

# California Prune Board

## China mid-year Report

August 2023 - January 2024



*Prepared for California Prune Board  
Prepared by SMH International*

## **Background**

The Chinese plum & prune industry has been growing rapidly over the last decade. Although the industry is still young, its aggressive development may lead China to a potential competitor in the global prune market for the future.

From 2023/24, CPB's China in-market representative, SMH, focused its role on market and trade intelligence, especially about the Chinese plum & prune industry. Four quarterly reports about the Chinese plum/prune industry covering the plum planting and harvest, processing, development, marketing and sales will be submitted to CPB throughout the year. The reports aim to provide the California prune industry with the profile of Chinese future prune industry and the industry development, especially in Xinjiang, which is the main plum & prune production area in the country. They can also help the California prune industry understand the potential competition from the Chinese counterpart.

This report is a combined report for Q1 (August – October 2023) & Q2 (November 2023 – January 2024). The report covers the information about the current Chinese prune and plum industry, the production of prunes and prune products in China as well as the past 2023 fresh plum season in Xinjiang.

## **Summary - Chinese prune & prune juice industry**

- The Chinese prune industry is still small and under development. Only 15-20% of the locally grown fresh plums are used to make prunes or other prune products.
- Prunes and prune products' production for 2023 was estimated between 14,375 MT and 19,166 MT, as reported by local traders.
- Chinese prunes are so far all made in Xinjiang, which is also the major producer for fresh plums.
- More than 80% the prunes are sun-dried. Primary dried prunes are processed further either in or out of Xinjiang by local dried fruit manufacturers.
- Production of prunes is as yet not advanced nor mechanized. More than 80% prunes made in China are not pitted.
- Prune juice is now very trendy in China and has attracted many investors or manufacturers to enter this industry.
- Prune juice produced in China is mainly NFC (Not from Concentrate) juice, which uses fresh plums grown in Xinjiang.
- The development of the Chinese plum industry, along with the popularity of prunes and prune juice, is expected to drive the growth of prune industry in China as well. Production of prunes and particularly prune juice is believed to continue to expand.

### **Summary - 2023 Chinese plum season**

- The last Chinese plum (mainly Xinjiang plum) season started from late August to the beginning of November in 2023.
- Impacted by the severe weather in Xinjiang in the 1<sup>st</sup> half of the year, the production of Xinjiang plums for 2023 was not as large as expected.
- Jiashi County, the largest plum planting/production place in Xinjiang as well as in China, expected to produce 230,000 MT fresh plums for the 2023 season. *(Source: Local media reports)*
- Although there's no official report on the total plum production of Xinjiang and China, local fruit traders estimated that the 2023 Xinjiang plum production was between 306,667 MT and 345,000 MT, and the total production of the country was approximately 383,333 MT. *(Source: Local traders' estimates)*
- Early harvesting was a serious problem for the 2023 season across Xinjiang that some fruit traders/farmers picked the fruits before they were at the best quality and taste. This pushed the plum price high at the beginning of the season. On the other hand, such situation indicated that the plum industry in China is still underdevelopment and is lack of uniform management.
- Overall quality of Xinjiang plums for 2023 was better than the previous years. However, the plums with the highest quality level had limited supply.
- Xinjiang plums remained a popular and trendy fruit in September and October across the country, and the sales reached the peak during the Mid-Autumn Festival and the National Day Holiday, which were at the end of September and the 1<sup>st</sup> week of October.
- With the development of the plum industry as well as the cold chain improvement, sales of Xinjiang plums were extended. At the end of October, which used to be the end season of Xinjiang plums, some retail stores and e-commerce platforms still had plums for sale.

## **Chapter 1 China's prune & prune juice industry**

### **Part I - Prunes**

#### **A. Estimated production volume**

The majority of the fresh plums grown in China are consumed as fresh fruits, while only about 15-20% are used to make prunes or other prune products based on local traders' estimates. Based on the production of fresh plums in China, the historical production of prunes is estimated as below.

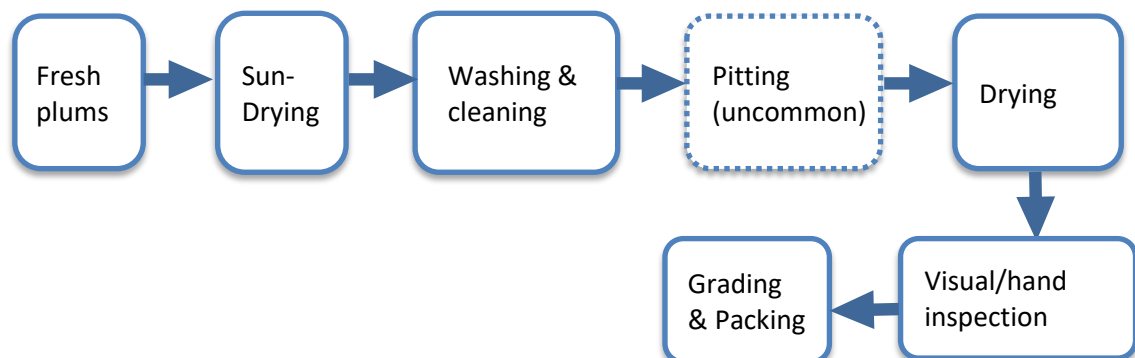
<b>Historical data on Chinese plum/prune production</b>				
	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Plums (MT)	383,333	251,667	150,000	120,500
Prunes & prune products (MT)	14,375-19,166	9,437-12,583	5,625-7,500	4,518-6,025
<i>* % of fresh plums to become prunes: 15-20%; estimated by local traders.</i>				
<i>* Plums --&gt; Prunes ration: about 4 kg fresh plums --&gt; 1 kg prunes</i>				

#### **B. Chinese prune industry at present**

The Chinese prune industry is still at a young stage and is under developed. Production still relies on primary processing and the technology is unsophisticated. However, with the fast development of the fresh plum industry and the popularity of prunes in the market, the Chinese domestic prune industry is estimated to grow about 20% annually as local prune producers think. It may possess a potential threat to other imported prunes including California prunes in the future.

#### **C. Production process**

In China, the main production area for fresh plums is in Xinjiang, which is also a major producer for prunes. Generally speaking, the production of prunes in China is not yet advanced or mechanized so still involves much labor. The major procedure includes sun-drying, washing and drying, visual inspection, and packing. Prunes are made at the origin, Xinjiang, or are sold to dried fruit makers in other parts of China for further processing.



