

Voluntary Report – Voluntary - Public Distribution

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Report Highlights:

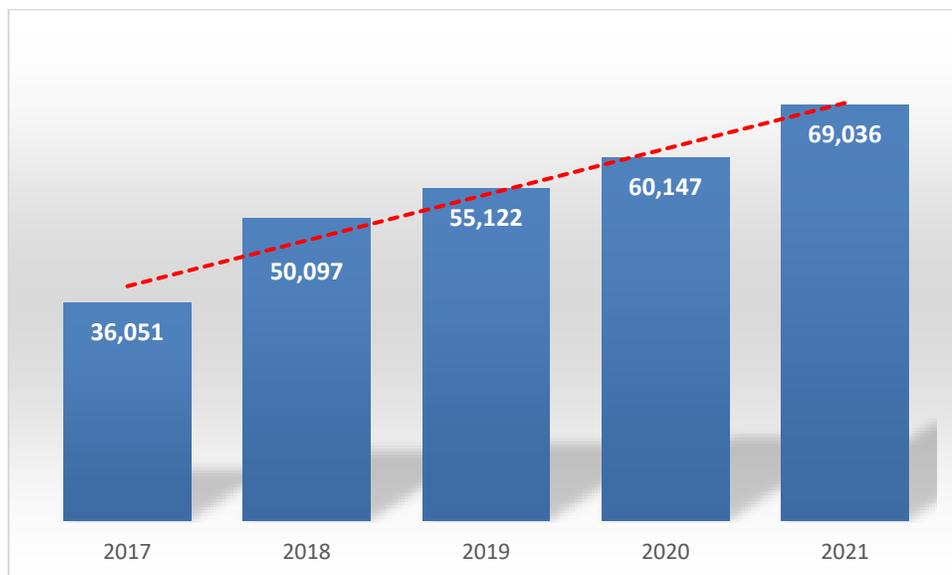
In 2021, the People's Republic of China (PRC) surpassed the United States as the world's largest blueberry producer. Blueberries are planted in 26 of China's 34 provinces. Meanwhile, China is also the world's leading importer of blueberries. Imported blueberries in China are mainly from Peru and Chile, which account for over 99.9 percent of China's total imports. The consumption of blueberries is expected to grow steadily in the coming years. Exporters are encouraged to take note of consumer expectations for flavor, size, color, and brix content.

Summary

According to data issued by International Blueberry Organization, global blueberry planted area reached 235,400 hectares in 2021, with a total of production of 1.79 million tons. China became the top producer in the world with 69,036 hectares of growing area, followed by the United States, Chile, Peru, and Canada. China is also the world's leading importer of blueberries. China imported 29,597 tons of blueberries in 2021, mainly from Peru and Chile. U.S. fresh blueberries gained market access to China in May 2020.

Blueberries are not a traditionally consumed fruit in China, however, a higher standard of living and an increased awareness of the health benefits from consuming fruit, have led more consumers to seek out new fruits, such as blueberries. Consumers tend to consume blueberries fresh; however, they are also consumed in dried snack foods, such as a snack mixture of other dried fruits and tree nuts, or as a standalone snack product. Fresh blueberries for direct consumption are cultivated based on their brix level (sugar content) and skin composition. Chinese consumers tend to prefer larger blueberries with relatively higher brix levels, a good appearance, firm texture, and longer shelf-life.

Figure 1: China: Domestic Blueberry Planting (hectares), 2017 - 2021



Source: International Blueberry Organization Industry Report, 2022

Production

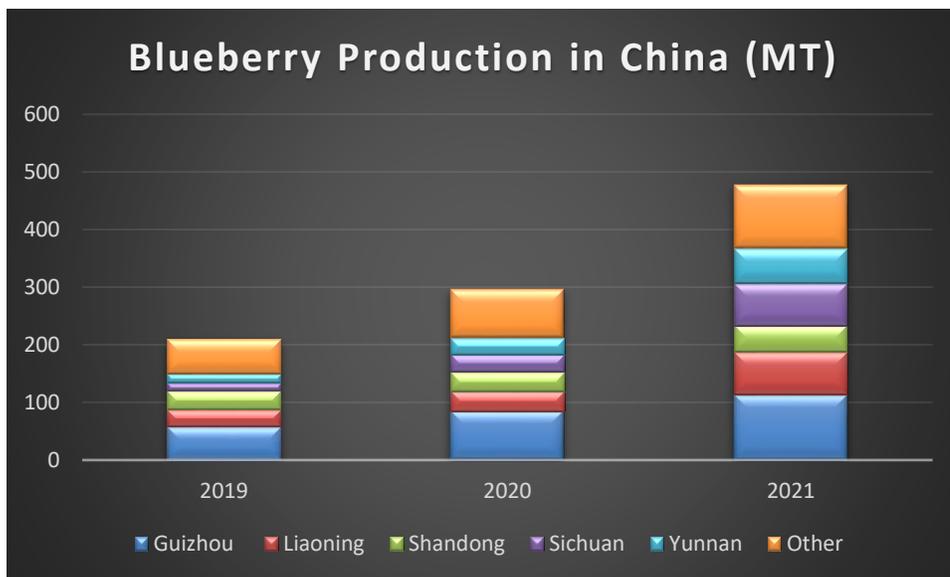
Blueberries are planted in 26 of China's 34 provinces, mainly using greenhouse and open field cultivation, as well as a combination of these two types. More than 56 percent of domestically produced blueberries in China are processed.

