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## **Report Name:** Grain and Feed Annual

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### **Report Highlights:**

China's MY2026/27 total feed and residual use of major grains is forecast to increase slightly to 290.7 MMT, up from 289.5 MMT in MY2025/26. Corn production is forecast to rise to 305 MMT, with consumption reaching 323 MMT and ending stocks falling to 168 MMT. Corn imports are expected to remain flat at 8 MMT. Sorghum feed use is forecast to increase modestly to 8.0 MMT, while barley feed use holds steady at 8.7 MMT. Wheat and rice feed use are both expected to remain stable.

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This report only considers trade policies that are in effect at the time of publication. Unless a formal end date is specified, the report assumes that current policies remain in place.

## **Executive Summary**

China's marketing year (MY) 2026/27 grain outlook is shaped by a continued policy push to strengthen domestic production, manage imports more tightly, and support food security through higher yields rather than major acreage expansion. China's grain trade remains heavily influenced by tariff rate quotas (TRQ) for corn, wheat, and rice, as well as by additional retaliatory tariffs on U.S. products, although some retaliatory tariffs were reduced or suspended beginning in November 2025.

Feed demand in MY2026/27 is forecast to rise slightly, supported by stable swine production and stronger poultry output, with total feed and residual use of major grains projected at 290.7 million metric tons (MMT), up from 289.5 MMT in MY2025/26. Corn remains the dominant feed grain at 241 MMT of feed and residual use, followed by wheat at 33 MMT, barley at 8.7 MMT, and sorghum at 8.0 MMT.

Corn is forecast to remain the central commodity in the feed grain complex, with MY2026/27 production rising to 305 MMT on improved yields and expanded adoption of genetically engineered (GE) corn, while total consumption reaches 323 MMT and ending stocks fall to 168 MMT. Although soybean subsidies in northeastern provinces are expected to remain higher than corn subsidies, stronger corn returns, firmer prices, and policy support for overall grain production are expected to keep corn area stable to modestly higher. Corn imports are forecast at 8 MMT, unchanged from MY2025/26, as China continues to discourage large import volumes while relying on domestic supply growth, reserve management, and tight TRQ administration.

Sorghum and barley remain important supplemental feed grains because they help fill feed demand outside the corn TRQ system. Sorghum imports are forecast at 7.8 MMT in MY2026/27, supported by competitive pricing, low toxin levels, and renewed U.S. sales after China reduced additional tariffs on U.S. sorghum to 10 percent in November 2025. Barley imports are forecast at 10.5 MMT, unchanged from MY2025/26, because barley faces no TRQ restriction and no retaliatory tariffs, making it an attractive feed input even as malt demand softens.

Wheat and rice forecasts reflect stable domestic production alongside shifting quality, reserve, and trade dynamics. MY2026/27 wheat production is forecast modestly higher at 140.1 MMT, while consumption is projected at 150 MMT and imports at 6 MMT, with feed use supported by quality concerns in parts of the corn crop and by resumed reserve wheat auctions. Rice production is forecast slightly higher, but consumption is expected to fall to 145 MMT as food

use trends downward with population decline and changing diets, even as imported broken rice and rice byproducts remain relevant to feed and industrial users.

## **FEED OVERVIEW**

China's MY2026/27 total feed and residual use is forecast to increase slightly from MY2025/26 on anticipated stable hog feed demand and higher poultry demand. The proportion of corn mixed into rations is forecast to remain high (see Table 1).

The Ministry of Agriculture and Rural Affairs (MARA) reported the total hog herd at the end of 2025 was 429 million, up by 0.5 percent from last December but a quarter-by-quarter decrease of 1.6 percent. The December sow inventory was 2.9 percent lower year-on-year and has shown continuous month-on-month drop starting from July 2025.

FAS China forecasts China's 2026 swine production to remain broadly in line with 2025 levels. This outlook reflects two offsetting forces. Producers have trimmed breeding herds in response to weak margins, but large integrated companies continue to improve the pigs-per-sow-per-year (PSY) and survival rates, compensating for the smaller sow base. Further, the government's swine policy also supports stability by keeping production capacity within a defined range and discouraging sharp cyclical swings. Weak prices and tighter margins are expected to limit incentives for further expansion. Pork production in 2026 is also projected to remain stable, as slightly higher slaughter volumes are largely offset by lighter carcass weights amid continued enforcement of swine sector inventory and slaughter weight control policies.

Post forecasts chicken meat production to increase in 2026 year-on-year driven by a strong base of white and yellow broiler production in 2025. Chicken's relative affordability supports baseline demand amid cautious consumer spending, while institutional catering continues to provide stable purchases. Post expects yellow broiler demand to remain stable.

Post forecasts beef cattle production in 2026 to decline as herd liquidation continues and breeding cow inventories remain constrained. Although cattle prices improved in 2025, profitability stayed thin, and production efficiency limits any near-term recovery in calf output.

Please see FAS China's recently published [semi-annual 2026 Livestock](#) GAIN report and upcoming Poultry and Oilseed GAIN reports.

**Table 1. China: Grain Feed and Residual Demand Estimates and Forecast<sup>1</sup>**

(in MMT)	MY2024/25	MY2025/26	MY2026/27	Change (%)
<b>Corn</b>	235	240	241	1
<b>Sorghum</b>	5.5	7.8	8	0.2
<b>Barley</b>	9.5	8.7	8.7	0
<b>Wheat</b>	33	33	33	0
<b>Old Stock Rice (milled equivalent)</b>	0	0	0	0
<b>Total</b>	283	289.5	290.7	1.2

**Source:** FAS China Analysis (Note: The totals listed in the table represent the unprocessed amount of major feed grains used in feed production. Numbers include residual; Cassava and other minor corn substitutes not calculated).

China's nationwide industrial feed production totaled 342 MMT in 2025 (see Table 2), up 8.6 percent year-on-year, according to the latest China Feed Industry Association (CFIA) report. Pig and poultry feed production accounted for 47 percent and 39 percent, respectively, of total feed production, compared with 46 and 41 percent, respectively, a year prior. In 2025, China's imports of rice bran, wheat flour by-products, and dried cassava more than doubled year on year, with combined incremental volumes exceeding 5 MMT, driven mainly by cassava. While these increases are small compared with major grains such as corn, barley, sorghum, and wheat, they highlight how grain substitutes can quickly scale up when domestic corn prices move into a higher range.

**Table 2. China: Annual Feed Production by Industry in 2020-2025**

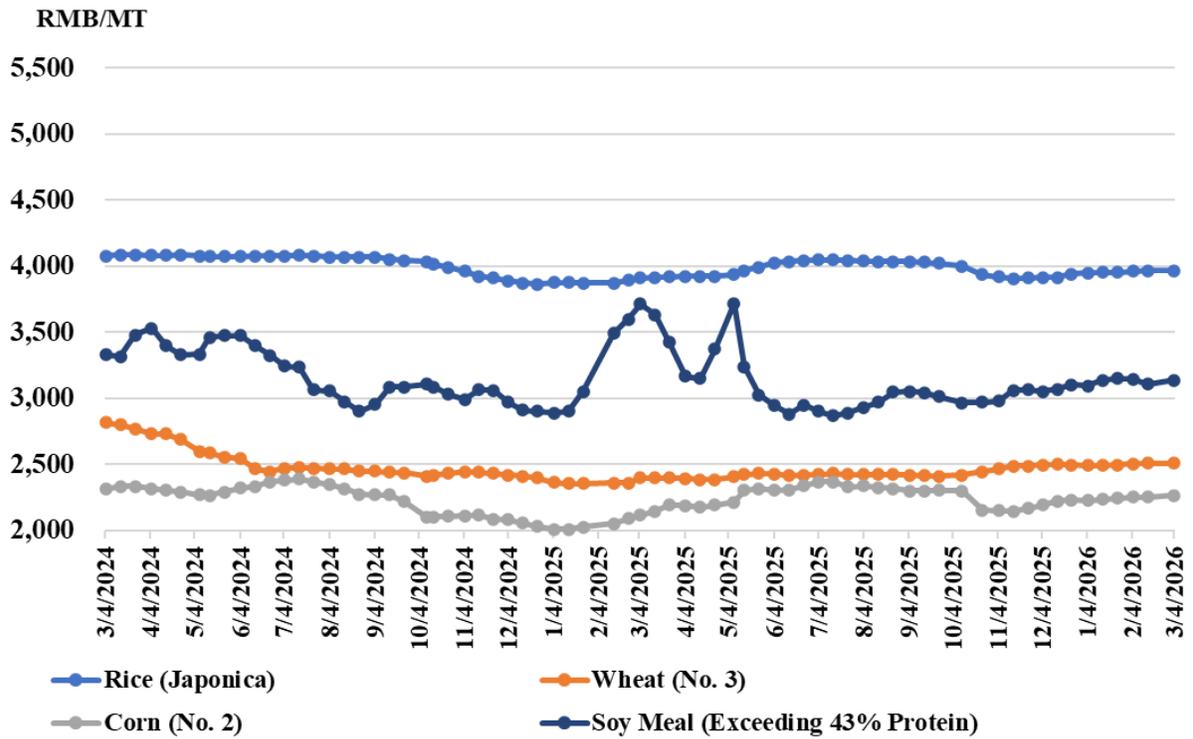
(in MMT)	Swine	Layers	Broiler	Aquaculture	Ruminants	Total
<b>2020 Production</b>	89.23	33.52	91.76	21.24	13.19	252.76
<b>2021 Production</b>	130.77	32.31	89.10	22.93	14.80	293.44
<b>2022 Production</b>	135.98	32.11	89.26	25.26	16.17	302.23
<b>2023 Production</b>	149.75	32.7	95.11	23.44	16.7	321.63
<b>2024 Production</b>	143.91	32.36	97.54	22.62	14.49	315.03
<b>2025 Production</b>	166.39	32.82	100.98	23.23	14.76	342.25
<b>Year-on-Year Increase (percent)</b>	8.8	1.4	3.5	2.7	1.8	8.6

**Note:** Total amount of feed production includes major feed grains listed in Table 1, minor feed grains, oilseeds, and other feed inputs.

**Source:** CFIA.

<sup>1</sup> China's commodity marketing year for corn, sorghum, and barley is October 1-September 30, and July 1-June 30 for wheat and rice.

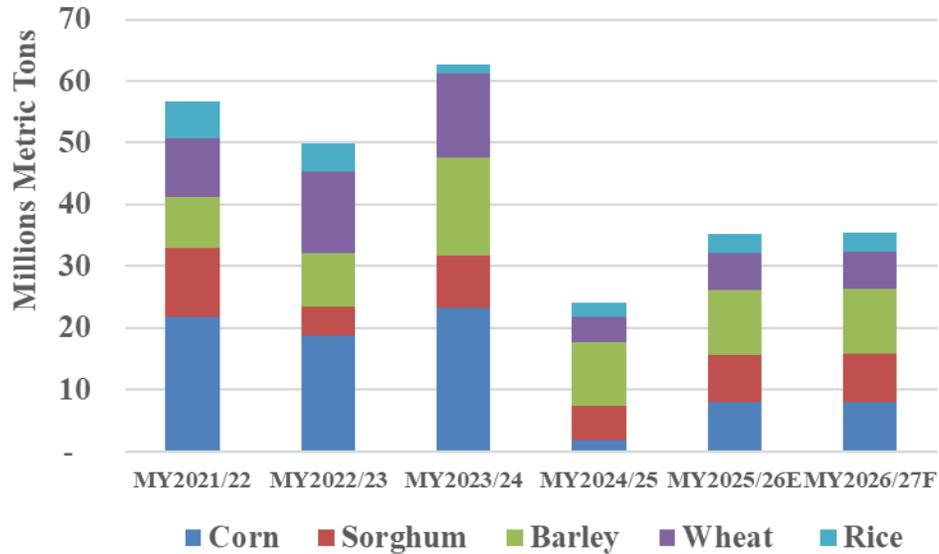
**Chart 1. China: National Average Grain Prices 2024-2026**



Source: National Bureau of Statistics (NBS).

## FEED GRAINS

**Chart 2. China: Grain Imports for Previous Five Years**

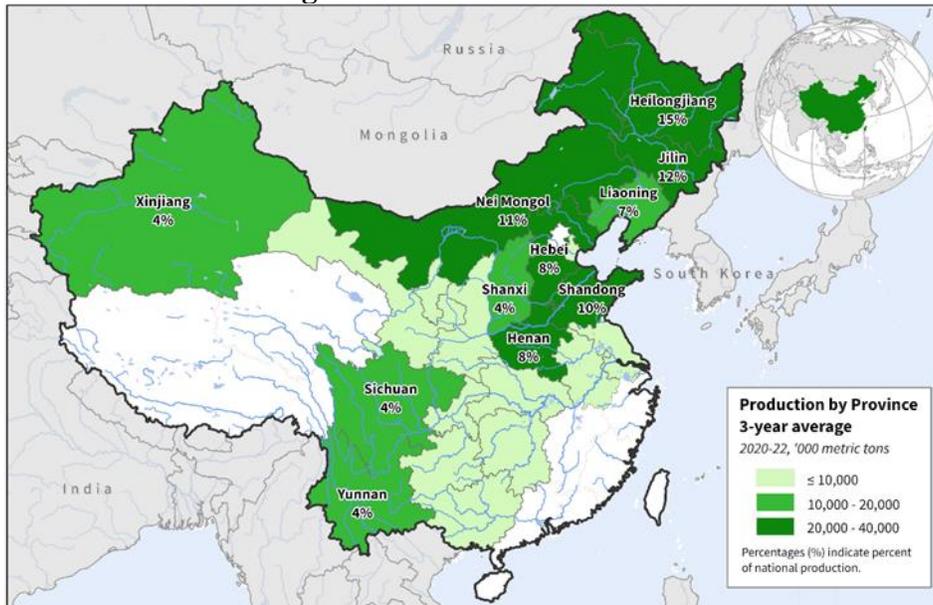


Source: Trade Data Monitor, LLC and FAS China Analysis.

## Corn

### Production

**Image 1. China: Corn Production**



USDA Foreign Agricultural Service  
U.S. DEPARTMENT OF AGRICULTURE

Source: National Bureau of Statistics of China (data excluding Taiwan)  
Average Corn Production 2020-2022

Corn production in MY2026/27 is forecast at 305 MMT, 1.3 percent higher than MY2025/26 due to improved yields. Post expects GE corn plantings to further increase significantly in 2026 due to government promotion of large-scale yield improvement programs, which should also be positive for yield growth. At a recent seed conference, experts from the China Academy of Agricultural Science reported that China's MY2025/26 GE crop acreage reached 2.7 million hectares, 1.7 million hectares higher than MY2024/25. GE corn area accounts for 2 million hectares, or roughly 6 percent of the total national corn area, which is 1.3 million hectares higher than MY2024/25. Experts forecast MY2026/2027 GE crop area reaching 5.3 million hectares, with the majority being GE corn.