- **Sun-drying**

The drying of plums relies on sun at present. As estimated by local traders, more than 80% of the prunes are sun-dried by growers or the cooperatives. The plums used for making prunes are normally low grade fruits, which may be broken fruits or in less attractive appearance that are not qualified for selling as fresh fruits.

When the fresh plums are picked, they are usually dried by sun without being washed, by either the growers/farmers or the local cooperatives. At present, there is no standard of the drying process. Farmers use their experience to decide when the drying process is completed. But depending on the weather, the sun drying process normally takes 10 to 15 days.



- **Washing & Cleaning**

Once the plums are sun dried, they are then sold to the dried fruit processors located either in Xinjiang or out of Xinjiang, where they are being further processed.

At the processing facility, the primary sun-dried prunes are going through the procedure of mainly washing & cleaning, drying, and/or pitting (uncommon).



### Washing & cleaning

Prunes are being washed three times by machine.



### Draining

Once the prunes are washed, they will be drained.

- **Pitting**

Most prunes produced in China are not pitted because of the lack of technology and high costs. As local traders think, pitted prunes may account for less than 20% of the total prune production.

In regards to pitting, there are two ways, machine pitted or hand pitted, depending on the factory's size and budget.

- **Drying**



### Drying

- 1) The common way to dry the washed prunes in Xinjiang is putting in the drying room, which has controlled temperature and moisture, and circulated air. Usually it takes up to 70 hours to dry the prunes.

Although there is no official standard for the moisture content of the prunes, it is common that the prunes are dried to the level at 10-15% moisture as some processors said.

- **Visual inspection**

Inspection of prunes relies on manual labor in many factories. The workers check the prunes with their eyes and pick out any bad or broken prunes, or foreign material by hands.



- **Grading & Packing**

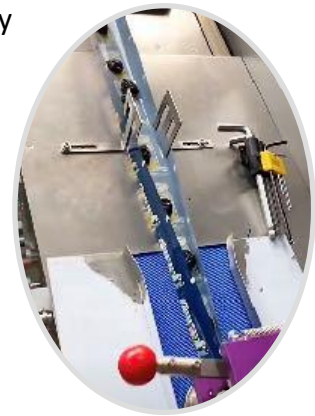
Currently, there is no standard grading of prunes across the industry. A lot of factories do not grade the prunes, and only some big processors may have grading machines to grade the prunes by weight.

Natural prunes with no additives or preservatives are now trendy in China. Thus, most manufacturers now do not flavor the prunes and pack them directly once they are done. Packing is done by the machine.



Individually packed prunes are popular in China as consumers think they are convenient to carry around, easy to eat, and are hygienic.

Prunes are not the main product, and are often one of the dried fruit products for the producers. In Xinjiang, many prune producers also produce other dried fruits or nuts such as raisins, dates, dried apricots, or walnuts, etc., which are all grown locally.



#### **D. Sales**

Prunes sold in or out of Xinjiang include:

##### **1) Primary sun-dried prunes**

These primary dried prunes are sold in bulk to processors in or out of Xinjiang right after they are sun-dried. At the processors' facilities, the prunes are then being further processed and packed before being sold in the market.





##### **2) Pre-packaged prunes**

Pre-packaged prunes, either produced in or out of Xinjiang, are available in the retail market across the country. Chinese prunes mainly focus on the retail sales channels, covering both on-line shopping platforms and off-line stores. It is the trend now that natural prunes, which have no added flavors or additives, are getting more and more popular with the Chinese consumers, especially young females.







Depending on the prune quality, taste, color, and size, the price also varies. Some purchasers or factories have long-term contract with the farmers to secure a good price and consistent supplies.

So far, Xinjiang prunes still have a smaller market share in China comparing to imported prunes. In 2023, China imported totally 38,990 MT prunes, while the domestic prune production was estimated between 14,375 - 19,166 MT, about 36 - 49% of the imports. Although there are many brands of Xinjiang prunes in the market, they are mostly small or independent brands. Some big dried fruit or food brands still prefer to use imported prunes, which have better quality and consistent supply as they believe.





Below is a list of major Chinese/Xinjiang prunes in the market. They are available either on on-line shopping platforms or in physical stores.

Brand	Product Description	Picture	Size	Origin	Price (USD)
Bin Guo Shu	Prunes		500g	Xinjiang	\$3.16
Lu Bian Jie	Prunes		500g	Xinjiang	\$4.57
Zhen Lian Guo Yuan	Prunes		248g	Xinjiang	\$4.15
Nan Jiang Ba Lang	Prunes		300g	Processed in Anhui, prunes from Xinjiang	\$6.93



Sha Mo Yu Zhu	Prunes		500g	Xinjiang	\$6.5
You Me	Prunes		235g*2	Processed in Guangdong, prunes from Xinjiang	\$5.53
Xi Yu Huang Hou	Prunes		500g	Xinjiang	\$4.01
NOPA	Prunes		108g*3	Processed in Anhui, prunes from Xinjiang	\$5.54
Little Me	Prunes		240g	Xinjiang	\$6.93
Nan Jiang De Feng	Prunes		720g	Processed in Shaanxi, prunes from Xinjiang	\$6.93

Xiao A Xian Sheng	Prunes		250g *2	Xinjiang	\$6.5
Jiang Guo Guo	Prunes		150g*2	Xinjiang	\$5.54
Xi Sheng Guo Yuan	Prunes		198g	Xinjiang	\$4.51
You Shi Mei Yi	Jiashi Prunes		120g	Xinjiang	\$2.43
Lou Lan Si Yu	Prunes		500g	Xinjiang	\$3.73

Si Lu Gui Ci	Prunes		250g	Xinjiang	\$2.76
Xi Yu Orchard	Prunes		200g	Xinjiang	\$4.15
Qie Gao Wang Zi	Prunes		80g*8	Processed in Anhui, prunes from Xinjiang	\$6.93
Xi Yu mei Nong	Prunes		300g	Processed in Shaanxi, prunes from Xinjiang	\$5.54

