

# **Market Research of Pea Protein Industry in China**

**The First Edition**

**Feb. 2018**

**Researched & Prepared by:**

**Kcomber Inc.**

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## 1. Introduction

*Market Research of Pea Protein Industry in China*, finished in February 2018, is CCM's first edition report on China's pea protein industry. This intelligent report attaches importance to the following parts:

- Pea supply in China
- Pea protein production, price, export and consumption in China
- Government policies and guidance regarding to pea protein industry in China
- Pea protein market forecasts in China

## **2. Approach for this report**

This report is based on data collected with diverse methods, which are listed as follows:

### **Desk research**

This includes access to published magazines, journals, government, industry and customs statistics, association seminars as well as information from the Internet. A lot of work has gone into the compilation and analysis of the obtained information. When necessary, information has been checked with pea protein industry participants and specialists regarding to pea protein production, industrial data, production method, market price, industrial development trend, downstream industry applications and policies. Data collected and compiled are variously sourced from:

- CCM's database
- Published articles from periodicals, magazines, journals, and third-party database
- Statistics from governments and international institutes
- Customs statistics
- Comments from industrial experts on various platforms
- Information from the Internet

### **Telephone interview targets**

- Key producers
- Key end users
- Key traders
- Industrial associations
- Industrial experts

### **Data compilation and crosscheck**

Data obtained from various sources have been combined and cross-checked to ensure that this report is as accurate and methodologically sound as possible.

### 3. Executive summary

Started in 2008 by Yantai Shuangta Food Co., Ltd., a former bean vermicelli company, pea protein industry in China is still at its fast expanding stage. China has become one of the biggest pea protein suppliers in the global market in recent years. As of 2017, there were seven pea protein producers with a total capacity of XXX t/a in China, and most of them were current or former bean vermicelli companies that are located in Shandong Province. The pea protein output was XXX tonnes in H1 2017.

All of the pea protein produced in China use Non-GMO pea from North America, especially from Canada, as raw material in production. China imported more than XXX tonnes of dry peas annually since 2013.

Pea protein is categorized into feed grade pea protein, pea protein concentrate (PPC), and pea protein isolates (PPI) according to amount of protein content. The average ex-works price of PPI increased with a CAGR of XXX% during 2015 to 2017.

Every year, China exported over XXX% of its total pea protein output, primarily to the US, the EU and South America.

The consumption volume of pea protein in China was XXX tonnes in 2016, increased by XXX% from XXX tonnes in 2015, and the expected growth rate in 2017 would be XXX%. Most of the pea protein consumed in China was PPI in health-care food.



#### 4. What is in the report?

**Note: Key data/information in this sample page is hidden, while in the report it is not.**

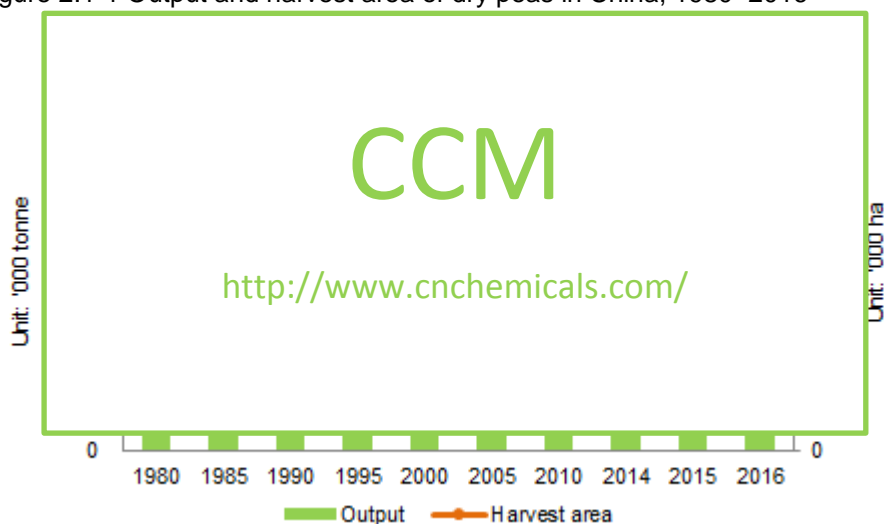
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#### 2.1 Supply of pea in China

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All of the pea protein producers in China use imported dry peas from North America for their production nowadays, importing more than XXX tonnes of dry peas annually since 2013.