Post projects that corn planted area in MY2026/27 will remain stable despite higher soybean planting subsidies because farmers see higher returns to plant corn than soybean. Supported by rising grain prices, average corn farmer profits in the three northeastern provinces reached around \$436 per hectare (RMB 200 per mu) by the end of 2025, significantly boosting planting incentives for 2026.

Industry sources report that farmers across the principal corn-growing regions have indicated their intention to moderately expand corn acreage in 2026, supported by firmer domestic corn prices observed during the current marketing season. More than 40 percent of the anticipated expansion is expected to occur in Northeast China, where improved marketing returns have strengthened planting incentives. In the North China Plain (NCP), comprised of the provinces of Shandong, Henan, Hebei, Shanxi, and Shaanxi, corn area is likewise projected to expand by approximately 0.5 percent. Minor corn-producing provinces are also expected to register a moderate increase in planted areas, estimated at 0.5 percent year over year, reflecting continued local government efforts to encourage grain production expansion.

On February 3, 2026, the Chinese Communist Party (CCP) Central Committee and the State Council unveiled [the 2026 No. 1 Document](#), which outlines comprehensive strategies for agriculture and rural development. The 2026 document establishes a new objective of maintaining grain production at approximately 700 MMT (50 MMT higher than the prior target of 650 MMT) through a three-pillar approach: stabilizing acreage, increasing yields, and improving product quality. As part of [the action plan](#) launched in 2024 to increase grain production capacity, provincial governments must increase per-capita yields of major grain and oilseed crops through integrated deployment of high-quality farmland, improved seeds, advanced machinery, and effective farming practices. In December 2025, China's National Development and Reform Commission (NDRC), China's top economic planner, also emphasized in a policy document that the nation would intensify efforts to implement the initiatives published in early 2024 to raise grain production capacity by 100 billion jin (approximately 50 MMT) by 2030, with a focus on boosting corn and soybean output.

**Image 2. China: Black Soil Land in Heilongjiang Before Planting**



**Source:** Local industry source.

In early 2026, MARA reported that the MY2025/26 record high grain output was mainly driven by corn, which accounted for 75 percent of the total grain output growth. Officials emphasized that yield improvements were the key driver, with more than 90 percent of the production increase attributed to higher per-unit yields rather than expanded acreage. Expanded adoption of integrated water-fertilizer systems, dense planting in Northeast China, and improved machinery and technology integration supported gains. For 2026, MARA plans to continue stabilizing acreage, boosting yields, optimizing crop structure, improving efficiency, and strengthening disaster prevention.

Northeastern provinces will continue their “grower subsidies,” with their soybean subsidies expected to be \$654-1090 per hectare (RMB 300-500 per mu) more than their corn subsidies in reaction to central government directives. The subsidies for intercropping will continue to encourage farmers to intercrop corn and soy. According to the 14th Five Year Development Plan of the National Planting Industry, the county will have more than 3.33 million hectares of corn-soy intercropping, accounting for 7.5 percent of total area in 2025.

**Table 4. China: Corn-Soybean Grower's Subsidies (RMB per Mu)**

Year	Heilongjiang		Jilin		Liaoning		Inner-Mongolia	
	Corn	Soybean	Corn	Soybean	Corn	Soybean	Corn	Soybean
2016	154	119	182	162	179	112	170	45
2017	134	173	162	165-266	159	135-207	150	177-180
2018	25	320	94	224	100	145-200	15.64	200
2019	30	255	86	265	76	276	79	235
2020	38	238	65-80	245-500	60-70	245-260	90-100	245-250
2021	68	248	60-140	265-500	60-83	210-240	50-133	200-235
2022	28	248	50-94	333-500	Soy is at least 200 yuan higher than corn			320-400
2023	≤28	≥350	Soy is 220-320 yuan higher than corn		Soy is at least 350 yuan higher than corn		Soy is at least 260 yuan higher than corn	
2024	20	352	Soy is 280-400 yuan higher than corn		Soy is at least 380 yuan higher than corn		Soy is at least 270 yuan higher than corn	
2025	17	350	Soy is 360-500 yuan higher than corn		Soy is at least 350-400 yuan higher than corn		Soy is about 300 yuan higher than corn	
2026	Soy subsidies expected to be even higher than corn in 2026. More subsidies will be given to large-scale growers, hybrid seed growers and corn-soy intercropping grower.							

Source: Provincial Governments. Note: 1 mu to hectares = 0.06667 hectares.

Nationwide corn prices grew by 7 percent year-over-year between the 2025 harvest and the first quarter of 2026, as persistent rainfall issues in North China extended into October, leading to a significant downgrade in corn quality. The scale of downgraded corn is estimated by industry to be 20-30 MMT. While North China faced quality issues, Northeast China experienced a bumper harvest in both quality and quantity. This supply tightening in the Northeast was a key driver of strong market performance in Q4 2025. Since the New Year holiday, policy-driven grain supply has risen notably, with frequent auctions of imported corn, while downstream buyers continue to procure on an as-needed basis. Regional trends diverge, with Northeast China prices continuing to edge up amid tight supply and strong holding sentiment, while North China prices fluctuate at elevated levels due to low inbound volumes. Corn futures have climbed to new highs and are roughly in line with spot prices, intensifying market debate over hidden inventories and deferred supply pressure. Overall, strong prices persist, but limited downstream demand, falling import costs, and rising policy sales suggest prices are unlikely to increase sharply.

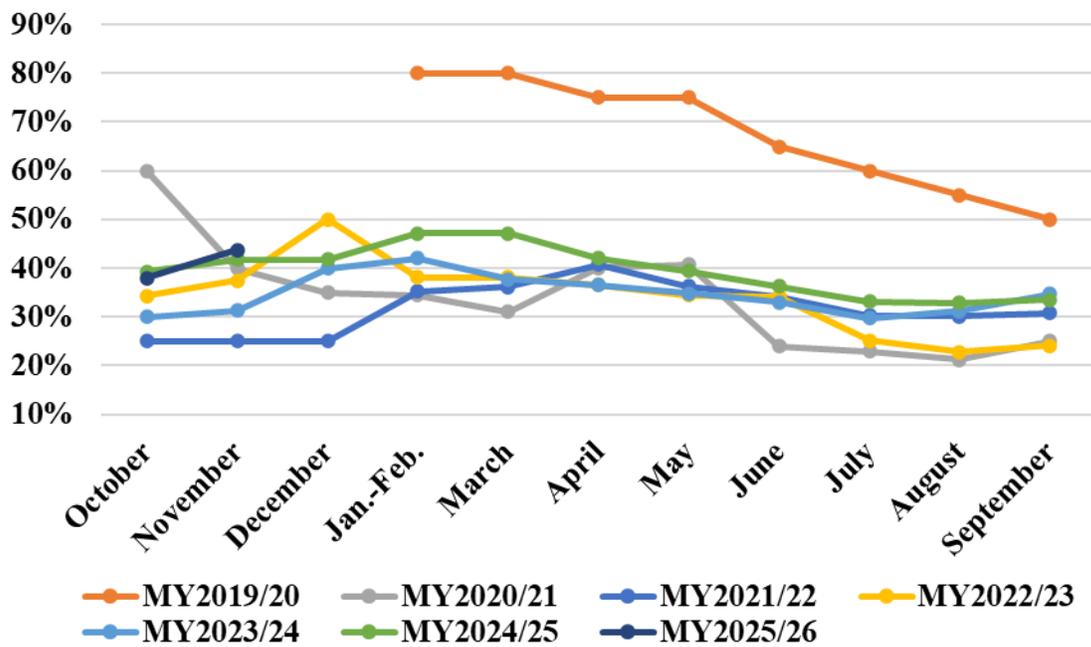
### Consumption

Total corn consumption in MY2026/27 is projected to reach 323 MMT, a 1 MMT increase from MY2025/26, based on a policy-driven increase in corn supply, likely to push prices down, and a return to higher corn usage in feed rations.

### Feed Consumption

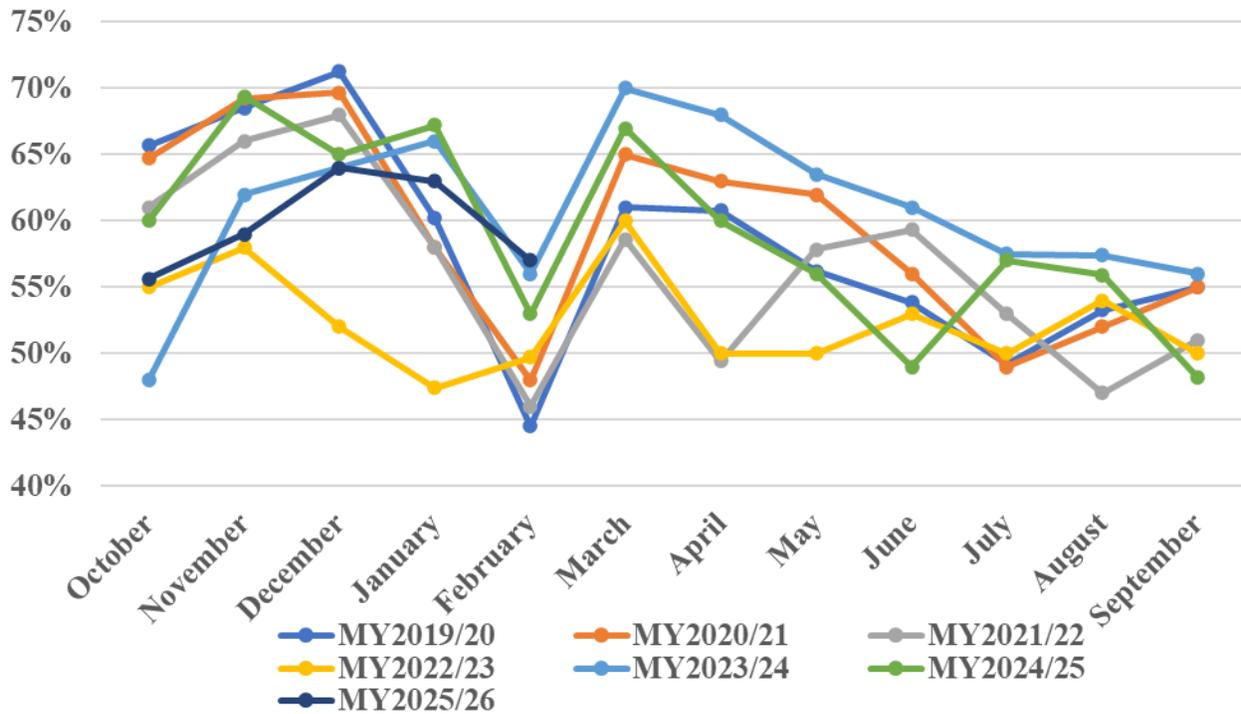
Feed use takes up 65 percent of China’s total corn consumption. MY2026/27 corn feed demand is expected to be slightly higher than in MY2025/26. The strong growth in corn consumption seen in 2025 was partly driven by elevated sow inventory levels in September 2024. However, with sow inventories beginning to decrease from July 2025, Post projects a downward trend in domestic corn consumption in hog feed in 2026. However, Post forecasts 2026 chicken meat production to rise slightly from 2025 as large vertically integrated white broiler producers continue to expand capacity despite persistent low margins. Corn demand in hog feed will not increase, while poultry feed will become the main growth engine in MY2026/27.

**Chart 3. China: Percentage of Corn in Compound Feed**



Source: Industry Sources.

**Chart 4. China: National Average Corn Starch Operation Rates**



Source: Industry Sources.

Corn remained the most cost-effective domestic feed grain in the first few months of 2026. Beijing’s move to increase corn output and its focus on protecting farmer welfare is expected to lead to the discouragement of corn imports. The ratio of corn in feed rations is at a five-year high and is expected to trend even higher due to government policies that have decreased the use of rice and wheat in feed. The “invitational sale” of old rice reserves was suspended for a second consecutive year in 2025, leading to reduced use of old stock rice as an alternative. Although high domestic corn prices in MY2025/26 briefly spurred some wheat substitution, the restart of the Minimum Support Price (MSP) policy for wheat in 2025 (procuring over 10 million metric tons) limited large-scale use of new-crop wheat for feed.

*FSI (Food, Seed, and Industrial)*

Post expects corn FSI consumption to remain relatively flat in MY2026/27. China’s corn deep-processing industry continues to expand, moving beyond basic grain processing toward high-value biomanufacturing such as bio-based materials and pharmaceutical ingredients. Leading companies are driving the development of diversified product portfolios serving food, medical, and environmental markets. Data from major operating firms show total processing capacity reached about 130 MMT by the end of 2025, with over 40 percent each in Northeast and North China. More than 70 percent of capacity is starch-based, and 74 percent of companies have capacity above 1 MMT. New projects came online in Shandong, Inner Mongolia, Jilin, and Xinjiang in 2025. The sector consumed more than 80 MMT of corn in 2025, accounting for 26 percent of total use.

Although China's corn deep-processing industry continues to expand capacity and maintains strong export competitiveness in products such as alcohols and amino acids, domestic demand remains weak. Price competition has intensified due to substitute products, while ongoing capacity reductions in the livestock sector have weighed on feed-related processing demand. Growth in food industry demand is also subdued, making it difficult to improve the sector's low-margin environment. As a result, operating rates are likely to stay at low levels similar to 2025, with the industry characterized by rising capacity, weak demand, and stable but modest profitability.

## **Imports**

Post forecasts MY2026/27 corn imports at 8 MMT, unchanged from the MY2025/26 estimate. Trade policy, including retaliatory tariffs, continues to cause uncertainty for imports. China continues to promote higher local production via better yield on stable area, and the CCP government is likely to continue discouraging imports of corn and alternative grains to protect the interests of local farmers. The Director of the Office of the Central Rural Work Leading Group stated in a February 2026 press conference that China's grain supply and demand are still in a "tight balance," so the country will deepen its participation in global agricultural trade and expand imports of "domestically scarce" agricultural products.

Starting November 10, 2025, China's additional tariffs on U.S. corn were reduced to 10 percent. This policy shift however has not yet led to a resumption of U.S. corn purchases by China. Given that China's corn imports from the United States accounted for only about 1 percent of China's total corn imports in 2025, the impact of retaliatory tariffs on the domestic market is expected to be limited.

Since at least 2020, China has sought to diversify its feed and food grain supply chains and boost domestic production. After permitting imports of corn from Brazil in 2022, China approved the importation of two varieties of GE corn from Argentina in May 2024. Imports of Argentine corn, Brazilian DDGS, and Brazilian sorghum are expected to enter the Chinese market in 2026, indicating a clear trend of import source diversification. These moves could further reduce the U.S. share of China's corn import market. China currently holds no contracts for U.S.-origin corn (excluding unknown destinations) for delivery in MY2025/26, with 0 MT in outstanding sales. In addition, even without the application of new retaliatory tariffs, China's purchase of U.S. corn is expected to be low in the first quarter of 2026 as importers indicated that they have been holding the Tariff Rate Quota (TRQ) without using them yet due to bilateral tariff concerns.