## Part II - Prune Juice

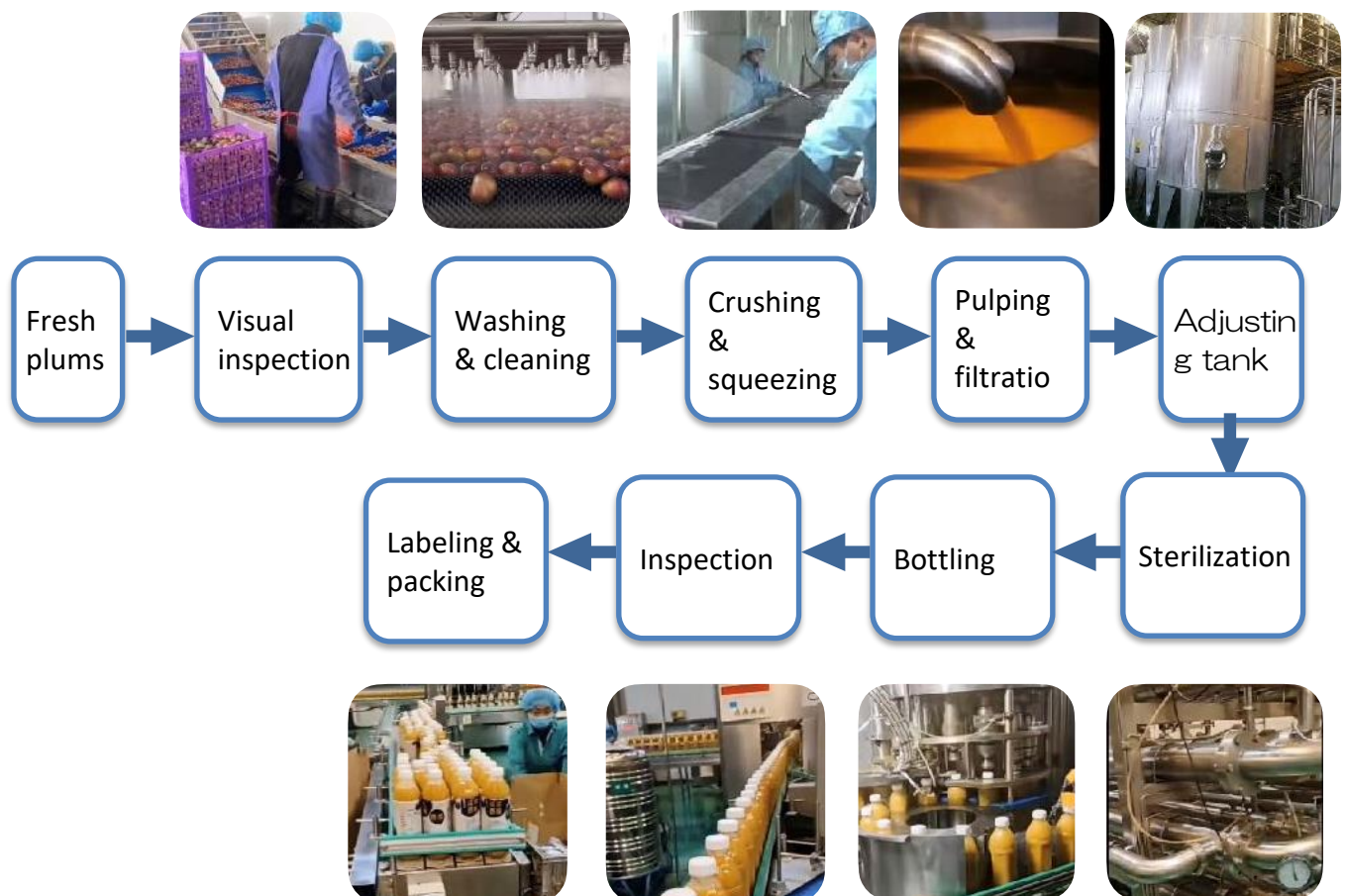
Prune juice has become one of the trendiest beverage items in China over the past several years. Promoted and recommended by local influencers, prune juice has become popular with Chinese consumers, especially young women, as a healthy and beneficial drink that helps with digestion and bowel movement. These benefits are believed to help clean the body, stay fit, and improve the skin, which are major concerns to the female consumers.

At the beginning, the prune juice market was dominated by imported products, particularly prune juice products from California. Since prune juice started to become popular, many domestic producers have entered this business and started to make prune juice domestically by using local fresh plums. Production of Chinese prune juice continues to grow and is estimated to increase more than 15% annually, as local prune juice makers think.

### A. Production

The Chinese domestic production of prune juice is mostly NFC (not from concentrate) juice. Again, Xinjiang in China is the main production place for NFC prune juice. Some big companies such as Huiyuan and Doowin have set up production facilities in the area and are actively expanding their market shares in the Chinese prune juice market.

Normally, the production procedure for NFC prune juice includes the following steps.



Most prune juice products made in China are for retail sales. A few producers produce the prune juice and pack it in large tanks, which are sold as juice ingredient for industrial or foodservice channels. They may store the juice either under room temperature or frozen before selling to the customers.

## B. Key producers

### Huiyuan

Huiyuan is the largest privately owned juice producer in China. It focuses on production and sales of fruit juice products. In 2022, Huiyuan Group and Hui Mei Jia Planting Processing & Sales Cooperative jointly set up a plum processing facility (under the company name, Xinjiang Huiyuan Xinmei Industry Development Co., Ltd.) in Jiashi county of Xinjiang. The facilities cover plum processing workshop, research and development center, juice processing workshop, and warehouses, etc., producing plum puree, concentrated juice, NFC juice, dried fruit, and other products. The new facility has an annual processing capacity of more than 100,000 tons fruits.



Huiyuan is now a leading NFC prune juice manufacturer in China using fresh plums grown in Xinjiang. Its annual production of NFC juice is about 10,000 MT, as reported by Huiyuan. Thanks to the strong sales network and marketing efforts, Huiyuan's NFC prune juice is popular in retail channels across the country. Besides retail, Huiyuan also offers NFC juice in large tanks for industrial channels. Huiyuan works with local farmers or cooperatives in Xinjiang and purchases fresh plums from them. It usually uses the ripe plums with the sweetness of more than 20° Brix.

- **Doowin**

Doowin Group was founded in 1985, focusing on the development and operation of the industrial incubation platform, and is committed to empowering the growth of small and medium-sized enterprises and entrepreneurs.

In 2021, the group set up Dehui HaoWu Technology Co., Ltd. in Xinjiang, specialising in the whole industrial chain of plums. It has also set up 32,947 acres of plum orchards, and produces the products including fresh plums and NFC prune juice under its brand "Doowin". Presently, Doowin produces over 1,000 MT NFC prune juice for a year as it told SMH.



