

California Prune Board

2023-2024 - TRADE INTEL ROLE ONLY

Export Committee directive to remove marketing promotional support and move to a Market Intel role only from 2023/24

AUGUST 1, 2023 – JULY 31, 2024



Market Profile

- Xinjiang – the leading plum (prune) production area in China
- Harvest in August – September
- The majority are for fresh plum consumption
- Young history, Fast growth

- Chile, Uzbekistan, U.S., Australia, and France prunes
- The majority are natural condition with pits, in bulk
- Pack or processed in China and consumed mainly as dried fruits
- Imports of prune concentrate grow significantly

Domestic VS Imported



Domestic Plum/Prune Industry

Jiashi County - The largest plum (prune) production area in China.

Jiashi County¹:

- Planting: 74,132 acre; 40% of total
- Production: 160,000 MT; 60% of total

Total domestic (Est.):

- Planting: 185,330 acre
- Production: 266,667 MT



Major Investment



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Huiyuan

- Prune juice production in Jiashi
- Fruit processing/sorting/drying/Juice filling/fruit residue treatment/etc.

Gold Anda

- Plum sorting/packaging facility
- Plum planting

JD Logistics

- Intelligent supply chain center in Xinjiang
- Fruit procurement/storage/processing/sorting/packaging/logistics

Nongfu Spring

- Starts to sell fresh plums from Xinjiang
- Mixed fruit juice (contain prune juice)

Products (made with Chinese plums/prunes)

Fresh plums



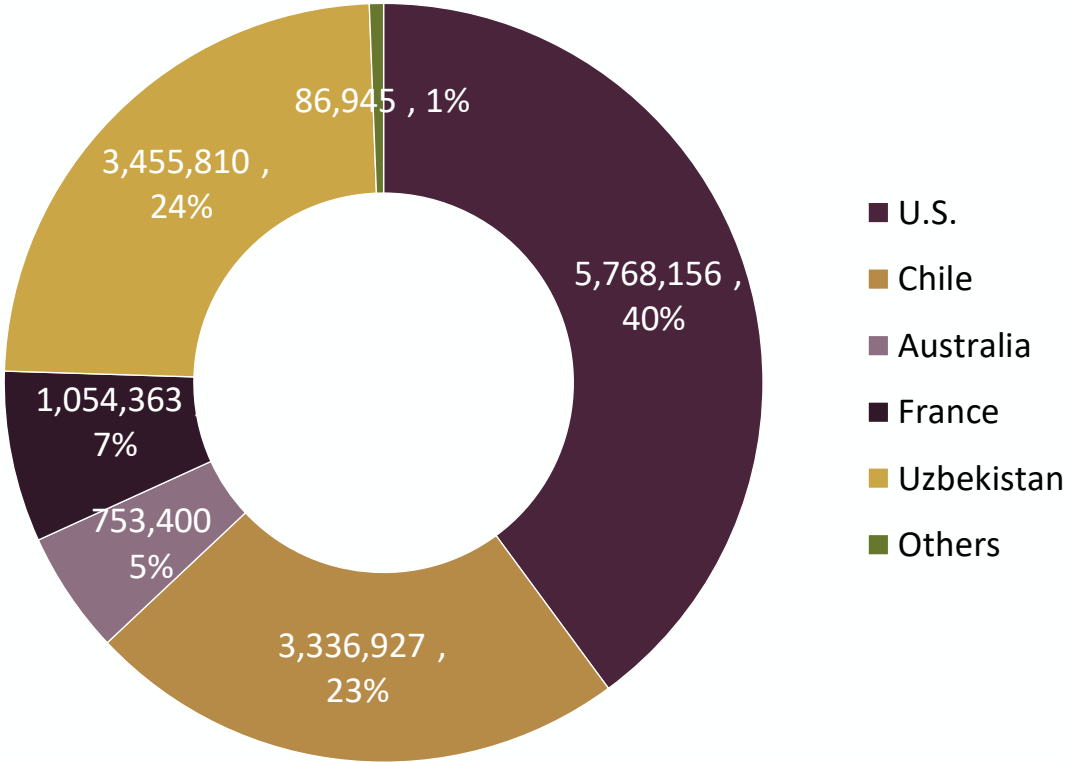
Domestic plums are mainly consumed as fresh fruits