**Table 5. China: Market Share (%) of China’s Major Corn Import Origins**

Rank	Partner	YEAR 2023	% of Market Share	YEAR 2024	% of Market Share	YEAR 2025	% of Market Share
	<b>World</b>	27,122,034	100%	13,635,891	100%	2,646,958	100%
<b>1</b>	<b>Brazil</b>	12,805,776	47%	6,465,579	47%	1,607,202	61%
<b>2</b>	<b>Russia</b>	294,467	1%	155,385	1%	444,002	17%
<b>3</b>	<b>Myanmar</b>	381,244	1%	178,109	1%	287,961	11%
<b>4</b>	<b>Ukraine</b>	5,512,788	20%	4,514,652	33%	231,095	9%
<b>5</b>	<b>Laos</b>	69,771	0%	76,638	1%	43,166	2%
<b>6</b>	<b>United States</b>	7,144,211	26%	2,072,515	15%	20,065	1%

**Unit:** Metric Tons.

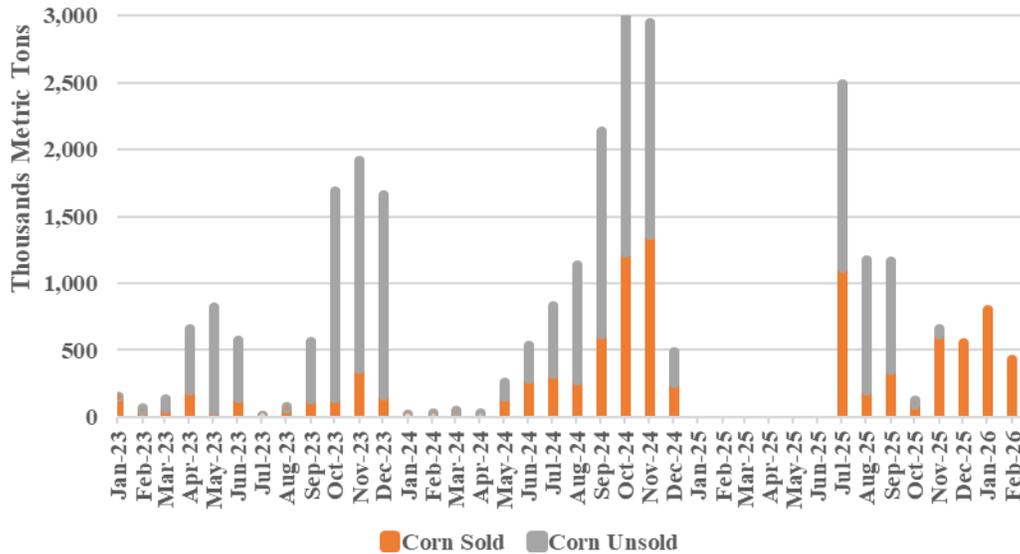
**Source:** Trade Data Monitor, LLC.

Influenced by policy guidance to curb grain imports starting in the fourth quarter of 2024, China’s corn and overall grain imports declined dramatically in 2025. Total corn imports fell to 2.65 million MT, down sharply from 13.76 million MT in 2024. Brazil remained the primary supplier, while the U.S. share dropped significantly; imports from Russia, Ukraine, and Myanmar increased but remained relatively small in absolute terms (around 200,000–300,000 MT each). Imports of most alternative grains and corn substitutes also decreased, with the exception of cassava, dry peas, wheat by-products and rice bran, which recorded gains.

Local industry sources speculate that China will continue to limit grain imports to no more than TRQ levels, as aggressive growth of domestic corn output is narrowing the corn supply and feed demand gap. Traditionally, imports outside the TRQ carry a 65 percent tariff as opposed to one percent within quota - making outside quota imports prohibitive.

The bulk of corn imported in previous years is believed to be stored in government reserves and not yet circulated in the domestic market. Based on incomplete data available from early 2023 through September 2025, China's state stockpiler, Sinograin, offered a total amount of 25 MMT of imported corn for sale, and of that, less than 8 MMT was sold, likely because of high asking prices. In contrast, the transaction rate of imported corn auctions (percentage purchased out of the amount offered) has remained high after the 2026 New Year, which indirectly confirms that downstream demand, especially for low toxin good quality corn, stays strong.

**Chart 5. China: Imported Corn Auction Results**



**Source:** Industry Sources.

**Note:** Significant amounts of corn sold September 2024 through November 2024 are a result of imported corn’s quality over domestic corn.

On January 11, 2023, MOFCOM announced it will renew the countervailing (CVD) and antidumping (AD) duty measures on the import of distiller’s dried grains with or without solubles (DDGS, under HTS 23033000) from the United States. As a result, from January 12, 2023, the General Administration of Customs of China (GACC) continues collecting duties on DDGS imports from the United States until 2028. The final AD and CVD rates remain unchanged from the existing measure. The AD rates of companies range from 42.2 to 53.7 percent. The CVD rates range from 11.2 percent to 12.0 percent. Please see FAS [China’s AD and CVD Measures on U.S. DDGS Extended Another Five Years GAIN](#) reports for additional information on DDGS AD/CVD duties.

Feed industry sources report that they prefer U.S. DDGS for its better quality, high protein content (ranging from 26 to 30 percent), and competitive prices. Landed DDGS imported from the United States to southern ports in China were quoted around \$274 (RMB 1,890) per MT for first quarter 2026 delivery to free trade zones (FTZs) in China. In early February 2026, China’s domestic DDGS prices were \$367 (RMB 2,530) in South China. Meanwhile, local corn prices range from \$329 (RMB 2,270) in the north to \$357 (RMB 2,460) in the south. China imported 3,382 MT of DDGS in 2025, a decrease of 99 percent from the previous year. These DDGS were imported in bonded areas to avoid tariffs.

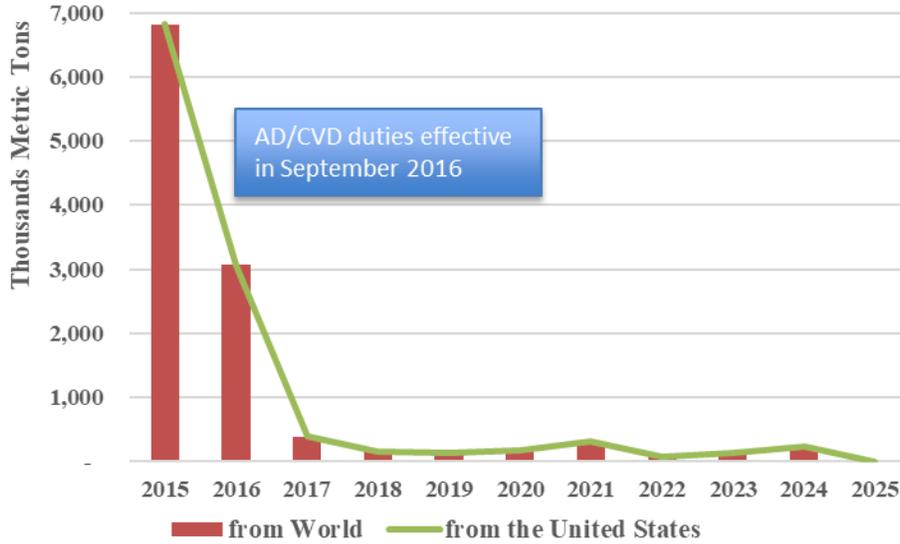
**Table 6. China: DDGS Imported Through Ordinary Trade Versus FTZs in 2025**

<b>HS Code</b>	<b>Customs Regime</b>	<b>2023 Quantity (MT)</b>	<b>2024 Quantity (MT)</b>	<b>2025 Quantity (MT)</b>
23033000	Ordinary Trade	645	0	1
23033000	Processing with Imported Materials	121,388	221,149	3,382
23033000	Entrepot Trade by Bonded Area	15	11,257	0

Source: GACC.

On February 4, 2026, a Brazilian ethanol producer announced it would export about 62,000 MT of corn DDGS to China in mid-February 2026, marking Brazil's first shipment of the product to the Chinese market. The company produces roughly 3.3 MMT of DDGS annually. Brazilian media reports that its corn ethanol output has been rising from 400 million liters in 2017 to 7.5 billion liters in 2024, and DDGS production increasing from 1.2 MMT in MY2019/20 to 4.2 MMT in MY2024/25, though about 79 percent is consumed domestically. While exports were minimal before 2022, Brazil has recently accelerated overseas sales, supported by a May 2025 China-Brazil phytosanitary protocol that established regulatory clearance for exports to China and the subsequent approval of eligible Brazilian plants. Industry sources expect Brazil to export around 1-1.5 MMT of DDGS to China in 2026, with the first cargoes arriving in the first quarter, and the second Brazilian DDGS cargo is scheduled to be shipped to China in March. Although short-term supply impact will be limited, in the longer-term Brazil's entry will diversify China's DDGS import channels and support lower protein feed procurement costs.

**Chart 6. China: Imports of DDGS 2015-2024**



Source: Trade Data Monitor, LLC.

### Stocks

Corn ending stocks in MY2026/27 are forecast at 168 MMT, down 10 MMT from MY2025/26, with higher use and lower imports.

The period from 2022 to 2024 saw purchases of domestic grain for the domestic grain reserves at all levels (national, provincial, etc. – see a summary of China’s grain reserve system in the Policy Section) to support farmer incomes. China’s state reserve silos are reportedly filled with grains, with industry sources indicating that there is no need to import grains for at least two years. Industry believes that the government policy has been shifting from building national reserves to releasing them. The government did not initiate the national reserve purchase program for domestic corn in Fall 2025. This is attributed to rapidly declining domestic corn inventories and unexpectedly lower quality in the North China new crop. The release of imported corn reserves through auctions began in July 2025, followed by domestic reserve wheat sales starting in January 2026.

**Table 7. China: Corn Production, Supply, and Distribution**

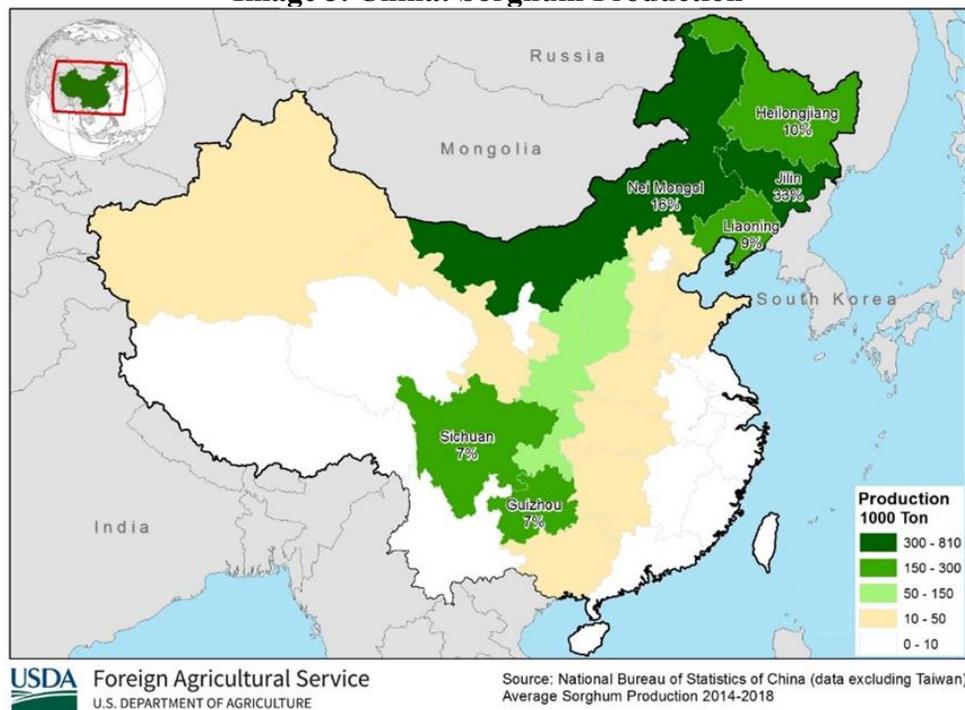
Corn Market Year Begins  China	2024/2025		2025/2026		2026/2027	
	Oct 2024		Oct 2025		Oct 2026	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Area Harvested</b> (1000 HA)	44741	44741	44960	44960	0	44960
<b>Beginning Stocks</b> (1000 MT)	211192	211192	191928	190928	0	178148
<b>Production</b> (1000 MT)	294917	294917	301240	301240	0	305000
<b>MY Imports</b> (1000 MT)	1823	1823	8000	8000	0	8000
<b>TY Imports</b> (1000 MT)	1823	1823	8000	8000	0	8000
<b>Total Supply</b> (1000 MT)	507932	507932	501168	500168	0	491148
<b>MY Exports</b> (1000 MT)	4	4	20	20	0	0
<b>TY Exports</b> (1000 MT)	4	4	20	20	0	0
<b>Feed and Residual</b> (1000 MT)	234000	235000	239000	240000	0	241000
<b>FSI Consumption</b> (1000 MT)	82000	82000	82000	82000	0	82000
<b>Total Consumption</b> (1000 MT)	316000	317000	321000	322000	0	323000
<b>Ending Stocks</b> (1000 MT)	191928	190928	180148	178148	0	168148
<b>Total Distribution</b> (1000 MT)	507932	507932	501168	500168	0	491148
<b>Yield</b> (MT/HA)	6.5916	6.5916	6.7002	6.7002	0	6.7838
(1000 HA) ,(1000 MT) ,(MT/HA)						
MY = Marketing Year, begins with the month listed at the top of each column						
TY = Trade Year, which for Corn begins in October for all countries. TY 2026/2027 = October 2026 - September 2027						
OFFICIAL DATA CAN BE ACCESSED AT: <a href="#">PSD Online Advanced Query</a>						

## Sorghum and Barley

### Sorghum

#### Production

**Image 3. China: Sorghum Production**



Post forecasts both sorghum and barley production will remain stable in MY2025/26, as government policies continue to promote stable corn and soy planting, and higher yield for coarse grains with stable area. Northeast China is the principal sorghum production region, accounting for more than two-thirds of total production. Inner Mongolia province mainly produces sorghum for feed use. In Sichuan and Guizhou provinces, sorghum is almost exclusively grown for potable alcohol (i.e., *baijiu*) production and primarily contracted early in the planting season (i.e., October-December).