It will continue to expand the production annually in the coming years. Doowin's NFC prune juice is sold to both retail and foodservice channels. Doowin uses the fresh plums from its own

orchards. Each year, it sells the high quality ripe plums and uses the lower grade plums to make NFC prune juice.

- **Mu Feng Wine Co., Ltd.**




Located in Kashgar, Xinjiang, Mu Feng Wine Co., Ltd. has been focusing on wine production since 2005. In recent years, the company has started to make NFC prune juice, and the products are sold mainly in retail channels. Mu Feng Wine Co., Ltd. uses fresh plums grown in Xinjiang to produce the NFC prune juice.



**C. Sales**

Prune juice is mostly sold in retail channels covering both physical stores and on-line shopping platforms. Various types of packaging such as tetra packs, bottles, or pouches are available.

Below is a list of the major NFC prune juice products, which are made in China.

Brand	Product Description	Picture	Size	Origin	Price (USD)
Huiyuan	NFC Prune juice		200ml*12	Xinjiang	\$15.68
Huiyuan	NFC prune juice		300ml*6	Xinjiang	\$11.1
Huiyuan	NFC prune juice		200 ml * 6	Xinjiang	\$9.03

Doowin	NFC prune juice		300ml*12	Xinjiang	\$35.85
Jiang Guo Cui	NFC prune juice		118ml*3	Xinjiang	\$4.15
Jiang Guo Cui	NFC prune juice		218ml*8	Xinjiang	\$13.61
Xi Yu Mei Nong	NFC prune juice		200ml*10	Xinjiang	\$12.36

Just in the recent years, the popularity of prune juice is driving the R&D of other beverage products in the Chinese market. Some new products such as wines, coffee drink, and prune drink have been launched in the market, and more new products are expected to appear in the coming years.

The booming hand-made tea drink industry has also encouraged the use of new ingredients. As Doowin reflected, it is now working with a few tea drink chains to develop new drinks featuring prune flavour by using its prune juice.

## **Chapter 2 China's plum industry**

### **A. The history of plums in China**

Plums (*prunus domestica*) were introduced to China in 1984, and were mostly planted in South China. At that time, such fruit had a sour taste, which was not preferred by consumers, and was not a popular product in the market.

Since 2000, Northwest China's Xinjiang region has started to plant plums. The ideal climate in the region and the fertile soil make the locally produced plums juicy and sweet. Since then, Xinjiang has become the largest plum production area in China, with Jiashi County taking the lead in the region.

### **B. Chinese plum industry at present**

Overall, the Chinese plum industry is still at the young stage. Plum planting and production are not yet in a scale and lack of standards and regulations nationwide.

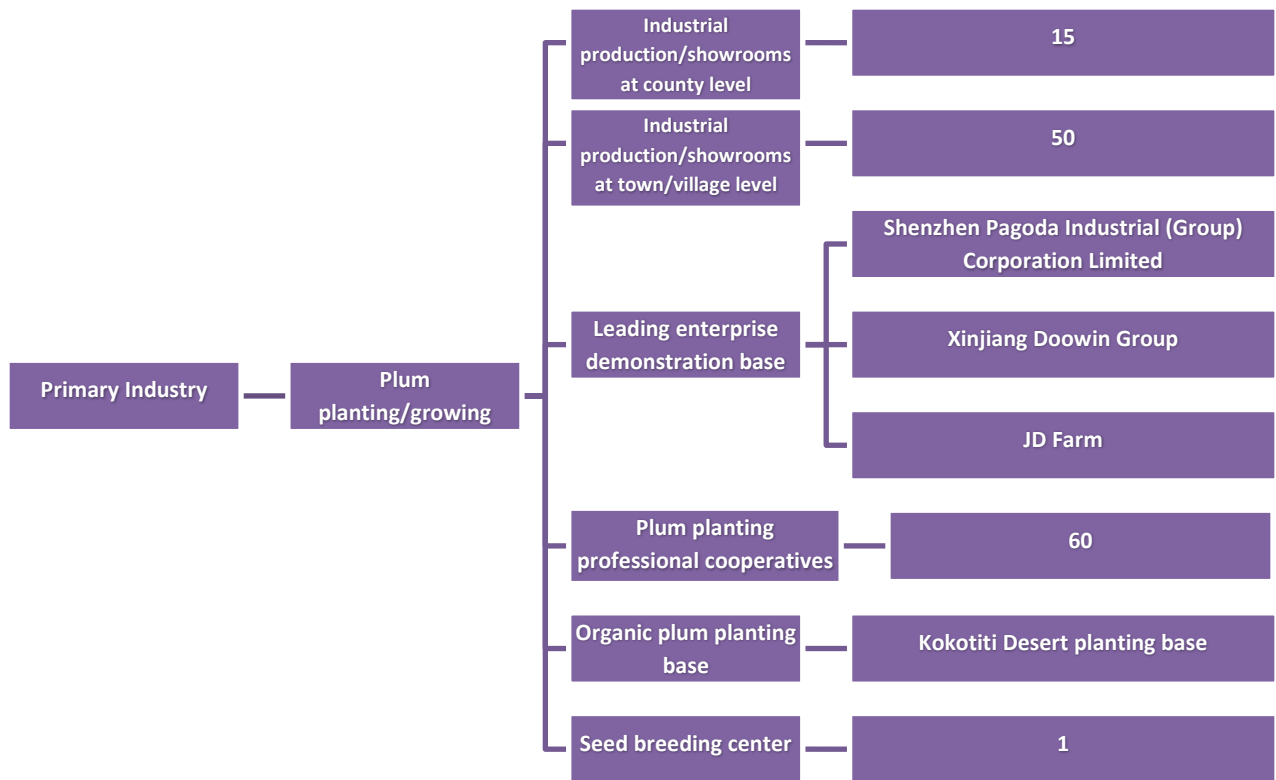
Looking at the plum production areas across China, most places are still at the stage that local farmers grow plums individually. Jiashi County in Xinjiang, the largest plum-growing place in the country, is so far the only place with an industrial scale, which covers planting, harvesting, and processing of plums and prune products. However, even in Jiashi County, the industry is still young and developing.