Guizhou, Liaoning, Shandong, Sichuan, and Yunnan are the primary producing areas. In 2021, 76.8 percent of China's total blueberry production was from these five provinces. Yunnan is the main production area of fresh blueberries in China with its unique environmental conditions, such as high altitude, a big gap between day and night temperatures, and long sunshine hours.

Leading blueberry enterprises in China and from other countries have made considerable investments in Yunnan in the past five years to produce blueberries, including Driscoll from the United States, Costa from Australia, and Joy Wing Mau based in China. At present, the highest quality fresh blueberries grown in China mainly come from Yunnan Province. The biggest challenge facing blueberry growers in Yunnan is that it is difficult to continue to expand the planting area. In the past decade, China has taken strict measures to protect arable land which used to grow grain, cotton, oil, sugar, and vegetables.



Figure 2. China: Blueberry Production, 2019 - 2021



Source: International Blueberry Organization Industry Report, 2022

Table 1. China: Production Season by Province

| Production Season by Provinces | | | | | | | | | | | | |
|--------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Month Region | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
| Guizhou | | | | | | | | | | | | |
| Liaoning | | | | | | | | | | | | |
| Shandong | | | | | | | | | | | | |
| Sichuan | | | | | | | | | | | | |
| Yunnan | | | | | | | | | | | | |

Source: Agricultural Trade Office Beijing

Trade

In 2012, the People’s Republic of China opened its market to imported blueberries from several countries, including Chile, Mexico, Uruguay, Canada, and Peru. Peru surpassed Chile as the largest supplier of imported blueberries to China in 2019. Peru and Chile account for over 99.9 percent of China’s blueberry imports due to free trade agreements and opposing harvest seasons. Blueberries from these two countries are not assessed a 15 percent tariff which all other exporters need to pay. For U.S.



blueberries, the tariff exclusion process put in place by the State Council Tariff Commission (SCTC) in March 2020 (see GAIN report [CH2020-0017](#)) remains in effect. The exclusion program allows importers to apply for exclusions of Section 301 retaliatory tariffs imposed on U.S. products. However, U.S. blueberries are still subject to Section 232 retaliatory tariffs. That said, the import tariff rate for U.S. blueberries is currently set at 30 percent (including MFN and Section 232 tariffs).

The peak import sales season in China is January and February because these months are the off-season for domestic production and there is strong demand for fresh fruit during the Spring Festival holiday period. To expand market share, blueberries from Peru are arriving in China’s market earlier and earlier. The first batch of Peruvian blueberries during the 2022 season was on the shelves of major high-end retail platforms in July. Due to the early launch of Peruvian blueberries and the massive launch of domestic blueberries in the same period, the market share of Canadian blueberries has been squeezed. From 2020 onwards, Canadian blueberries have rarely appeared in the market.

Due to South American producers having a different harvest season for fresh blueberries, Chinese domestic blueberries primarily compete with U.S. blueberries, as the harvest season is similar.

In July 2021, the first commercial shipment of fresh U.S. blueberries arrived in China. With the high quality and large size (average diameter 16 millimeters), the shipment sold out quickly. During the 2022 season, the United States exported a new variety of blueberries to China called Peachy Blue. The new variety is characterized by a unique aromatic flavor with hints of fresh peaches with large size, which successfully attracted the attention of Chinese consumers and the domestic fruit industry.

In China, blueberries are generally graded on three levels: 12 to 14 millimeters (mm), 14 to 18 mm, and 18 mm or more. The blueberries produced in Yunnan Province have an additional level, 22 mm or more. Most products are sold in 125-gram (g) packages. These smaller packages are convenient to purchase and appropriately sized for smaller Chinese families. However, there are some blueberry packers who will customize their packaging to meet the requirements of some upscale retail chains and provide private label products. Exporters may also highlight the size and high sugar content on the package. Importers are looking for U.S. blueberries that have a distinctive flavor, dark color, are over 12 degrees brix and larger than 18 mm.

While this report focuses on fresh blueberries, food processors are also seeking dried and frozen berry imports for use in dairy beverages, bakery products, and snack foods. Please refer to the most recent USDA FAS GAIN [China Food Processing Ingredient Report](#) for more information about opportunities for frozen and processed blueberries.