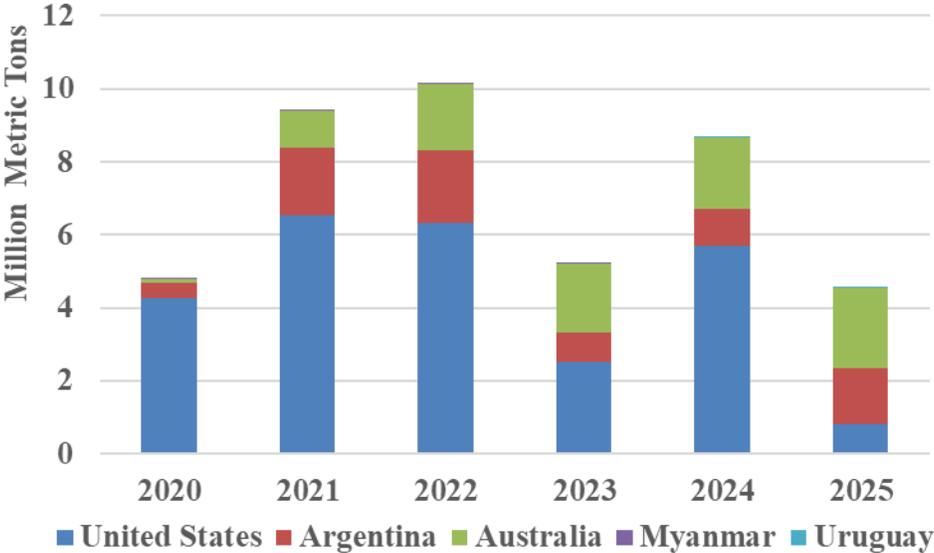
Media reports that sorghum anthracnose has occurred on a large scale in Guizhou Province, with an infection rate of up to 90 percent in some regions of Guizhou. The disease is characterized by irregular brown lesions and the production of abundant acervuli. This is the first report of this pathogen causing sorghum anthracnose in China.

#### Consumption

Sorghum FSI use for *baijiu* production is expected to remain weak in MY2026/27. NBS data showed Chinese *baijiu* production has declined over the past eight years. In 2025, production was 3.6 billion liters, down by 12 percent year-over-year, around 74 percent of the 2016 peak.

China’s liquor industry is facing a structural shift marked by overall capacity decline but continued expansion among leading producers. From 2020 to 2025, premium output from top companies such as Maotai and Wuliangye steadily increased, even as total industry production trended downward. High-end *baijiu* brands claim to use a higher percentage of domestic sorghum though imported sorghum makes its way into potable alcohol production, too. On the sales side, however, inventories remain elevated, signaling structural overcapacity. A strict nationwide austerity measures introduced in May 2025 sharply reduced government and business banquet consumption, weighing on premium demand. Consumer shifts are also reshaping the sector. Gen Z accounts for only 31.8 percent of *baijiu* consumption, well below beer and fruit wine. Health-conscious trends and a reduced focus on business and social drinking have weakened traditional growth drivers.

**Chart 7. China: Sorghum CY Imports 2020-2025**



Source: Trade Data Monitor, LLC.

Prices of other corn substitute grains and imports drive sorghum feed consumption (see Table 8 for prices of alternative grains). Feed mills normally purchase the most cost-efficient options. Despite official reports of bumper corn and wheat harvests this year, China’s grain sector is contending with significant quality losses in both corn and spring wheat crops, giving sorghum opportunities in feed demand.

**Imports**

Because domestic production covered only around 30 percent of sorghum demand last year, imports are crucial. Post forecasts imports for MY2026/27 will be 0.2 MMT stronger than MY2025/26 at 7.8 MMT.

Tariff-inclusive U.S. sorghum prices for April delivery landing at Southern Chinese ports is estimated to be around \$349 (RMB 2,400) per MT, a little higher than domestic corn for feed use

in the South but still attractive for liquor producers. Given the factors of low toxin of sorghum, rising domestic corn prices and the above-mentioned TRQ constraint on corn imports, U.S. sorghum is still a price competitive feed input. See Table 8 for early March grain prices.

**Table 8. China: Imported Coarse Grain and Substitute Prices in Major Ports**

Commodity	RMB Price	U.S. Price
Grain products		
Local Corn (Guangdong - Spot)	¥2,460.00	\$358
Imported U.S. Corn Gulf (March Delivery - 11% tariff Within Quota)	¥2,340.51	\$340
Imported U.S. Corn Gulf (March Delivery - 1% tariff Within Quota)	¥2,135.06	\$310
Imported U.S. Corn West Coast (March Delivery - 11% tariff Within Quota)	¥2,199.98	\$320
Imported U.S. Corn West Coast (March Delivery - 1% tariff Within Quota)	¥2,007.19	\$292
Imported Brazilian Corn (July Delivery - Within Quota)	¥2,029.26	\$295
Imported Argentine Corn (March Delivery - Within Quota)	¥1,998.96	\$291
Imported Argentine Barley (March Delivery)	¥2,284.53	\$332
Imported Australian Barley (March Delivery)	¥2,129.75	\$310
Imported French Barley (March Delivery)	¥2,276.81	\$331
Imported U.S. Sorghum (March Delivery 12% tariff)	¥2,394.12	\$348
Imported U.S. Sorghum (March Delivery 2% tariff)	¥2,185.72	\$318
Imported Australian Sorghum (March Delivery)	¥2,324.73	\$338
Imported Argentine Sorghum (March Delivery)	¥2,048.75	\$298
Local Wheat (Guangdong - Spot)	¥2,650.00	\$385
Imported U.S. Soft Red Winter Wheat (March Delivery -11% tariff within Quota)	¥2,566.36	\$373
Imported U.S. Soft Red Winter Wheat (March Delivery -1% tariff within Quota)	¥2,340.57	\$340
Imported U.S. Hard Red Winter Wheat (March Delivery - 11% tariff within Quota)	¥2,717.67	\$395
Imported U.S. Hard Red Winter Wheat (March Delivery - 1% tariff within Quota)	¥2,478.25	\$360
Local DDGS	¥2,530.00	\$368
Imported U.S. DDGs (March Delivery - without AD/CVD)	¥1,890.00	\$275

**Unit:** RMB per metric ton, exchange rate as of early March 2026 U.S. \$1= RMB 6.9.

**Source:** Industry Source.

Starting November 10, 2025, China's additional tariffs on U.S. sorghum were reduced to 10 percent. This policy shift led to a resumption of U.S. sorghum purchases by China. According to USDA's Export Sales report, as of the week ending February 26, cumulative U.S. sorghum net sales to China for MY2025/26 reached 2.1 MMT, 90 percent higher than the same time in MY2024/25, with all sales reported after November 2025. Market estimates suggest total Chinese purchases may have already far exceeded 3 MMT. January 2026 sales to China are the highest for the same period during the past three years.

Shipment data show the first U.S. sorghum cargo of 2026 has already arrived in China. Estimated arrivals are about 76,000 MT in January, 300,000 MT in February, and 200,000 MT in March, indicating a pickup in near-term import flows. So far in 2026, only one vessel of Argentine sorghum (about 40,000 MT) has been shipped to China. Although no Australian sorghum has been shipped yet, domestic forward quotes suggest the earliest arrivals could come in March. Industry contacts expect the peak season for sorghum imports from Australia and Argentina to enter the China market in May 2026. Brazil sent a single-container shipment of

25.8 tons of sorghum to China in January, its first to China since 2014, according to a March 2 announcement. The shipment follows Beijing’s November 2025 decision to clear an initial 10 Brazilian firms to ship sorghum to China.

## Barley

### Production

**Image 4. China: Barley Production**



Barley is mainly produced in Jiangsu, Yunnan, and highland provinces like Gansu and Qinghai. As noted above, barley production is forecast to remain stable as government policies continue to promote stable corn and soy planting, and higher yield for coarse grains with stable area. Sorghum and barley compete for production area with other crops. Like sorghum, barley does not receive significant government support and imports are not restricted by a TRQ.

### Consumption

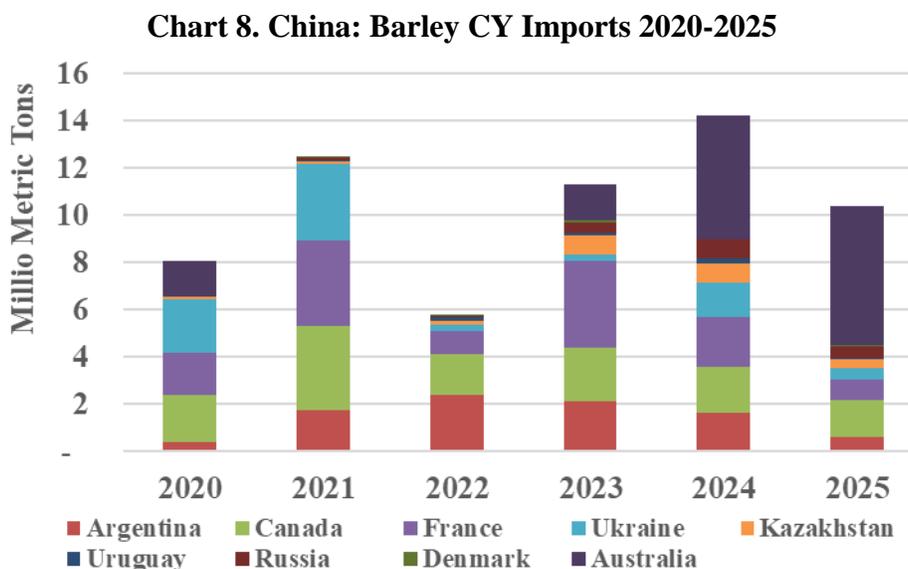
MY2026/27 barley consumption is expected to decrease slightly from MY2025/26 due to weakening malt demand but remain at high levels comparable to the five-year average, as feed demand is forecast to be stable and private traders have consistently noted that barley has no TRQ limit or retaliatory tariffs, while tariffs constrain sorghum imports from the United States. This makes barley the preferred option after corn and sprouted wheat in the NCP.

## Imports

Barley imports for MY2026/27 are forecast to remain the same as MY2025/26, due to its favorable import conditions compared to other alternatives. Different barley varieties are preferred in China for malting versus feed use, each with their own unique market dynamics.

Barley contains 11–13 percent protein, with nearly twice the lysine content of corn. It is rich in minerals and trace elements, especially iron. In pig feed, its nutritional value is about 88 percent of corn and is favored for piglets due to its low toxin levels. In poultry feed, its value ranges from 80–85 percent of corn. Barley is also an excellent concentrate feed for dairy cows, comprising up to 40 percent of their diet.

Major maltsters and large breweries, who are often located on the coast and prefer cheaper imports with easy logistics, primarily drive barley consumption. As a result, imports have limited prospects for significant expansion. NBS data reports that 2025 beer production was estimated down by 1.1 percent. China’s beer industry is also undergoing a trend towards higher-end beer consumption. In 2025, craft beer emerged as the brightest growth spot in the alcoholic beverage sector amid broader industry adjustment. The continued rise of craft beer reflects consumption upgrading and increasingly diversified demand. Younger consumers are seeking better taste, higher quality, and more personalized products, while traditional mass-produced beer struggles to meet these expectations due to standardized flavor profiles. Industry sources project 2026 beer consumption to flatten as China’s population ages and growth potential diminishes.



Source: Trade Data Monitor, LLC.

Imports drive feed barley prices in East and South China and positively correlate with corn prices. Tariff-paid prices of barley from major exporters for March/April delivery landing at Southern Chinese ports is estimated to be around \$320 (RMB 2,200) per MT, a little higher than imported corn but much lower than domestic corn for feed use in the South. Given the factors of

low toxin of barley, rising domestic corn prices and the above-mentioned TRQ constraint on corn imports, barley is still a competitive feed input.

Chinese buyers usually purchase Australian and Argentine barley in the first half of the year, then shift to Northern Hemisphere suppliers such as France and Canada in the second half. French and Ukrainian barley is used mainly for feed, while Canadian barley is used mostly for malting.

Although China has increased barley imports from Kazakhstan in recent years, Kazakhstan still accounts for only 3 percent of the import market. One advantage of Kazakh barley is that it can reach China's central provinces by express rail in about 20 days.

Russia and China signed a grain supply agreement in October 2023 worth \$25.7 billion, or 2.5 trillion rubles, over 12 years. The deal covers 70 MMT of Russian grain, legumes, and oilseeds. In mid-December 2023, Russia began shipping containers of soybeans and barley to China through the New Land Grain Corridor, entering Manzhouli in Inner Mongolia through the Zabaikalsky grain terminal. In calendar year 2025, China imported 518,928 MT of Russian barley, which was 12 percent more than in 2023.

So far in 2026, about 990,000 MT of Australian barley was shipped to China in February and will likely arrive between February and March. Argentina is expected to ship two vessels carrying a combined 46,000 MT of barley in January. More broadly, Brazilian corn shipments to China are slowing, while U.S. sorghum exports are increasing and Australian barley shipments remain steady. In the first quarter of 2026, the United States, Australia, and Brazil are expected to divide much of China's imported grain market

**Table 9. China: Sorghum Production, Supply, and Distribution**

Sorghum Market Year Begins	2024/2025	2025/2026		2026/2027		
	Oct 2024	Oct 2025		Oct 2026		
China	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	630	630	650	650	0	650
Beginning Stocks (1000 MT)	426	426	455	455	0	350
Production (1000 MT)	3000	3000	3100	3100	0	3100
MY Imports (1000 MT)	5531	5531	7600	7600	0	7800
TY Imports (1000 MT)	5531	5531	7600	7600	0	7800
Total Supply (1000 MT)	8957	8957	11155	11155	0	11250
MY Exports (1000 MT)	2	2	5	5	0	0
TY Exports (1000 MT)	2	2	5	5	0	0
Feed and Residual (1000 MT)	5500	5500	7800	7800	0	8000
FSI Consumption (1000 MT)	3000	3000	3000	3000	0	3000
Total Consumption (1000 MT)	8500	8500	10800	10800	0	11000
Ending Stocks (1000 MT)	455	455	350	350	0	250
Total Distribution (1000 MT)	8957	8957	11155	11155	0	11250
Yield (MT/HA)	4.7619	4.7619	4.7692	4.7692	0	4.7692
(1000 HA) ,(1000 MT) ,(MT/HA)						
MY = Marketing Year, begins with the month listed at the top of each column						
TY = Trade Year, which for Sorghum begins in October for all countries. TY 2026/2027 = October 2026 - September 2027						
OFFICIAL DATA CAN BE ACCESSED AT: <a href="#">PSD Online Advanced Query</a>						