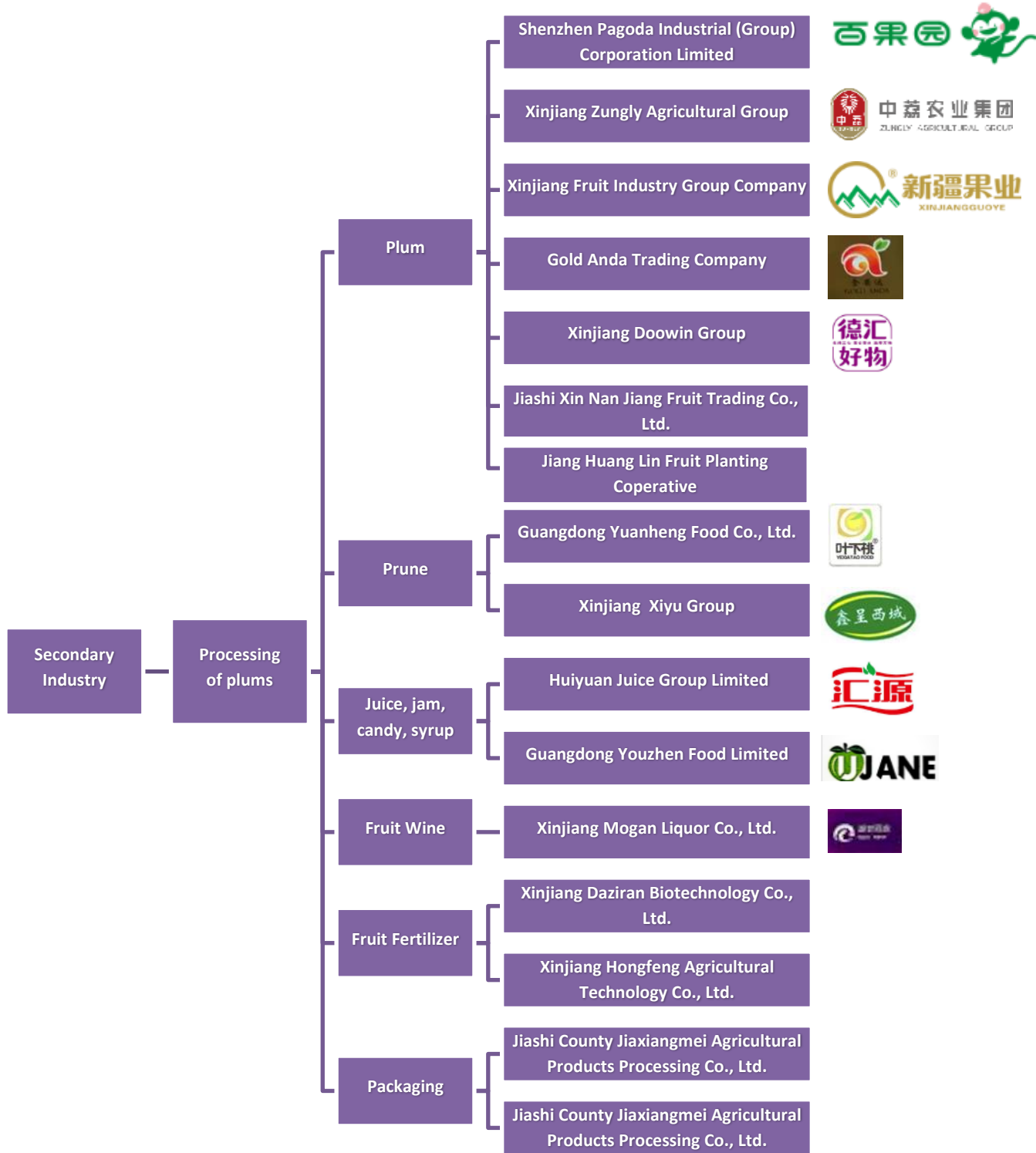
Currently in Jiashi County, the plum industry chain covers 3 parts:

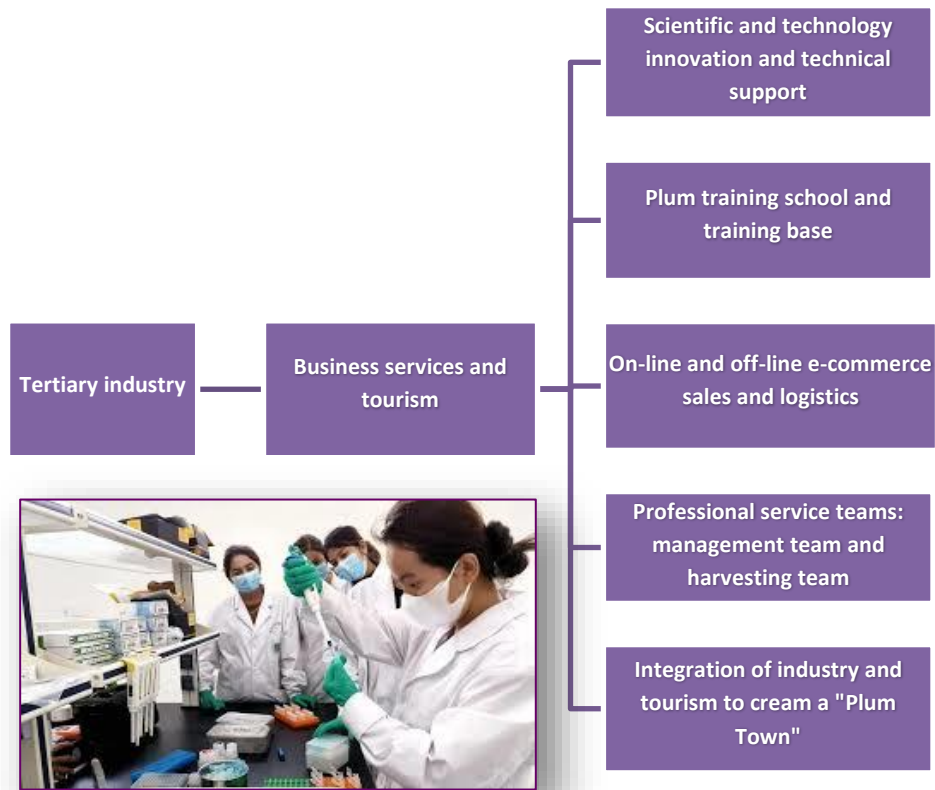
- ⇒ *Primary industry, focusing on plum planting and growing*
- ⇒ *Secondary industry, focusing on processing and production of plums, prunes and prune products.*
- ⇒ *Tertiary industry, focusing on sales & marketing, management, and the development of the industry.*

Details of the current plum industry chain in Jiashi County are listed in the following 3 charts.