Table 2. China: Sales Windows of Imported Blueberries

| Month Country | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Peru | | | | | | | | | | | | |
| Chile | | | | | | | | | | | | |
| United States | | | | | | | | | | | | |

Source: Agricultural Trade Office Beijing

Table 3. China: Blueberry Export to China by Partner (tons)

| Partner | 2018 | 2019 | 2020 | 2021 | 2022 |
|---------------|--------|--------|--------|--------|--------|
| World | 15,372 | 22,045 | 25,160 | 29,597 | 42,847 |
| Peru | 5,657 | 11,919 | 14,536 | 23,275 | 35,890 |
| Chile | 9,657 | 10,049 | 10,622 | 6,320 | 6,956 |
| Mexico | 1 | 1 | 0 | 0 | 0 |
| Argentina | 2 | 6 | 0 | 0 | 0 |
| Canada | 55 | 70 | 0 | 0 | 0 |
| Uruguay | 0 | 1 | 0 | 0 | 0 |
| United States | 0 | 0 | 0 | 2 | 0 |

Source: Trade Data Monitor

Market Trends

The consumption of blueberries is expected to grow steadily in the coming years. Due to the high unit price, the first-tier cities in China such as Beijing, Shanghai, Guangzhou, and Shenzhen are the main consumption markets. The demand from Northeast China, however, has been growing rapidly in recent years. Blueberry growers in China are actively expanding their plantings and looking for new varieties that are more suitable for the China market.

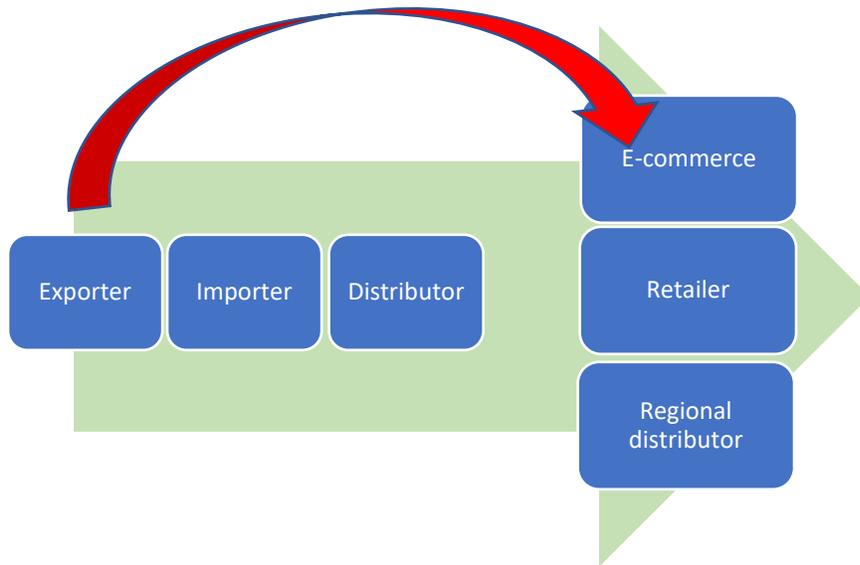
Large size fruit (normally 22 mm or more) are in high demand, especially during special holidays such as Spring Festival. The prices are normally much higher as these super large fruits are in limited volume. With the rising demand for Jumbo size fruits, university professors have done a lot of development and research. A recent report revealed that a professor in South China has successfully developed a new variety which is said to be as large as 26 mm or more.

Distribution Channels

Blueberries from Chile and Peru are mainly shipped by sea. A few early varieties are shipped by air. Guangzhou and Shanghai are the predominant fresh fruit import destinations as they have the most efficient customs processes, are situated on popular ocean freight routes, and have well established domestic transport networks. Fresh fruit imports have traditionally been handled by importers and regional distributors, however, large retail chains with advanced logistics and transport efficiencies are increasingly seeking to source directly from exporters and importers to eliminate the distributor network. Retail outlets typically use free tasting, gift boxes, colorful displays, and nutritional information to expand sales of fresh fruits.

Some leading blueberry packing houses in China can provide seamless cold supply chain with in-transit temperature monitoring to guarantee the quality of the blueberries. It will take about two to three days for domestic fresh blueberries to transit from the field to the retail chains in first-tier cities (Beijing, Shanghai, Guangzhou, and Shenzhen).

Figure 3. Fruit Distribution Network



During the COVID-19 pandemic, the share of online consumption expanded rapidly. Many consumers developed the habit of shopping online, significantly diverting consumer traffic from traditional retail channels. E-commerce operators are reluctant to directly import fresh berries due to logistical challenges and short shelf life. Most platforms still choose to work with importers or distributors to ensure that products are fresh and reduce their risk with these highly perishable products.

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Attachments:

No Attachments.