

# CHINA



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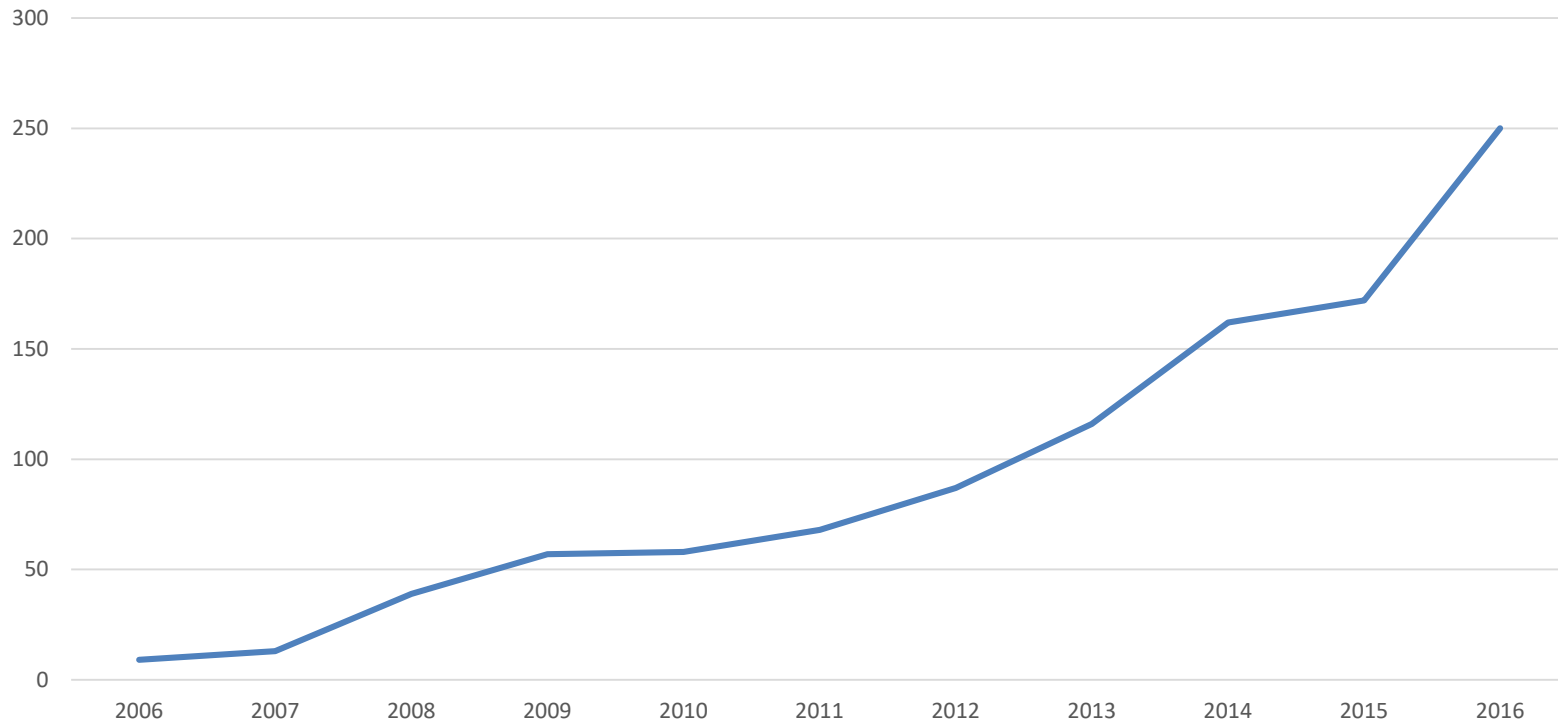
## Projected Value of Oat Exports to China

- China is the fastest growing market for Oats
- At the current market price, the value of oat imports in the China is approx. **\$48,000,000**. Oat imports into China have increased nearly 17 times from 2006 to 2014 and over 2 ½ times from 2011/2012 to 2015/2016 with continuous growth.
- At the same growth rate, the value of oat imports should more than double in the next 5 years and exceed **\$100,000,000**.

## Potential Market for Canada

- If Canadian oat exports to China were possible and reached **40% of the market share** within 5 years from access approval:  
**the potential market is worth \$40,000,000.**