Figure 2.1-1 Output and harvest area of dry peas in China, 1980–2016



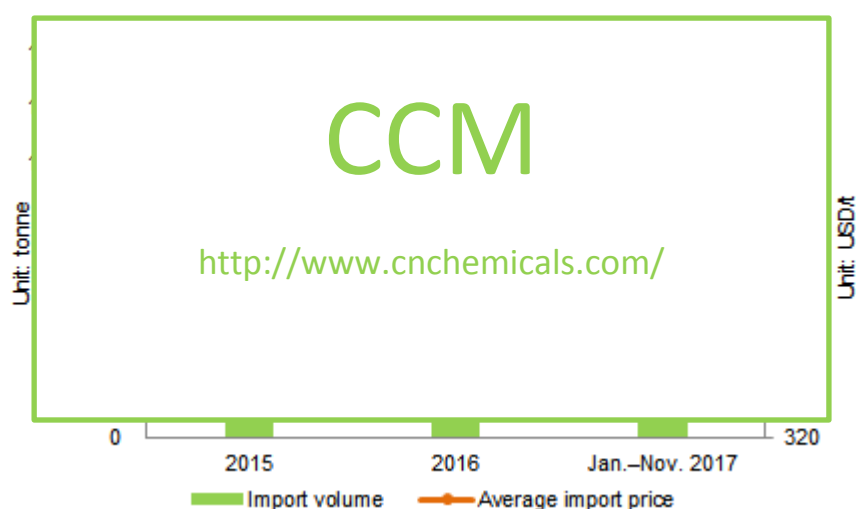
*Note: Statistics of output and harvest area of dry peas during 1980 to 2014 are picked up from FAOSTAT, while statistics of 2015 to 2016 are based on CCM's research.*

Source: CCM, FAOSTAT

...



Figure 2.1-2 China's imports of dry peas, 2015–Nov. 2017



Note: Import volume and average price of dry peas in this figure are rounded to the single digit.

Source: CCM, China Customs


## 2.2 Production of pea protein and pea starch

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Currently, most of the pea processing companies are former Longkou vermicelli companies. Pea protein and pea starch are produced in the same production line in these companies, and vermicelli is produced in a separated unit using pea starch. Some of the pea processing companies also produce pea fiber as a by-product.

As of 2017, there were seven pea processing producers with a total pea protein capacity of XXX t/a in China.

Table 2.2-1 Capacity and output of pea protein producers in China, 2015–H1 2017

Year	Capacity, t/a			Output, tonne		
	Protein	Starch	Fiber	Protein	Starch	Fiber
2015						
2016						
H1 2017						

Note: Capacity and output of pea protein producers in this chart are of their pea protein-starch-fiber production lines.

Capacity and output of their vermicelli units are not included, in which they also produce pea starch.

Source: CCM

...

Table 2.2-4 Production expansion plans of current and potential pea protein producers in China, as of Jan. 2018

Producer	Capacity, t/a			Status 2017	Process
	Protein	Starch	Fiber		
<div>CCM</div> <div><a href="http://www.cnchemicals.com/">http://www.cnchemicals.com/</a></div>					

Source: CCM

...

## 2.3 Price of pea protein and pea starch

### - Price of pea protein, 2015–2017

The ex-works price of pea protein concentrate (PPC) was relatively stable during 2015 to 2017, while the ex-works price of pea protein isolates (PPI) increased with a CAGR of XXX%. The increase of PPI price can be primarily attributed to the following two factors:

- Increased overseas demand for PPI, especially for high purity PPI (protein content over 85%).
- Increased PPI production cost due to tighten environmental regulation.

Figure 2.3-1 Ex-works price of pea protein and pea starch in China, 2015–2017, USD/t



Note: Ex-works prices of pea protein and pea starch in this figure are rounded to the single digit.

Source: CCM

...

## 2.4 Major pea protein producers

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Table 2.4-1 List of food grade pea protein producers in China, 2017

No.	Producer	Abbreviation	Location	Status, 2017	Capacity, t/a		
					Protein	Starch	Fiber
<div>CCM</div> <div><a href="http://www.cnchemicals.com/">http://www.cnchemicals.com/</a></div>							

Source: CCM

[www.cnchemicals.com](http://www.cnchemicals.com)