**Table 10. China: Barley Production, Supply, and Distribution**

Barley Market Year Begins	2024/2025		2025/2026		2026/2027	
	Oct 2024		Oct 2025		Oct 2026	
China	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Area Harvested</b> (1000 HA)	500	560	560	560	0	560
<b>Beginning Stocks</b> (1000 MT)	1698	1698	550	550	0	450
<b>Production</b> (1000 MT)	2000	2300	2300	2300	0	2300
<b>MY Imports</b> (1000 MT)	10252	10252	11000	10500	0	10500
<b>TY Imports</b> (1000 MT)	10252	10252	11000	10500	0	10500
<b>Total Supply</b> (1000 MT)	13950	14250	13850	13350	0	13250
<b>MY Exports</b> (1000 MT)	0	0	0	0	0	0
<b>TY Exports</b> (1000 MT)	0	0	0	0	0	0
<b>Feed and Residual</b> (1000 MT)	9200	9500	9200	8700	0	8700
<b>FSI Consumption</b> (1000 MT)	4200	4200	4200	4200	0	4200
<b>Total Consumption</b> (1000 MT)	13400	13700	13400	12900	0	12900
<b>Ending Stocks</b> (1000 MT)	550	550	450	450	0	350
<b>Total Distribution</b> (1000 MT)	13950	14250	13850	13350	0	13250
<b>Yield</b> (MT/HA)	4	4.1071	4.1071	4.1071	0	4.1071

(1000 HA) ,(1000 MT) ,(MT/HA)  
 MY = Marketing Year, begins with the month listed at the top of each column  
 TY = Trade Year, which for Barley begins in October for all countries. TY 2026/2027 = October 2026 - September 2027

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

## MAJOR FOOD GRAINS

### Wheat

#### Production

Image 5. China: Wheat Production



USDA Foreign Agricultural Service  
U.S. DEPARTMENT OF AGRICULTURE

Source: National Bureau of Statistics of China (data excluding Taiwan)  
Average Wheat Production 2018-2020

MY2026/27 wheat production is forecast to be moderately higher than MY2025/26 on improved yield despite late planting. Decent yields and guaranteed returns are incentivizing farmers to plant wheat. Industry planting survey shows that China's all wheat area will remain stable in 2026. Farmers in Hebei, Shaanxi, and Xinjiang Province are expected to plant more wheat, especially in Xinjiang province. Farmers in the NCP, including Henan and Shandong provinces, are expected to reduce their wheat area by 0.4 percent from 2025. Farmers in East China, including Jiangsu and Anhui provinces, will reduce their wheat area by 5 and 8 thousand hectares, respectively, from 2025. Minor wheat-producing regions are also expected to slightly reduce their wheat area.

Similar to other major wheat producing provinces, Henan province, China's top wheat producer, which contributes a quarter of the country's wheat output, reports its current wheat production shows two defining features: a large area of late sowing with a high share of weaker seedlings due to delayed planting last autumn, and better-than-expected crop growth thanks to favorable weather after sowing. Persistent rainfall last autumn delayed planting by 10–15 days on average, with some areas delayed up to a month. As a result, insufficient accumulated temperature before winter led to a roughly 40 percent increase in third-category seedlings compared with the five-year average, while first- and second-category seedlings declined by nearly 40 percent. However,

predominantly sunny weather since sowing, adequate soil moisture, good seed quality, and effective pre-winter field management have accelerated seedling transformation, with many crops showing a “small but strong” growth pattern. Overall seedling performance is now clearly better than initially expected.

MARA experts believe that final yields will depend mainly on field management quality and upcoming weather conditions. Favorable factors include strong soil moisture, high seedling density, relatively warm pre-winter temperatures, and forecast snow before cooling, which supports root development and safe overwintering. Risks remain significant, including potential extreme cold, snow, or spring drought under La Niña conditions, frost vulnerability of late-sown wheat, a shorter spring development period due to an early start of spring, and increased pest and disease pressure following warm pre-winter temperatures.

According to the National Agro-Tech Extension and Service Center (NATESC)'s [forecast](#), major wheat diseases and pests are expected to occur at a relatively severe level across China in 2026, affecting a total area of 55 million hectares. This includes 33 million hectares affected by diseases and 22 million hectares by pests. China’s goal is to keep wheat disease and pest damage loss rates within 5 percent.

**Image 6. China: Wheat Field in Hebei in February**



**Source:** China Central Television.

**Image 7. China: Farmers Use Drones to Apply Fertilizer**



Source: China Central Television.

## Consumption

MY2026/27 total wheat consumption is forecast unchanged from MY2025/26 at 150 MMT. Over the past five years, food consumption of wheat remains stable and the majority of the use, while feed consumption varies from 5 to 20 percent. Post forecasts MY2026/27 feed use will be similar to the previous year at 33 MMT due to high toxins in corn and government's intention to destock old wheat reserves.

Feed mills report that wheat is better than corn as feed in terms of higher protein and amino acid. Feed mills suggest that the feed value of 100 MT of wheat equals 80 MT of corn and 20 MT of soybean meal (SBM). Wheat flour is also an irreplaceable ingredient in chick and piglet feed for easy digestion, high proteins, and low toxins. Wheat substitution of corn is normally only practicable in NCP, mainly in Hubei and Henan, and mostly happens in summertime after harvest. Wheat substitution happens when massive rainfall affects wheat quality, when wheat prices fall to within RMB 200/MT (\$29) of corn, or when government auctions inexpensive old stock wheat.

Following the 2025 wheat harvest, the main producing areas saw wheat prices persistently below corn prices by \$12-17 (RMB 80-120) per ton from June to October, making wheat highly competitive as a feed substitute and boosting feed use significantly. Although the subsequent corn price decline widened the wheat-corn price gap and reduced the substitution advantage, quality issues with the new-season corn in North China extended the substitution period, keeping fourth-quarter feed wheat use higher year-on-year. The effective shortage of good quality feed corn may push up wheat in feed use again.

Market monitoring shows that every fluctuation in wheat prices closely tracked corn price movements, with feed substitution acting as a “buffer” for excess wheat supply. In MY2026/27, while the tight corn supply-demand balance is expected to ease overall, some regions may still face tight corn supply for feed due to quality issues. Consequently, corn prices are expected to remain firm, and wheat feed substitution demand may persist temporarily, though the total volume is likely similar to 2025.

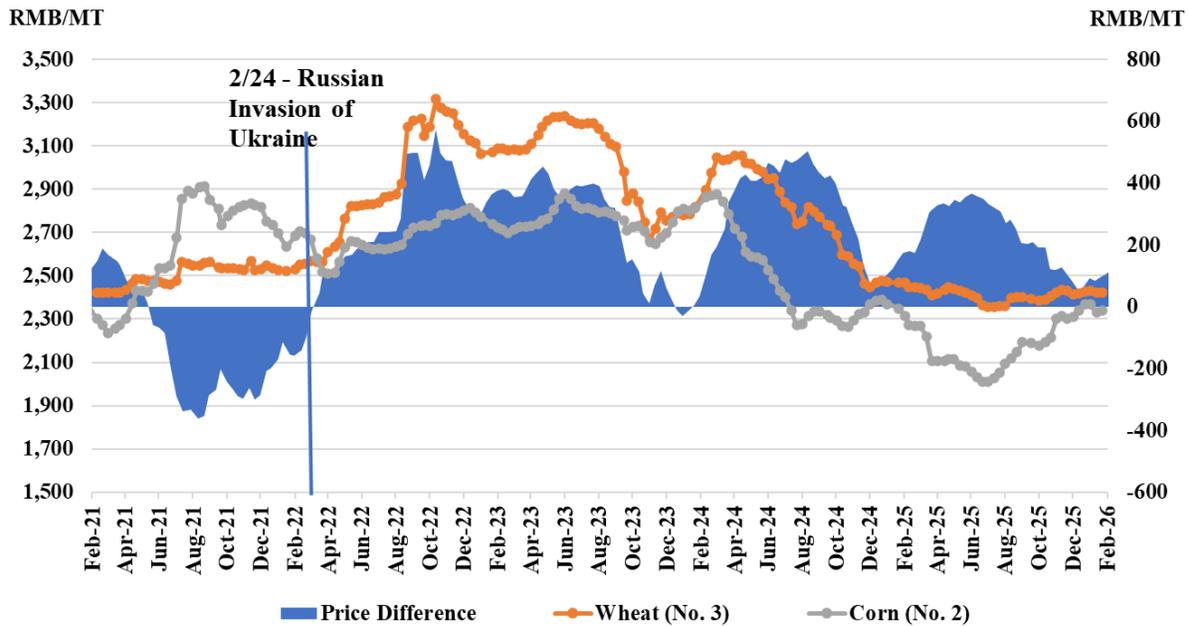
In addition, industry believes that the government policy has been shifting from building national reserves to releasing them. As Post predicted in previous reports, significantly fewer imports of both corn and corn substitutes in 2025 led to resumption of imported corn reserve auctions in July 2025, then wheat auctions in January 2026 to replenish the market.

Post projects MY2026/27 wheat consumption for food use to remain stable. Wheat flour demand has declined for three consecutive years, primarily due to a shrinking labor force and an aging population. According to data released by China’s NBS, China’s total population fell to 1.4 billion by the end of 2025, marking four consecutive years of decline, with a cumulative decrease of 7.7 million people. Annual births dropped to a record low of 7.9 million, and the birth rate fell to 5.6 per thousand. Meanwhile, aging of the population continued, with people aged 60 and above accounting for 23 percent of the population, and those aged 65 and above reaching almost 16 percent. This structural shift, characterized by overall population contraction, worsening low fertility and aging, widening regional disparities, and faster improvements in population quality, is increasingly reshaping China’s staple grain consumption market.

Further, the diet of many young people in China continues to shift to consumption of more convenient and on-the-go foods such as bread and bakery products, which is expected to drive growth in the coming year. However, household use of flour to make traditional staple food such as steamed buns and pancakes has dropped as younger generations favor convenience over time-consuming cooking processes.

In 2025, weak overall wheat demand constrained price growth. Flour consumption was sluggish both in peak and off-peak seasons, and mills, especially small and medium-sized ones, faced a cycle of low operating rates, losses, and accelerating industry consolidation. Looking ahead, with Beijing emphasizing domestic demand expansion as a strategic priority in 2026, wheat consumption is expected to recover, particularly in catering and institutional and group consumption, though overall food-use volumes are unlikely to change significantly due to reducing population.

**Chart 9. China: Corn and Wheat Average Price Difference 2021-2026**



Source: NBS.

## Imports

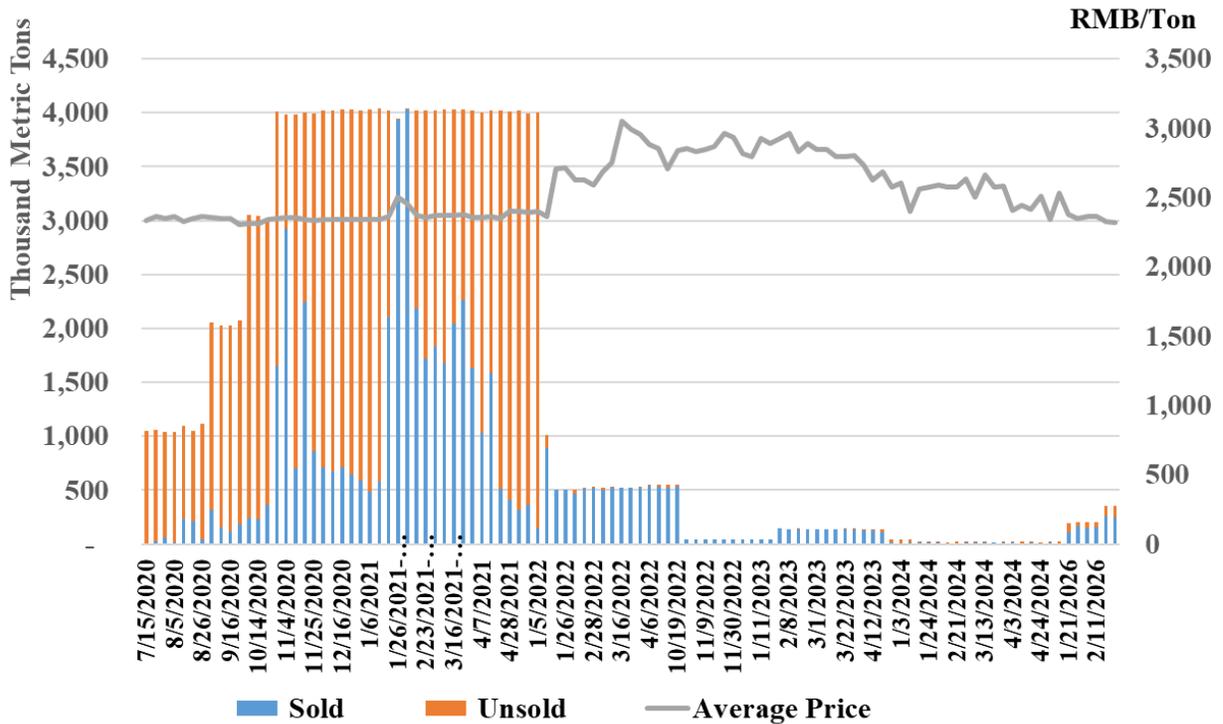
MY2026/27 wheat imports are forecast at similar levels to MY2025/26, but 1.8 MMT higher than MY2024/25, when imports were impacted by higher Chinese tariffs and discouragement of grain imports. On October 9, 2025, China set its TRQ for wheat imports in 2025 at 9.64 MMT, unchanged from previous years. However, China's wheat imports have exceeded the TRQ for four calendar years in a row from 2021 to 2024. China may need to sell out more to make space for future imports, therefore imports are not projected to go beyond TRQ level in both MY2025/26 and MY2026/27. Consulting firm forecasts for MY2025/26 wheat imports vary from 4 to 6 MMT.

Australian shipping data show that about 95,000 MT of wheat were shipped to China in January. Given the typical one-month transit time, most of these cargoes are likely to arrive in February and March. As for Argentina, two vessels carrying about 49,000 MT of wheat were shipped to China in January. Imports of wheat bran, middlings, and residues reached 3.24 MMT, more than double year on year. Kazakhstan accounted for 3.13 MMT (over 90 percent), widely understood to include feed wheat flour. Industry sources report there may be additional unreported wheat shipments crossing the Kazakhstan-China border from various central Asia origins. In December, China also announced opening its market to Russian wheat bran.