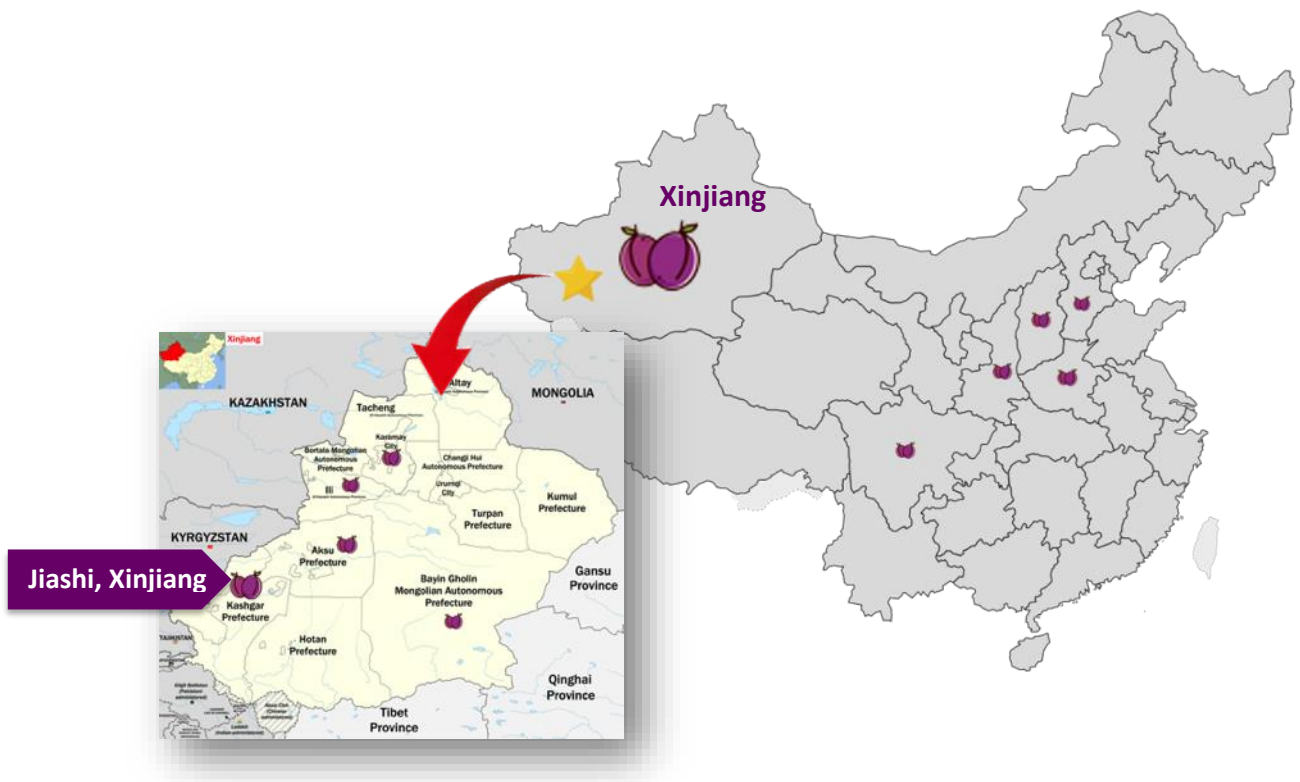
Plums will remain as a trendy product in the Chinese market in the coming years. With new investments and local government’s support, the plum industry in Jiashi County will continue to grow aggressively. As local farmers predict, plum planting area in Jiashi Xinjiang would expand to 2.5 million mu (411,840 acre) in 10 years, more than 400% larger than the current size. The industry chain, therefore, will become more and more complete and sophisticated in the future.

### C. Plum planting in China

The Chinese plum industry is still at the young stage and not in large scale. Currently, plums are grown in Xinjiang region, Sichuan province, Hebei province, Henan province, Shanxi province, and Shaanxi province, with Xinjiang leading the acreage and production.

Plums are grown across the Xinjiang region. Particularly, Jiashi County in Kashgar is the largest plum-producing place in the region, and its plum industry is under rapid development. The planting acreage and plum output in Jiashi account for 40% and 60% of the country respectively.

*(Source: local media reports)*



According to the local media reports, there are about 74,000 acres of plums planted in Jiashi with nearly 60,000 acres producing the fruits. For the last plum season in 2023, Jiashi plums are estimated to have an output of 230,000 MT. *(Source: local media reports)*

The major varieties of plums grown locally include French, Stalian, Muir Beauty, and Sutter, among which French has the largest production and its taste is also known as the best. A single French plum can weigh approximately 23 g – 29 g with golden juice flesh, rich aroma, and sweet taste. The French variety can be stored for about 25 days at room temperature, and more than 3 months in cold storage.

Stalian is mainly used for pollination since its taste is not good. Plums of Sutter variety have a more red color.

In Kashgar, Xinjiang, the temperature of fruit in ripening stage is higher, which is more suitable for drying. The grafted seedlings will flower and bear a small amount of fruit in the second year, and enter the full fruit stage in the fourth to fifth year. The yield per plant is 4 ~ 7 kg in the early fruit stage and 12 ~ 14 kg in the full fruit stage.

As mentioned, Xinjiang has the perfect weather for growing plums. It has fertile land and good drainage. The climate is hot in summer and cold in winter with four distinct seasons. The sufficient sun light, large temperature difference between days and nights, as well as low humidity lead to high quality plums produced in the region.

A weather chart in Xinjiang and the planting/growth of plum trees throughout the year is included as below.

Month	Weather	Plum tree planting/growth
January	Cold and dry with limited rainfalls. The highest temperature during the day is normally around -10 °C, and the temperature at night is lower. Limited rainfalls.	
February	Cold and dry with limited rainfalls. The highest temperature during the day is normally -5 °C.	Plum trees pruning.
March	Spring starts and the temperature begins to climb. The highest temperature during the day is about 5 °C but it still remains cold at night. Rainfalls gradually increase.	The plum trees sprout around mid-March.
April	The temperature continues to rise with the highest around 15°C during the day. It also gets warmer at night. Rainfalls gradually increase.	The trees start to blossom.
May	The weather gets warmer during the day and night with the highest around 20 °C.	Fruit growing Stage 1
June	The summer begins and the temperature can reach 30 °C the highest. At nighttime, it also feels warm. Rainfalls start to get more in the mean time.	Fruit growing Stage 2. Tree pruning.
July	The hottest time in the summer with the highest temperature remains at above 35 °C.	In the 2 <sup>nd</sup> half of the month, the fruits start to get ripe and the color changes from green to purple.
August	Summer is still around and the temperature remains high. It starts to cool off at night.	Harvest time for plums in late August.
September	The temperature begins to fall as the autumn is coming. The highest drops to around 25 °C during the day and stays cool at night. The rainfalls become less.	Harvest time for plums.

