotion of International Agricultural Cooperation](#)

[China Agricultural Green Development Research Society](#)

Related Trade Shows:

[BIOFACH CHINA](#)

[China International Organic and Green Food Expo](#)

[China Green Food Exposition](#)

[Shanghai International Carbon Neutrality Expo](#)

For more information, please contact ATO Shanghai at atoshanghai@usda.gov.

Attachments:

No Attachments.