Starting November 10, 2025, China's additional tariffs on U.S. wheat were reduced to 10 percent. China booked two cargoes of U.S. wheat following the November meeting between the countries' leaders, the first such purchases since October 2024. By the end of February 2026, USDA Export Sales reports indicate China has booked 263,560 MT of U.S. wheat. Despite

cancellation of some U.S. wheat purchases in December and a record corn harvest, traders still believe that significant quality losses in the country’s corn and spring wheat crops will necessitate more imports of wheat

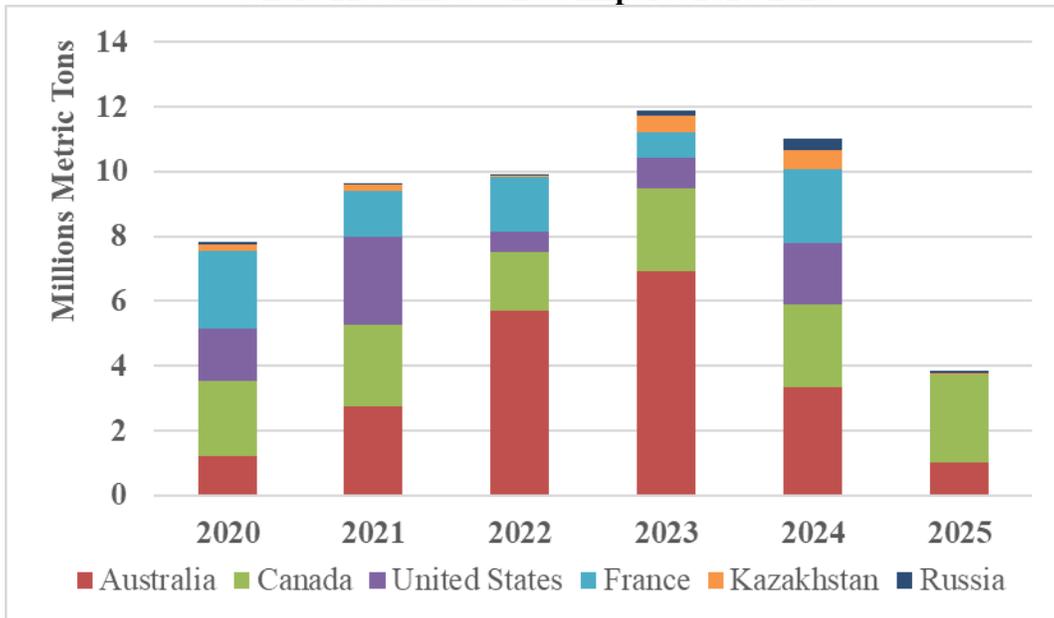
**Chart 10. China: Wheat Auctions 2020-2025**



Source: China Grain Trade Center.

Chinese state-owned agribusiness COFCO International has delivered its first bulk cargo of Argentine wheat to China, marking the first commercial wheat shipment from Argentina to China since market access was formally approved in January 2024. An arrival ceremony was held on 10 February at Chiwan Port Terminal in Shenzhen for the shipment, which totaled about 70,000 MT of wheat destined to supply domestic flour mills.

**Chart 11. China: Wheat Imports 2020-2025**



Source: Trade Data Monitor, LLC.

### Stocks

Forecast MY2026/27 ending stocks are down 5 MMT compared to MY 2025/26. MSP procurement was not initiated over the four-year period from 2021-2024. In 2024, the government of China has purchased domestic grains for the domestic grain reserves at all levels (see a summary of China’s grain reserve system in the Policy Section) in order to support farmer incomes. In 2025, major wheat-producing provinces including Henan, Anhui, Hebei, Jiangsu, and Shandong have successively activated the minimum purchase price policy for wheat, with a cumulative procurement volume of 16.4 MMT, playing a policy-based floor-support role. Industry sources believe that the government policy will shift from building national reserves to releasing them because silos are reportedly too full to accommodate 2026 new crop.

After almost two years of suspension, auctions of MSP wheat resumed on January 7, 2026. From January 7 to March 4, eight auctions of MSP wheat were held. A total of 2 MMT was offered nationwide, with 1.4 MMT sold, resulting in an overall transaction rate of 71.3 percent, indicating strong market participation. Among them, 2017 stock wheat accounted for the core supply: 1.6 MMT was offered and 1.3 MMT sold, with a higher 77.8 percent transaction rate, reflecting strong demand for competitively priced aged wheat, especially in the South. Industry contacts indicated there were 8.7 MMT of 2017 inventory before the January 7 auction. Given that about 1.3 MMT has been sold, there is roughly 7.5 MMT to be released. High old-crop stocks and limited silo capacity—especially in major producing provinces such as Henan and Shandong—create pressure ahead of the 2026 new wheat harvest. Governments may have to accelerate destocking and free up storage before the new crop enters the market.

On September 24, 2024, the National Development and Reform Commission (NDRC) set the 2025 and 2026 MSP for wheat procurement at \$346 (RMB 2,380) per MT, up from \$343 (RMB 2,360) per MT in 2024. The price denotes the amount at which the government buys wheat from

farmers at the minimum price when the market price drops below that level in Hebei, Shandong, Henan, Shaanxi, Anhui, and Jiangsu provinces. The MSP price is always announced before winter wheat planting to encourage farmers to plant wheat in October and November.

Since the policy was launched in 2016, officials have revised the wheat MSP down twice, each time reducing it by \$8.7 (RMB 60) per MT for 2018 and 2019. From 2020 to 2026, the MSP was adjusted up 5 times in a row, by \$2.9 (RMB 20), \$5.8 (RMB 40), \$5.8 (RMB 40), \$2.9 (RMB 20), and \$2.9 (RMB 20), respectively.

**Table 11. China: Wheat MSP Changes 2015-2025/26 (in RMB per MT)**

Year	White Wheat	Red Wheat	Mixed
2015	2,360	2,360	2,360
2016	2,360	2,360	2,360
2017	2,360	2,360	2,360
2018	2,300	2,300	2,300
	-60	-60	-60
2019	2,240	2,240	2,240
	-60	-60	-60
2020	2,240	2,240	2,240
2021	2,260	2,260	2,260
	+20	+20	+20
2022	2,300	2300	2,300
	+40	+40	+40
2023	2,340	2,340	2,340
	+40	+40	+40
2024	2,360	2,360	2,360
	+20	+20	+20
2025	2,380	2,380	2,380
2026	+20	+20	+20

Source: NDRC.

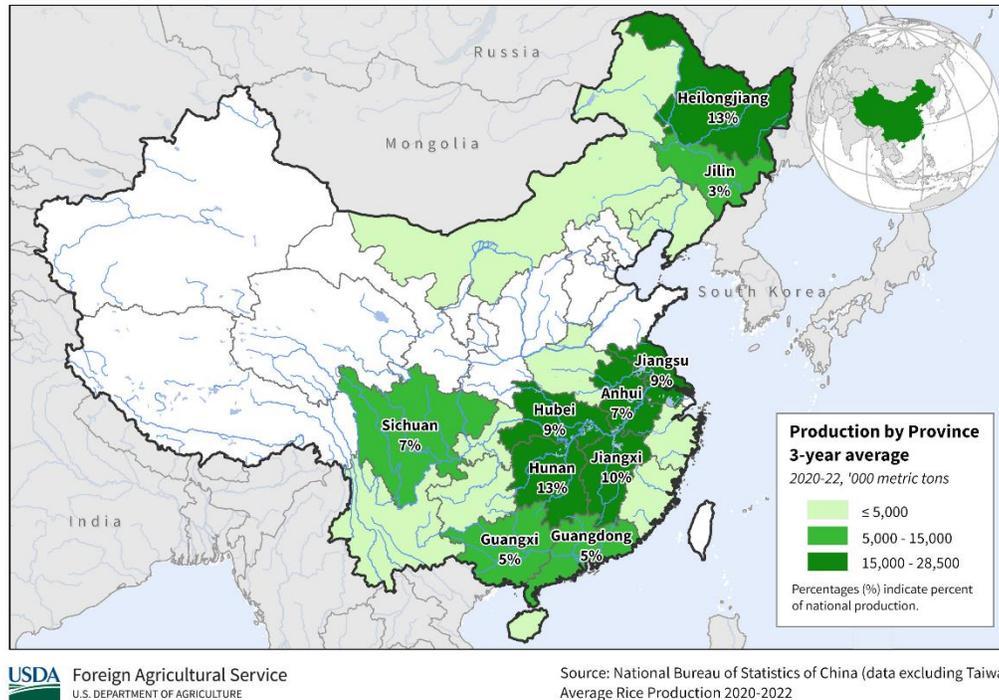
**Table 12. China: Wheat Production, Supply, and Distribution**

Wheat Market Year Begins  China	2024/2025		2025/2026		2026/2027	
	Jul 2024		Jul 2025		Jul 2026	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	23587	23587	23580	23580	0	23580
Beginning Stocks (1000 MT)	134523	134523	127777	127777	0	122847
Production (1000 MT)	140099	140099	140070	140070	0	140100
MY Imports (1000 MT)	4171	4171	6000	6000	0	6000
TY Imports (1000 MT)	4171	4171	6000	6000	0	6000
Total Supply (1000 MT)	278793	278793	273847	273847	0	268947
MY Exports (1000 MT)	1016	1016	1000	1000	0	1000
TY Exports (1000 MT)	1016	1016	1000	1000	0	1000
Feed and Residual (1000 MT)	33000	33000	31000	33000	0	33000
FSI Consumption (1000 MT)	117000	117000	117000	117000	0	117000
Total Consumption (1000 MT)	150000	150000	148000	150000	0	150000
Ending Stocks (1000 MT)	127777	127777	124847	122847	0	117947
Total Distribution (1000 MT)	278793	278793	273847	273847	0	268947
Yield (MT/HA)	5.9397	5.9397	5.9402	5.9402	0	5.9415
(1000 HA) ,(1000 MT) ,(MT/HA)						
MY = Marketing Year, begins with the month listed at the top of each column						
TY = Trade Year, which for Wheat begins in July for all countries. TY 2026/2027 = July 2026 - June 2027						
OFFICIAL DATA CAN BE ACCESSED AT: <a href="#">PSD Online Advanced Query</a>						

## Rice

### Production

**Image 8. China: Rice Production**



MY2026/27 rough rice production is forecast to increase slightly due to a stable area and higher yields. As mentioned above, China made grain production a national strategic priority and highlighted its efforts to improve yield in its No. 1 Document. Per hectare yields are expected to increase from 7.1 MT for rice to about 9 MT for rice in large-scale fields over the next few years. National rice production yields hit a new record in 2025 and are expected to continue increasing in 2026 as a result of better variety of seeds, “high standard” arable land, advanced machinery and fiscal support.

As of late February, spring farming and preparation for early rice plantings are beginning in southern China. Southern early-season rice seedling preparation is underway. In Guangdong, over 0.9 million hectares of early rice seedlings are being actively cultivated, with 175 new centralized seedling centers established. In Sichuan, spring plowing and field management have started from south to north. In major rice-producing counties, farmers are busy with field plowing, soil breaking, and leveling operations, preparing for large-scale mechanized rice transplanting. In Chongqing, to ensure smooth spring farming, 1.2 million agricultural machinery units have been prepared, and about 1.4 MMT of fertilizer required for spring planting is being allocated.

## Consumption

**Table 13. China: Old Stock Rice Auctions in 2020-2026**

Auction Period		Amount Offered (MMT)	Amount Sold (MMT)	Notes
<b>2020</b>		14.5	9.2	
<b>2021</b>	Mar 31-Oct 28	48	15.6	-Floor price increased from RMB 1,300 to 1,500 per metric ton (MT) -Rice mixed with wheat to be used in feed -2 MMT rice offered each week
<b>2022</b>	Mar 10-Apr 14	43.9	4.5	-Floor price remained at RMB 1,500 per MT -500,000—1 MMT rice offered each week
	May 15-Sep 29		24.6	-Floor price increased from RMB 1,500 to RMB1,600 per MT in Northeast and 1,700 per MT in South China -2 MMT rice was offered each week
<b>2023</b>	Aug 3-Sep 28	16.5	14.8	- Around 2 MMT rice was offered each week - estimated price of old stock rice mixed with corn are about \$380-387 (RMB 2,700-2,750) per MT in northern ports, or \$394-401 (RMB 2,800-2,850) per MT in southern ports
<b>2024</b>	No Auction			
<b>2025</b>	Rumored small scale regional auctions			
<b>2026</b>	Industry expects 15 MMT old stock rice available for sell			

Source: Industry Sources.

MY2026/27 rice consumption is forecast at 145 MMT, 2 MMT lower than MY2025/26 mainly due to lower food use. Industry reports that daily rice milling volumes were slightly below last year.

China's rice consumption for food is expected to decline, along with its population. As living standards in China continue to improve, per capita rice consumption is decreasing, but the demand for taste, nutritional quality, and food safety is rising. As a result, the need for high-quality and functional rice products is growing.

In 2025, the planting area of high-quality rice expanded significantly year-on-year in both the major Indica-producing regions of Southern China and the Japonica-producing regions of Northeast China. In addition, yields of premium Indica rice in the South recorded moderate year-on-year gains, while milling recovery rates and overall grain quality improved compared with the previous year. Premium rice varieties command significantly higher purchase and sales prices than ordinary varieties and therefore do not rely on policy-based procurement for market absorption. Instead, they are fully traded and digested through market-oriented channels. On the other hand, ordinary rice, which relies on the rotation sales of reserve paddy at various levels,

have remained sluggish. Continuous price cuts to stimulate sales have further intensified competitive pressure in an already soft and lackluster rice market.

Rice consumption for feed depends on old stock rice auctions, low quality new crops, and imported broken rice. The government of China suspended old stock rice auctions (see Table 13) in 2024 as prices were not competitive to corn. So far there is no official news of old stock rice auctions. Some early-maturing single-season rice launched in September was affected by adverse weather, resulting in lower grades and weaker milling quality. As a result, it fails to meet reserve replenishment standards and is also less suitable for commercial rice milling, leaving a significant portion to be entered into feed market.

China still holds a considerable volume of overdue MSP rice stocks, with inventories aged five years or more estimated to exceed 30 MMT. Among them, more than 10 MMT of aged old stock rice could potentially be released through targeted auctions, indicating ample policy reserves for market regulation. However, the likelihood of large-scale feed rice releases in 2026 remains relatively low. On the one hand, 5–6-year-old feed rice has not yet reached its quality limit, so the urgency to clear stocks is limited. On the other hand, MSP rice procurement volumes have declined in recent years, easing the previous oversupply of staple grain reserves. As a result, policy rice auctions are now more focused on stabilizing the food market rather than supplying the feed sector.

## **Imports**

Post forecasts an increase in both rice imports and exports for MY2026/27 compared to the previous marketing year by 100,000 MT and 200,000 MT, respectively. In 2025, China's rice imports reached 3.1 MMT, up 89.6 percent year-on-year, with an average import price of \$489 (RMB 3,364) per MT, down 17.8 percent from the previous year. Over the same period, rice exports totaled 1.7 MMT, an increase of 34.8 percent year-on-year, while the average export price declined 13.7 percent to \$511 (RMB 3,517) per MT. As a result, China's net rice imports in 2025 amounted to 1.4 MMT, continuing to rise compared with the previous year.