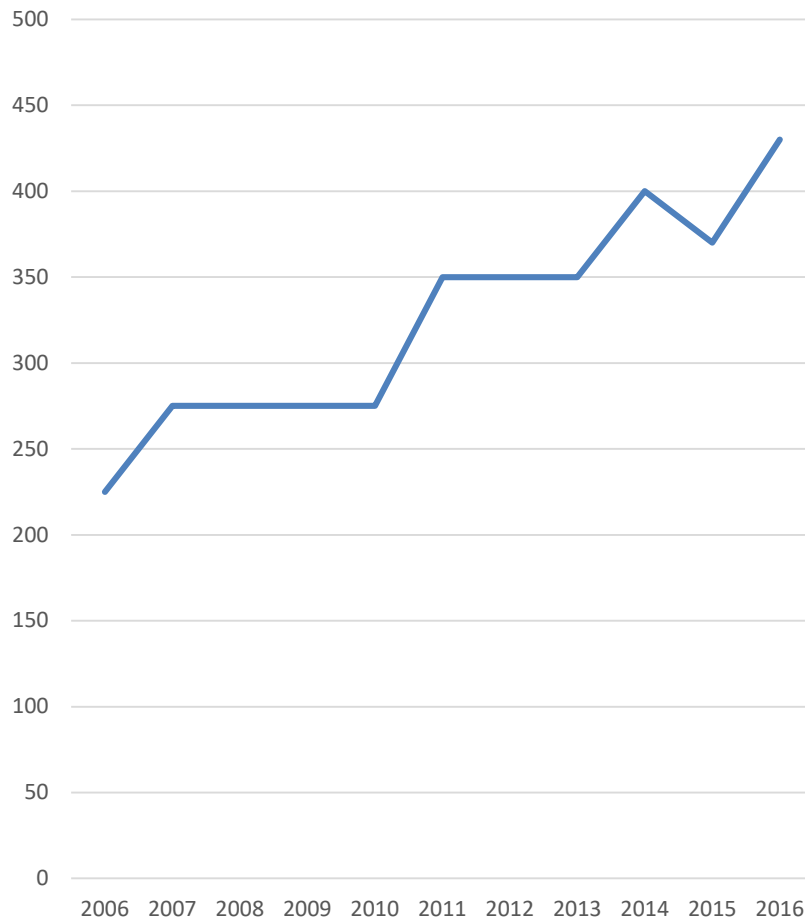
## Oats Imports in China in 1000 MT



Imports filled in the gap opened by the relevant decrease of internal oat production.

(Source USDA elaboration data Index Mundi. <http://www.indexmundi.com/agriculture/?country=cn&commodity=oats&graph=ty-imports>)

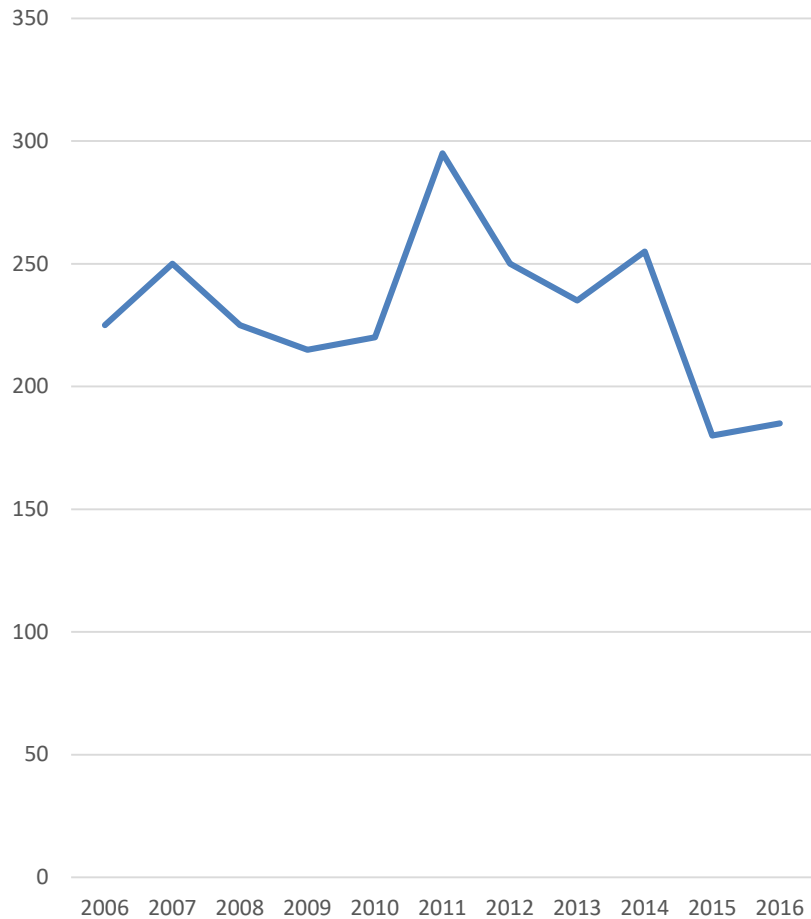
## Oats Domestic Consumption in China in 1 000 MT



- Domestic consumption for oats had a drop at the beginning of the 2000s
- Since 2006 consumption level have reversed the trend and started to constantly increase.
- There are many factors for expecting a considerable rise also for the future.
  - The new Chinese middle class is looking for healthier food and more nutritious products to complement staple traditional foods such as rice and wheat noodles.
  - As of 2002 the average Chinese person ate 90kg of rice a year so a relatively small shift from rice to oats would create significant demand.
  - There is a specific potential for oat milk because China is very poor in beta-glucan.