October	The temperature continues to drop to 15 °C the highest during the day. It starts to feel cold at night.	Harvest time is over. Plum trees planting.
November	Cold and dry with the temperature as low as 5 °C during the day and even lower at night. Limited rainfalls.	
December	Cold and dry weather remains. The highest temperature drops to -5 °C with limited rainfalls.	

In average, a plum tree can live up to 30 years. Once planted, the tree starts to bear fruit in about 3 years. In 4-6 years, the tree’s fruit production grows larger, and enters the peak fruit producing period in 8-12 years.

Although the Chinese plum production keeps growing, it is not currently a threat to fresh fresh plums from Chile, which is the top exporter of fresh plums to China. Chinese plums’ sales season is normally between late August and end of October, while Chilean plums’ sales in China usually start from mid February until May. The supply seasons of Chinese and Chilean plums are at different times of the year, so there is no competition between the two countries.

**D. Plum harvesting**



Each year, Xinjiang plums are harvest in late August – September. September and October are the peak sales season for the fresh plums in the country. Plums are picked by hand in Xinjiang as well as in the rest part of China.

When the fruit sweetness reaches 16 brix or above, it means they are ripe and are ready for picking, as reported by the farmers during SMH’s visits to the plum orchards in Xinjiang last August. To get the best taste of the fruits and achieve better sales, the farmers usually let the fruits stay on the trees until their sweetness reaches



more than 20 brix. Those with the best taste normally have the sweetness of 27 or 28 brix.

During the 2023 season, the common problem in Xinjiang was that some orchards started picking earlier when the fruit sweetness had not reached the ideal level. They tried to sell the fruits earlier than the other orchards thinking to make money sooner. However, the sales were not ideal at the end-market as the fruits were not sweet enough.

Such situation also demonstrated the underdevelopment of the plum industry in Xinjiang as well as the lack of industry standards. However, the fruit traders are confident about the future, and they believe the standards and the whole system will improve in the coming years as the industry keeps expanding annually.

⇒ Grading and packing

When harvested, the plums are packed based on the size of the fruit.

Normally, there are three size categories according to local farmers:

- Small fruit, which is under 16 g / plum
- Medium fruit, which is 16-25 g / plum
- Large fruit, which is over 25 g / plum



The size of the fruit along with other attributes such as fruit hardness, sweetness, appearance, and shape decide the grade and price of the fruit, i.e. special grade which has the highest price, 1<sup>st</sup> grade which has a mid-level price, and 2<sup>nd</sup> grade which has the lowest price.

The fruits are usually packed without being washed.

Plastic boxes are the common packaging used to pack the plums for the wholesale market, although carton boxes are also used. 3 kg, 5 kg, and 10 kg are the popular case sizes in the market.



Some fruit traders or retailers also launch gift packs of Xinjiang plums every year, especially around the holidays.

⇒ Storage and shipping

Xinjiang is located in the west of China, while the major fresh fruit consumption market is mainly in the eastern part of the country. Therefore, cold chain storage and shipping have become critical for Xinjiang fruits.

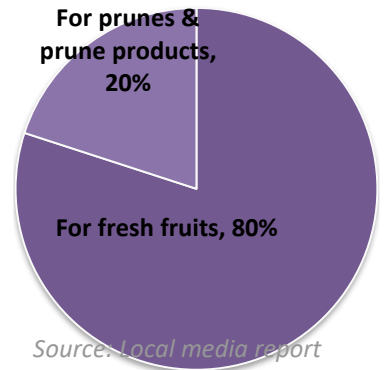
In recent years, many companies have invested in Xinjiang and set up storage facilities and logistic centers in the region. For example, JD Logistic, one of the leading logistic companies belonging to JD.com, has built a supply chain in Xinjiang providing procurement, storage, processing, sorting, packaging, and cold chain logistics of Xinjiang plums. It ensures the delivery of fresh plums from Xinjiang to consumers in other parts of the country as fast as in 24 hours.

The plums, after being picked, are stored for up to 24 hours before they are shipped out of Xinjiang. At the early stage of the season when the supply volume is small, the fruits are mainly shipped via air. Later as the harvest volume grows and the sales increase, refrigerated trucks and trains are the major transportation tools to deliver the fresh plums from Xinjiang to other parts of China.



### E. Sales and Marketing

More than 80% of Xinjiang plums are sold and consumed as fresh fruits, as local traders reported. Xinjiang plums have become a trendy and premium fruit in the Chinese fruit market. Because of the short supply season, Xinjiang plums are often one of the most popular items in the market between August and October each year.



There are mainly three types of supply chains for plums in Xinjiang.

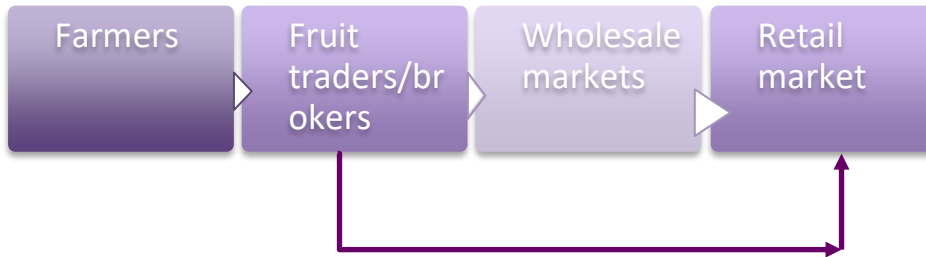
- 1) Seeing the popularity of plums, some farmers in Xinjiang have started to sell their plums directly to the wholesale market, or to consumers via e-commerce channels. Live-streaming sales are now a trendy sales method for agricultural products. Thus, a small number of farmers in Xinjiang use live-streaming platforms to sell the fresh plums to consumers during the harvest season.