International rice prices have remained persistently weak, creating a large price gap with domestic rice. In early 2026, major exporters such as Thailand, Vietnam, and India have seen rice prices fall by 5–15 percent compared to early 2025. The FOB price of India's 5 percent broken white rice is \$352 per ton, while Vietnam's 5 percent broken rice is priced at \$365 per ton. Thailand's 5 percent broken rice is priced at \$410 per ton, while Pakistan's is priced at \$367 per ton. With ample supply, competition among major exporting countries intensified, pushing international rice prices broadly downward, which in turn lowered China's rice import costs. This could support China's animal feed and ethanol producers who rely on this rice grade.

**Table 14. China: Rice Import Classification**

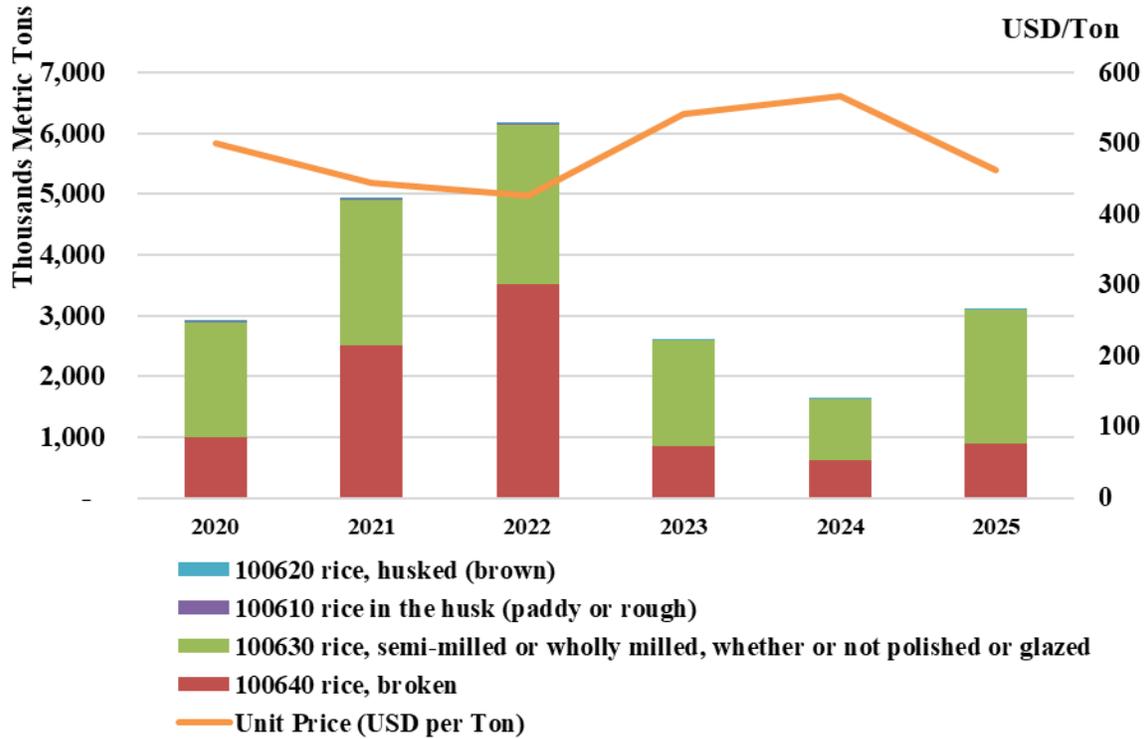
Year 2025	Long-grain (MT)		Med/short grain (MT)
<b>1006.3020, Long grain milled rice</b>	2,192,226	<b>1006.3080, med/short grain milled rice</b>	5,667
<b>1006.4020 Long grain broken rice</b>	816,427	<b>1006.4080 med/short grain broken rice</b>	89,204
<b>1006.1081 Long grain paddy</b>	0	<b>1006.1089 med/short grain paddy</b>	0
<b>1006.2020 Long grain brown rice</b>	353	<b>1006. 2080 med/short grain brown rice</b>	0
<b>TOTAL</b>	3,009,006		94,871

Source: GACC.

China qualified Vietnamese rice bran and rice bran meal to be allowed to enter the Chinese market starting June 1, 2025. Rice bran is a feed byproduct obtained from rice milling, while rice bran meal is produced after oil extraction from rice bran. Both products are rich in nutrients such as protein, fiber, and vitamins, and are widely used in the feed industry as valuable sources of animal nutrition. Customs data show rice bran imports at 1.3 MMT, almost entirely from Vietnam and about 70,000 MMT from the U.S.

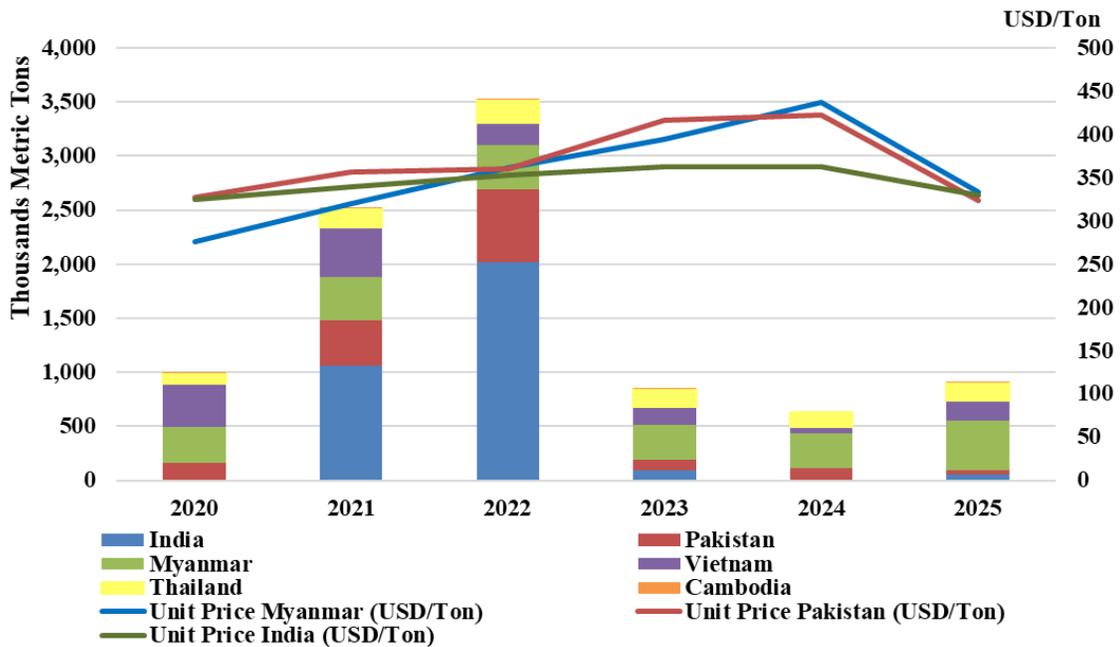
Imports of broken rice totaled 905,600 MT in 2026, up 43 percent year-on-year, but are still significantly below the MY2021/22 peak, as current prices are not competitive compared to other corn substitutes in feed. Broken rice typically does not fall under the rice import TRQ and is instead imported under the general trade tariff regime. It is often imported into South China for specific poultry feed use or lower-end food processing.

**Chart 12. China: Rice Imports 2020-2025**



Source: Trade Data Monitor, LLC.

**Chart 13. China: Broken Rice Imports by Country**



Note: No imports from India in 2024.

Source: Trade Data Monitor, LLC.

## Exports

China's rice exports are expected to increase in 2026 due to an increase in MSP rice procurement. As of January 31, 2026, all types of grain operators in China had cumulatively purchased 58.35 MMT of mid-to-late Indica rice and 42.18 MMT of Japonica rice, totaling 100.53 MMT, roughly on par with the same point in the previous year. Market-based purchases increased year-on-year, while MSP purchases declined sharply. MSP procurement was launched in Heilongjiang, Anhui, Jiangsu, Jiangxi, Henan, and Hunan provinces in 2025 because prices dropped below the MSP. Approximately 22.5 MMT of paddy rice and wheat were procured at the MSP, effectively helping to stabilize the market and manage expectations. China's top export markets in 2025 were Turkey, South Korea, Papua New Guinea, and Cameroon. China's rice exports are primarily low quality or old rice at low prices which helps reduce China's large rice stocks.

China has continued to donate rice as aid, though these amounts are negligible compared to total exports (see Table 15). China's rice aid donations do not appear to include any initial economic impact assessment. Further, China only reports official aid donations in value amounts, not by volume, although many other aid donations likely go unreported. In 2025, the amount of rice China donated dropped 30 percent. Zimbabwe is the largest recipient.

As of March 10, 2026, NDRC has not announced the 2026 rice MSP price. The 2026 MSP is projected to be similar to the 2025 version. On March 17, 2025, NDRC announced the [2025 rice MSP price](#) for rice graded above a "3" on China's rice grade scale will be \$353 (2,560 RMB) per MT for early Indica rice, up by \$2.9 (20 RMB) per MT from 2024. The MSP for mid-to-late Indica rice and Japonica rice remains unchanged from 2024. Like the 2025 wheat MSP, which was announced last September, NDRC set a ceiling for the total MSP procurement amount for rice. [The 2025 ceiling](#) cap is unchanged at 50 MMT from previous years to include 20 MMT of Indica and 30 MMT of Japonica rice. The first 45 MMT can be purchased from any of the rice producing provinces, but the final 5 MMT, including 2 MMT Indica and 3 MMT Japonica, will be allocated among provinces based on unspecified needs criteria. The ceiling is, once again, much higher than the actual MSP purchase volumes in recent years. The ceiling varies year to year but is normally less than 10 MMT.

**Table 15. China: Rice Exports under Aid or Donation in 2025**

<b>Trading partner</b>	<b>U.S. Dollar</b>
Nepal	2,505
Timor-Leste	13,808
Central African Republic	922,266
Congo	627,803
Gambia	88,470
Cote d'Ivoire	305,825
Liberia	2,377,496
Mali	1,485,955
Namibia	1,595,517
Sao Tome and Principe	1,003,963
Senegal	72,944
Sierra Leone	425,163
Somalia	1,209,889
Togo	2,986,098
Uganda	806,659
Burkina Faso	1,518,327
Democratic Republic of Congo	1,305,111
Zambia	642,716
Zimbabwe	5,221,861
Lesotho	147,898
Cuba	3,286,767
<b>TOTAL</b>	<b>26,047,041</b>

Source: GACC.

**Table 16. China: Rice MSP Changes 2015-2026 (in RMB per MT)**

Year	Early Indica	Mid-to-Late Indica	Japonica
2015	2,700	2,760	3,100
2016	2,660	2,760	3,100
	-40	-	-
2017	2,600	2,720	3,000
	-60	-40	-100
2018	2,400	2,520	2,600
	-200	-200	-400
2019	2,400	2,520	2,600
2020	2,420	2,540	2,600
	+20	+20	-
2021	2,440	2,560	2,600
	+20	+20	-
2022	2,480	2,580	2,620
	+40	+20	+20
2023	2,520	2,580	2,620
	+40	-	-
2024	2,540	2,580	2,620
	+20	-	-
2025	2,560	2,580	2,620
	+20	-	-

Source: NDRC.

In early December 2025, China issued a mandatory national standard, “Paddy Rice (GB 1350-2025),” slated to take effect on January 1, 2027. The new standard provides systematic revisions to the classification, quality indicators, and testing methods for paddy rice, tightening requirements for food safety and quality control. It sets stricter limits on key metrics such as moisture content, impurities, and yellow kernels. The aim is to improve the overall quality and consistency of domestically produced paddy rice, drive an industry shift toward higher-quality cultivation, and provide a unified technical basis for future storage, processing, and trade. In the long term, the standard is expected to enhance the price premium for high-quality rice. The standard is not expected to have a direct impact on current prices, given that the implementation date is in 2027.

**Table 17. China: Rice Production, Supply, and Distribution**

Rice, Milled Market Year Begins China	2024/2025		2025/2026		2026/2027	
	Jul 2024		Jul 2025		Jul 2026	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	29007	29007	29000	29000	0	29000
Beginning Stocks (1000 MT)	103000	103000	104500	104500	0	104900
Milled Production (1000 MT)	145275	145275	146329	146329	0	147000
Rough Production (1000 MT)	207536	207536	209041	209041	0	210000
Milling Rate (.9999) (1000 MT)	7000	7000	7000	7000	0	7000
MY Imports (1000 MT)	2335	2335	3100	3100	0	3200
TY Imports (1000 MT)	3102	3102	3100	3100	0	3200
Total Supply (1000 MT)	250610	250610	253929	253929	0	255100
MY Exports (1000 MT)	1153	1153	1900	2000	0	2200
TY Exports (1000 MT)	1725	1725	1700	1700	0	1800
Consumption and Residual (1000 MT)	144957	144957	147029	147029	0	145000
Ending Stocks (1000 MT)	104500	104500	105000	104900	0	107900
Total Distribution (1000 MT)	250610	250610	253929	253929	0	255100
Yield (Rough) (MT/HA)	7.1547	7.1547	7.2083	7.2083	0	7.2414
(1000 HA) ,(1000 MT) ,(MT/HA)						
MY = Marketing Year, begins with the month listed at the top of each column						
TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2026/2027 = January 2027 - December 2027						
OFFICIAL DATA CAN BE ACCESSED AT: <a href="#">PSD Online Advanced Query</a>						

## POLICY

On March 4, 2025, the State Council Tariff Commission (SCTC) announced ([SCTC Announcement No. 2 of 2025](#)) the imposition of 10-15 percent additional tariffs on 740 agricultural commodities from the United States ([CH2025-0044](#)). These retaliatory tariffs were implemented on March 10, 2025. On April 4, 2025, SCTC announced ([SCTC Announcement No. 4 of 2025](#)) the imposition of 34 percent additional tariffs on all U.S. goods as of April 10, 2025 ([CH2025-0073](#)). On May 13, 2025, SCTC issued an announcement ([SCTC Announcement No. 7 of 2025](#)) following a U.S.-China economic and trade negotiation in Geneva, which suspended 24 percent of the 34 percent “reciprocal tariffs” for 90 days as of May 14, 2025, while retaining a 10 percent tariff ([CH2025-0111](#)). On August 12, 2025, SCTC announced ([SCTC](#)

[Announcement No. 8 of 2025](#)) an extension of the suspension of the 24 percent reciprocal tariffs for another 90 days from August 12, 2025, while retaining the 10 percent tariff ([CH2025-0164](#)). On November 5, 2025, the Ministry of Finance published two announcements ([SCTC Announcements No. 9](#) and [No. 10](#) of 2025, in Chinese) of the SCTC “to implement the consensus reached in the China-U.S. economic and trade consultations.” SCTC Announcement No. 9 removed the 10-15 percent additional tariffs imposed on 740 agricultural commodities, effective November 10, 2025. SCTC Announcement No. 10 extends the suspension of the 24 percent reciprocal tariffs on all U.S. products for another year from November 10, 2025, while retaining a 10 percent tariff. Refer to the attached table containing up-to-date tariffs applied to U.S. grains.