(Source USDA elaboration data Index Mundi  
<http://www.indexmundi.com/agriculture/?country=cn&commodity=oats&graph=domestic-consumption>)

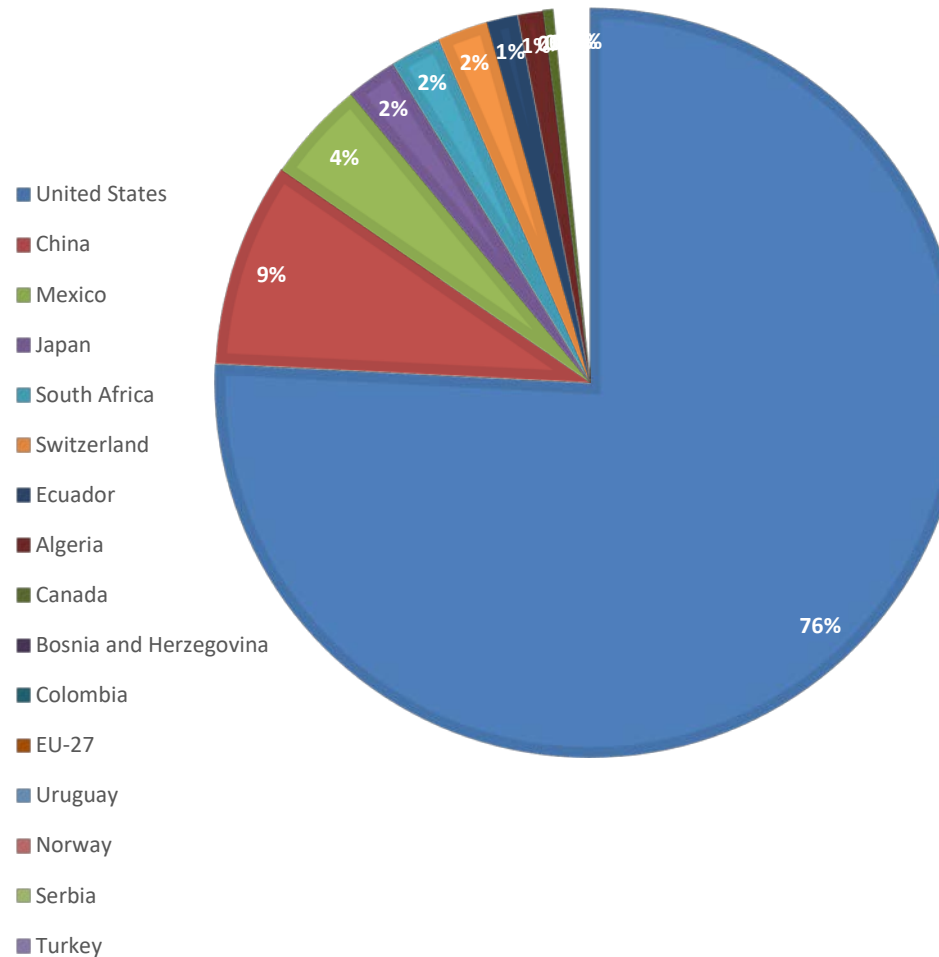
## Oats Production in China in 1000 MT



Oats production in China had its peak during the '60s and then started to constantly decline with a major drop between the end of the '90s and the beginning of 2000s. The years 2006-2016 confirms a slowly declining trend with no substantial variations.

(Source USDA elaboration data Index Mundi  
<http://www.indexmundi.com/agriculture/?country=cn&commodity=oats&graph=production>)

# Oats Imports by Country in 1000 MT



The USA is the world's largest importer of oats and accounts for 94-97% of total exports from Canada (AAFC, 2016). China is the second importer and accounts for 9 % of the global imports of oats.

(Source USDA elaboration data Index Mundi Year of Estimate 2017 <http://www.indexmundi.com/agriculture/?commodity=oats&graph=ty-imports>)

## China Mission – November 2017



Jenneth Johnson and Ray Mazinke with the  
Hon. Lawrence MacAulay, Minister of Agriculture (centre)



## Great News! Plant Health

- AQSIQ and CFIA signed a 2018 workplan in November
  - Oats are on the workplan
  - The first milestone in the progress towards a phytosanitary agreement
- 
- *“The work of POGA has been exactly what is needed to advance this file”* – AAFC Asia Division

## Jilin Province, China

- Jilin Province would like to work with Canada to set up at oats Industrial Park (processing and research facility in their province).
  - The industrial park would focus on oats food processing and research.
  - The Jilin Province Government envisions the participation of the Canadian oats sector and oats research institutions.
  - Current Minister of Agriculture in China is from Jilin