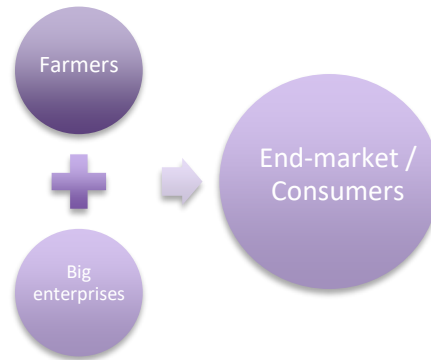
Overall, this sales model is not common in Xinjiang because of the high risk and investment in cold chain logistics.



2) The majority of Xinjiang plums are delivered out of the region via fruit traders or brokers. Some big traders or fruit retailers in China, which buy plums from their contracted farmers, have well established cold chain logistics to deliver the fruits directly from the origin to the wholesale markets or retail stores. Meanwhile, hundreds of small or middle-sized brokers come to Xinjiang every year and purchase plums from local farmers as well. They usually use refrigerated trucks to deliver the fruits to wholesale markets across the country.



3) The development of the plum industry in Xinjiang has also attracted quite a few big investors to set up orchard bases and processing facilities at the origin. These companies contract local orchards/farmers, which grow and sell the plums to them only. The fruits are cleaned, graded, and packed in their own facilities in Xinjiang before being shipped out of the region.



These companies have advanced cold chain storage and logistics, and handle the whole supply chain from procurement of fresh plums to sales and marketing to the end market or consumers.



**Lower quality or broken plums, which are not qualified for selling as fresh plums, are collected and processed into prunes, prune juice, or other prune products.**

The procurement price of fresh plums in Xinjiang is decided by the weather, fruit quality, quantity, and market demand. In February and May 2023, Xinjiang experienced freezing weather, which severely damaged a range of crops including plums. Later, the constant rainfalls have also caused some fruits to crack. All these weather conditions have led to a lower-than expected crop and a higher price for 2023. Under this circumstance and the concerns on limited supply, many farmers and fruit traders adopted an earlier harvest.

Meanwhile, plums have become one of the trendiest fruits in the Chinese market and a popular business in the fruit industry. Many fruit traders try to enter the business and come to Xinjiang before the harvest season to sign the contracts with local farmers. Their enthusiasm on plums has also pushed the plum price higher.

Procurement price at the origin:

	2023	2022
1 <sup>st</sup> grade fresh plums	RMB 18-20 (US\$2.5-2.78) per KG	RMB 13-18 (US\$1.81-2.5) per KG
Low grade fresh plums (used for processing into prunes or other prune products)	RMB 4-5 (US\$0.56-0.69) per KG	RMB 4-5 (US\$0.56-0.69) per KG

*Source: local fruit traders*

Overall, the quality of the 2023 season's Xinjiang plums was better. As local farmers think, with the development of the industry and improvement of farming, plum quality is getting better each year. The size of the fruits in average was also larger than before.

Plums are becoming a key agricultural business in Jiashi, Xinjiang. The county has started to host marketing or sales events to promote the locally grown plums. The Xinjiang Plum Exhibition is held at the beginning of the harvest season every year, promoting fresh plums as well as prunes or prune products to buyers from all over the country and generating sales.

The 8<sup>th</sup> Xinjiang Plum  
Exhibition  
Jiashi, Xinjiang  
August 6<sup>th</sup>, 2023



The major sales channels for Xinjiang plums remain in the retail market including fruit stores, grocery stores, wet markets, and e-commerce platforms. During the plum season, Xinjiang plums are one of the most popular fruits across the channels.



The plums are sold by weight or in the prepackaged boxes including gift boxes. Xinjiang plums have become not only a daily-consumed fresh fruits, but also a popular gift especially around the Mid Autumn Festival (late September or early October) and the National Day Holiday (the 1<sup>st</sup> week of October).

1<sup>st</sup> tier cities such as Beijing, Shanghai, Guangzhou, and Shenzhen are the key markets for Xinjiang plums, followed by major capital cities across the country.



In September 2023, a special cold chain train loaded with 32 containers or 640 MT of Jiashi plums left Kashgar Station in Xinjiang to Shenzhen Pinghu Railway Station. This was the first shipment of Xinjiang plums shipped via refrigerated train from Kashgar to the Great Bay Area of China. The plums were sold to all parts of South China including Hong Kong and Macau.

In addition, Jiashi County has built a green organic planting base of 20,000 mu (about 3,300 acres) and completed the certification of plum export base. In the summer of 2023, Jiashi exported 20 MT plums with the value of RMB800,000 (US\$167,189) to Malaysia for the 1<sup>st</sup> time. This was the first ever shipment of Xinjiang plums being exported. The county aims to improve the plums export to Asia countries annually.

While Xinjiang is promoting the plums as a trendy and premium fresh fruit, developing plums' nutrition value and medicinal value is another new focus for the plum industry in Jiashi County. The industry strives to include Jiashi or Xinjiang plums into the "China Medicine and Food Homology Catalog", and introduce a number of drug companies or health product companies to develop new products with "medicine and food homology".

### **Chapter 3 : Consumers' feedback on Xinjiang prunes, prune juice, and plums**

SMH did an internal tasting of Chinese Xinjiang prunes, prune juice, and plums among staff and acquaintances. Feedback on Chinese prunes and plums' taste, quality, and price each product is concluded as below.

#### ➤ **Prunes**

##### a) Appearance

Xinjiang prunes look dry and skinnier than California prunes.



##### b) Taste

Xinjiang prunes taste pretty dry and a little hard to chew. The sweet and sour taste is acceptable.



## ➤ Prune juice

### a) Taste

Xinjiang NFC prune juice taste pleasantly sweet and sour with strong plum fruit flavour and aroma. It is a little bit thick, and tastes even better when refrigerated.

### b) Color

Xinjiang NFC prune juice has golden color. It looks more like fresh squeezed juice with a little thick texture.



## ➤ Plums

### a) Taste

At the beginning of the season, Xinjiang plums still had a little sour flavor. Later, the taste was sweet with pleasant aroma. The fruit texture is dense and crispy with thick skin and thick flesh.

### b) Quality

The fruit quality is good in general in terms of the taste, size, and color or appearance. It is obvious that extra graded plums have much better quality than other grades.

However, the season for Xinjiang plums is short. When it comes to the period of time when the plums have the best taste, it seems even shorter.