Currently, certain U.S. agricultural products are also subject to Section 301 retaliatory tariffs, which can be excluded upon request by importers through December 31, 2026 ([CH2025-0153](#)), and Section 232 retaliatory tariffs. As a result, U.S. agricultural, fishery, and forestry products generally face a much higher applied tariff compared to products from other competing countries.

**Table 3. China: Schedule of Tariffs on U.S. Agricultural Products**

HS Code (8-digit)	Product Description	MFN Rate	Section 301 Retaliation	SCTC Ann. No. 2, March 10, 2025	SCTC Ann. No. 7, May 13, 2025	Total Projected Tariff	Total Applied Tariff with 301 Exclusion
	Implementation Date	1/1/2025	2/14/2020	Removed 11/10/2025	5/14/2025	11/10/2025	Valid until 12/31/2026
10051000	Corn Seed, certified, excluding sweet corn, In-Quota	1%		0%	10%	11.0%	11.0%
10051000	Corn Seed, certified, excluding sweet corn, Out-of-Quota	20%		0%	10%	30.0%	30.0%
10059000	Maize Excl. Seed, In-Quota	1%	25.0%	0%	10%	36.0%	11.0%
10059000	Maize Excl. Seed, Out-of-Quota	65%	25.0%	0%	10%	100.0%	75.0%
11022000	Maize (Corn) Flour, In-Quota	9%	25.0%	0%	10%	44.0%	19.0%
11022000	Maize (Corn) Flour, Out-of-Quota	40%	25.0%	0%	10%	75.0%	50.0%
11031100	Groats and Meals of Wheat, In-Quota	9%	25.0%	0%	10%	44.0%	19.0%
11031100	Croats and Meal of Wheat, Out-Quota	65%	25.0%		10%	100.0%	75.0%

11042300	Grains, Worked (For Example, Hulled, Pearled, Sliced Or Kibbled), Of Corn (Maize), In-Quota	10%	5.0%		10%	25.0%	20.0%
11042300	Grains, Worked (For Example, Hulled, Pearled, Sliced Or Kibbled), Of Corn (Maize), Out-of-Quota	65%	5.0%	0%	10%	80.0%	75.0%
10071000	Grain Sorghum Seed	0%	5.0%	0%	10%	15.0%	10.0%
10079000	Grain Sorghum, Excl. Seed	2%	25.0%	0%	10%	37.0%	12.0%
10011100	Durum Wheat Seed, in-quota	1%		0%	10%	11.0%	11.0%
10011100	Durum Wheat Seed, out-of-quota	65%		0%	10%	75.0%	75.0%
10011900	Durum Wheat, Excl. Seed, In-Quota	1%	25.0%	0%	10%	36.0%	11.0%
10011900	Durum Wheat, Excl. Seed, Out-of-Quota	65%	25.0%	0%	10%	100.0%	75.0%
10019100	Seed of other wheat and maslin, in-quota	1%		0%	10%	11.0%	11.0%
10019100	Seed of other wheat and maslin, out of quota	65%		0%	10%	75.0%	75.0%
10019900	Other Wheat And Maslin, Excl. Seed, In-Quota	1%	25.0%	0%	10%	36.0%	11.0%
10019900	Other Wheat And Maslin, Excl. Seed, Out-of-Quota	65%	25.0%	0%	10%	100.0%	75.0%
11010000	Wheat or Maslin Flour, In-Quota	6%	25.0%	0%	10%	41.0%	16.0%
11010000	Wheat or Maslin Flour, Out-of-Quota	65%	25.0%	0%	10%	100.0%	75.0%
11032010	Pellets Of Wheat, In-Quota	10%	5.0%	0%	10%	25.0%	20.0%
11032010	Pellets Of Wheat, Out-of-Quota	65%	5.0%	0%	10%	80.0%	75.0%

Source: State Council Tariff Commission (SCTC).

## **2026 No. 1 Document**

Released as China enters its 15th Five-Year Plan (2026-2030), and the first year after a 5-year transition period for consolidating the achievements of poverty alleviation, [the 2026 No. 1 Document](#), titled “Opinions of the Central Committee of the Communist Party of China and the State Council on Anchoring Agricultural and Rural Modernization and Steadily Promoting the Comprehensive Revitalization of Rural Areas,” signals both continuity and evolution in Beijing’s agricultural strategy. The 2026 document establishes a new objective of maintaining grain production at approximately 700 MMT (50 MMT higher than the prior target of 650 MMT) through a three-pillar approach: stabilizing acreage, increasing yields, and optimizing structure. As part of the action plan launched in 2024 to increase grain production capacity, provincial governments must increase per-capita yields of major grain and oilseed crops through integrated deployment of high-quality farmland, improved seeds, advanced machinery, and effective farming practices. Notably, the document emphasizes optimizing planting patterns and promoting market-favored grain varieties to capture premium prices.

The document explicitly acknowledges the important role of agricultural imports. This ties in with a MARA statement in February that imports of soybeans, meat, dairy products, fresh and dried fruit, and wine have filled the structural gaps in supply and demand in the domestic market. However, the 2026 report introduces a significant new directive: “coordinating agricultural imports with domestic production,” meaning China will aim to manage the pace and volume of imports to ensure food security and protect domestic industries and markets. The document reiterates the importance of diversifying import sources to avoid over-dependence on limited suppliers. Simultaneously, it calls for developing internationally competitive Chinese agricultural enterprises to enhance participation in global supply chains.

## **Draft Outline of the 15th Five-Year Plan**

On March 5, 2026, a draft outline submitted to the Fourth Session of the 14th National People’s Congress for review proposed the main objectives and major tasks for the 15th Five-Year Plan period, specifying that China’s comprehensive grain production capacity should reach around 725 MMT. This represents a higher requirement following several years in which China’s grain output has remained stable at above 650 MMT, and after total production surpassed the 700 MMT level during the 14th Five-Year Plan period.

**[Rural Revitalization Plan \(2024-2027\)](#)**: China’s State Council recently issued the “Rural Revitalization Plan (2024-2027),” which outlines China’s strategic plan to enhance modern agriculture and strengthen food security. According to the plan., China will focus on stabilizing area and improve yields to safeguard the grain supply. The country will keep food planting area at approximately 1.75 billion mu (about 116.7 million hectares) and grain crops at around 1.45 billion mu (about 96.7 million hectares), and boost grain production capacity by 100 billion jin (approximately 50 MMT). The country will strengthen agricultural infrastructure and bolster agricultural science, technology, and equipment. The country will increase support for grain production by ensuring grain farmers’ income and stabilizing grain prices and agricultural inputs.

### **Tariff Rate Quotas (TRQ)**

On October 9, 2025, the NDRC published [the 2026 TRQ Application and Allocation Measures for Grain and Cotton](#). China tightly controls its grain trade, particularly wheat, corn, and rice, through tariff-rate quotas (TRQs) policies and its designated State Trading Enterprise (STE). China claims these mechanisms regulate imports and exports to maintain food security and stabilize domestic prices.

China's TRQ system allocates the TRQ between the STE and non-STE importers. An STE is a government-designated entity with exclusive or special rights to conduct international trade for specific commodities. In China's grain trade, COFCO Corporation is the sole STE authorized to handle grain imports and most grain exports. See [China's Notification to the WTO Working Group on State Trading Enterprises](#). A State-Owned Entity (SOE) is any business owned or controlled by the government, but not all SOEs have exclusive trade rights in China's TRQ system. While STEs are a subset of SOEs, only select SOEs (i.e., COFCO) are legally permitted to act as STEs in grain trade. However, non-STE may handle part of import quotas. However, SOEs have substantial market share and account for a large portion of grain trade. China states its SOEs base their actions on commercial considerations in accordance with market-oriented principles and the rule of law.

For an STE, the process for applying for a TRQ is relatively straightforward. Each year, the NDRC assigns a large portion of the TRQ directly to COFCO. The government expects COFCO to use this quota strategically, often to stabilize domestic grain prices or secure supply under state-controlled trade policies. For other importers, the process is much more complex. Every year, they must submit applications to the NDRC, usually in September or October, to request a portion of the TRQ. Unlike COFCO, these importers do not get automatic allocations but must apply for TRQ allocations. The NDRC evaluates applications based on import history, processing capacity, and compliance with trade rules. When an importer gets a TRQ allocation, it's typically much smaller than what COFCO receives.

Adding to the challenge, importers face a "use-it-or-lose-it" rule: if they do not import grain within a specified period, the NDRC can take back their TRQ share and give it to another importer. Meanwhile, industry members have shared that Beijing keeps a close eye on private firms to ensure they do not disrupt domestic markets. Under China's TRQ system, grain imports beyond the quota are subject to prohibitively high tariffs. The TRQ allocations for these grains are structured according to Table 21. The United States has challenged China's TRQ management, arguing that the quotas are not always allocated fairly or transparently, limiting U.S. grain exports. [See DS517: China – Tariff Rate Quotas for Certain Agricultural Products](#).

The total grain TRQ and percentage allocated to COFCO remains unchanged from 2025. The 2026 measures continued to emphasize that the TRQs must be fully allocated, and both the state-owned and non-state owned TRQs must be fully utilized, based on market conditions. Starting in 2020, the policy included punitive measures for companies that receive import TRQ but do not fill the entire volume.

**Table 18. China: 2026 Tariff Rate Quota Policies for Grains**

Commodity	TRQ Volume (MT)	Other Allocation	State-Trading Enterprise (COFCO) Allocation	In-Quota Duty	Out-of-Quota Duty
<b>Corn</b>	7,200,000	40%	60%	1%	65%
<b>Wheat</b>	9,636,000	10%	90%	1%	65%
<b>Long Grain Rice</b>	2,660,000	50%	50%	1%	65%
<b>Short-Medium Grain Rice</b>	2,660,000	50%	50%	1%	65%

**Note:** The following HS codes are subject to China’s TRQ policies:

Wheat: Durum wheat 10011000, Wheat or meslin seed excl. durum wheat 10019010, Other wheat or meslin nesoi 10019090, Wheat or meslin flour 11010000, Wheat, meal 11031100, Wheat pellets 11032010.

Corn: Maize seed 10051000, Maize excl. seed 10059000, Maize (corn) flour 11022000, Maize, meal 11031300, Other worked grains of maize (corn) nesoi 11042300.

Rice, Short and Medium Grain: Other rice seed, in husk (paddy or rough) 10061019, Other rice, in husk (paddy or rough) 10061099, Other husked rice 10062090, Other semi-milled or wholly milled rice 10063090, Other broken long grain 10064090, Other rice flour 11023090, Other rice, meal, nesoi 11031929.

Rice, Long Grain: Long grain seed, in husk (paddy or rough) 10061011, Long grain, in husk (paddy or rough) 10061091, Husked (brown) long grain 10062010, Semi-milled or wholly milled long grain 10063010, Broken long grain 10064010, Long grain flour 11023010, Long grain, meal 11031921.

### Countries with Bilateral Phytosanitary Protocols

In late 2025, GACC published the countries/regions (see Table 22) from which imports of grain and plant-sourced feed varieties are allowed into China. In addition, China intends to source more agricultural products from countries willing to settle product purchases in RMB instead of USD.

**Table 19. China: Countries with Bilateral Phytosanitary Protocols**

Wheat	Australia, Canada, Kazakhstan, Hungary, Serbia, Mongolia, Russia, France, United Kingdom, United States, Argentina, <del>Lithuania</del>
Corn	Thailand, Laos, Argentina, Russia, Ukraine, Bulgaria, Brazil, Cambodia, South Africa, Hungary, United States, Peru, Kazakhstan, Mexico, Uruguay, Serbia, Myanmar, Kyrgyzstan
Barley	Australia, Canada, Denmark, Argentina, Mongolia, Ukraine, Finland, Uruguay, United Kingdom, France, Kazakhstan, Russia, United States
Sorghum	Myanmar, United States, Australia, Argentina ( <del>for feed use</del> ), Nigeria (for feed use), Mexico, Uruguay, Brazil, <i>Bolivia*</i>
Paddy Rice	Russia
Milled Rice	Cambodia, India (both Basmati and Non-Basmati), Japan, Laos, Myanmar, Pakistan, Thailand, Uruguay, Vietnam, Taiwan, United States

**Note:** Countries with Bilateral Phytosanitary Protocols are permitted to export grains

\*Indicates new access in 2026

\*\* Indicates a change from previously reported information.

**Source:** GACC.

### **China's Grain Reserve Mechanism:**

China has established a multi-tiered and comprehensive grain reserve system, covering central reserves, local reserves, and social reserves, as regulated by China's [Food Security Law](#). According to the National Food and Strategic Reserve Administration, at the end of 2024, the total capacity of standard grain warehouses nationwide exceeded 700 MMT, a 36 percent increase compared to 2014. This includes grain, oilseeds, and other agricultural commodities. Low-temperature and quasi-low-temperature storage capacity reportedly reaches 200 MMT. Controlled atmosphere (CA) storage capacity stands at 55 MMT. China reports its comprehensive grain loss rate in state-owned grain reserves is kept below 1 percent during the storage cycle. The wheat and rice stockpile are sufficient to meet the nation's grain consumption for over one year according to statements by CCP leaders. In 36 major and medium-sized cities, local reserves remain sufficient, including Beijing, Tianjin, Shanghai, and Chongqing, in which the reserve capacity of processed grain is sufficient to meet the population's demand for over 15 days. China has over 6,900 emergency grain processing enterprises. The daily emergency processing capacity reaches 1.7 MMT, which can meet the grain consumption needs of the entire population for two days.

China's grain reserve system includes the following:

- **State Reserve or Central Reserve**
  - **National strategic reserve:** governed by Sinograin to deal with important climate disasters, nationwide emergencies or international market prices fluctuations. No regular rotations.
  - **National rotation reserve:** rotate regularly for every three to five years.
  - Cover major grain varieties such as wheat, rice, corn and soybeans; Minimum required amount is to meet the food demand of urban population for one year.
  
- **Local Reserve**
  - **Provincial Reserve:** should satisfy six months demand in consumption regions and three months demand in producing regions.
  - **Municipal Reserve**
  - **County Reserve:** not compulsory.
  
- **Adjustment or Temporary Reserve**

Managed by central or local governments to stabilize price fluctuations. Grains procured under the MSP program are stocked in the Temporary Reserve.
  
- **Emergency Reserve or One-time or Special Reserve**

Emergent reserve or policy reserve to protect farmer welfare.
  
- **Commercial Reserve**

Reserves in traders, processors, and retailers' stocks.
  
- **Urban and Rural Residents' Personal Food Stocks**

**Attachments:**

No Attachments