Plum/prune juice & Prunes



Competition from other origins

China's Import of Prunes (KG)
Aug. 2021 – Jul. 2022



- U.S. - Top exporter of prunes to China in FY2021/22
- Competition from Chile and Uzbekistan is growing
- Prune juice is trendy in China, which drives import of prune concentrate
- Hong Kong depends on import of retail packed prunes from the U.S., Turkey, France, Chile, and Mainland China

SWOT Analysis for California Prunes in China/Hong Kong

<p>S Strength</p>	<ul style="list-style-type: none"> Reliable quality from a “food safe” origin California Origin enjoys strong consumer perception in China – 38% consumers credit CA for producing the best prunes (U&A June 2020) 	<ul style="list-style-type: none"> Strong nutrition research as CPB being the only organization providing nutrition research of prunes in the market
<p>W Weakness</p>	<ul style="list-style-type: none"> Limited awareness on the nutrition benefits of California Prunes, especially in lower tier markets Higher import tariffs than competitors’ (Chile or France) Hong Kong relies heavily on pre-packed consumer- 	<p>oriented food products and local food processing industry is small. Thus imports of California Prunes in bulk are limited</p>
<p>O Opportunities</p>	<ul style="list-style-type: none"> Consumers’ increasing health awareness and demand on high quality, healthy food Rapid development of lower tier markets Removal of COVID-19 restrictions expects to drive the economy and retail/foodservice market 	<ul style="list-style-type: none"> Booming e-commerce industry Hong Kong as a free trade port with zero tariff, and a trans-ship hub to surrounding markets including Macau, Mainland China and other Asian countries
<p>T Threats</p>	<ul style="list-style-type: none"> Competition from other countries including Chile, Uzbekistan, Australia, France, etc Development of Chinese domestic prune industry and the growing competition. 	<ul style="list-style-type: none"> Competition from Chilean prunes, which start to launch marketing promotions in the market



Proposal Details
Mainland China & Hong Kong

Strategies



**Manage trade relations
& liaison between
traders and the industry**



**Monitor trade policies or
barriers**



**Monitor competitor
activities**
(incl. Chinese plum/prune
industry and other
competitors)

Responsibility

- Maintain trade relationship with established trade audiences via phone calls, emails, or in-person visits
- Liaison between Chinese traders and industry
- Work with ATOs or any other in-market agencies as required

Trade Relation

Market Monitor

- Monitor tariff or non-tariff barriers
- Monitor latest development of Chinese plum/prune industry via desktop research and trade communication
- Monitor competition from other origins via retail checks and trade communication

- Visits to Chinese plum/prune orchards in Xinjiang before and around harvest season
- Visits to Chinese prune juice manufacturers (for example Huiyuan)
- Visits to prune processors in South China, the major dried fruit processing region, to maintain trade relations

Market Investigation

Responsibility

Trade
Relation

Market
Monitor

- 1) Submit a **quarterly report** to CPB by the end of each quarter. The report contains information of:
- Communication with established traders, in-market agencies or Chinese authorities
 - Latest Chinese plum/prune industry development
 - New investment or activity in the industry
 - Retail check of prune related products (both local and imported)

Market
Investigation

- 2) Submit a **trip report** to CPB after each trip, containing information of:
- Trip details and purpose
 - Findings and conclusion
 - The trips to Chinese Xinjiang plum orchards will include detailed findings and photos

Industry
Liaison

- 3) Participate in phone calls and meetings with CPB staff, Industry and Intl agencies as needed

Thank You!