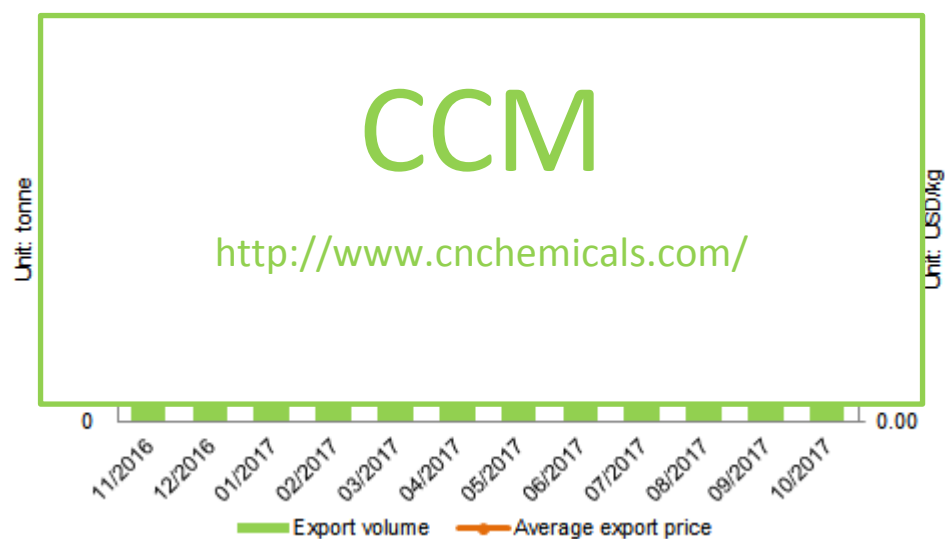
E-mail: [econtact@cnchemicals.com](mailto:econtact@cnchemicals.com)

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### 3 Export analysis of pea protein, Nov. 2016–Oct. 2017

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Figure 3-1 Monthly exports of pea protein from China, Nov. 2016–Oct. 2017



Source: China Customs, CCM

...

Table 3-2 Monthly exports of pea protein from China by product grade, Nov. 2016–Oct. 2017

Month	Feed grade		PPC		PPI	
	Export volume, tonne	Export value, USD	Export volume, tonne	Export value, USD	Export volume, tonne	Export value, USD
Nov. 2016	 <a href="http://www.cnchemicals.com/">http://www.cnchemicals.com/</a>					
Dec. 2016						
Jan. 2017						
Feb. 2017						
March 2017						
April 2017						
May 2017						
June 2017						
July 2017						
Aug. 2017						
Sept. 2017						
Oct. 2017						
Total						

Source: China Customs, CCM

Figure 3-3 Distribution of exports of pea protein from China by destination, Nov. 2016–Oct. 2017



Source: CCM

...

## 4 Consumption of pea protein, 2015–June 2017

### 4.1 Consumption of pea protein

The consumption volume of pea protein in China increased with annual growth rates of over XXX% from 2015 to 2016, and the growth rate of pea protein consumption is expected to be XXX% in 2017. Major pea protein specification consumed in China was pea protein isolates (PPI) during 2015 to H1 2017. Domestic consumption of pea protein is much lower compared with that in overseas market, which is primarily attributed to the following two reasons:

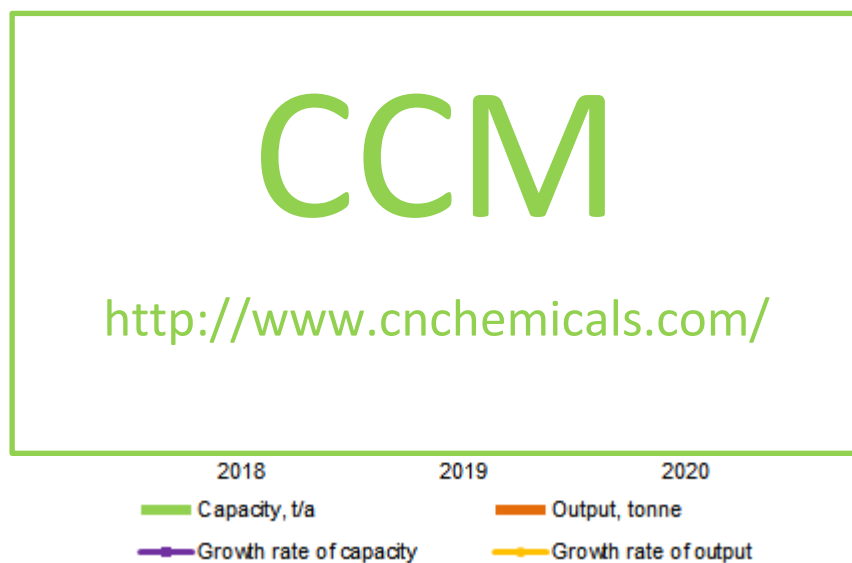
- Downstream manufacturers and domestic consumers are lack of awareness of pea protein.
- Pea protein does not have competitive advantage on price compared with soy protein in feed or food processing industry.

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## 6 Forecast on pea protein industry

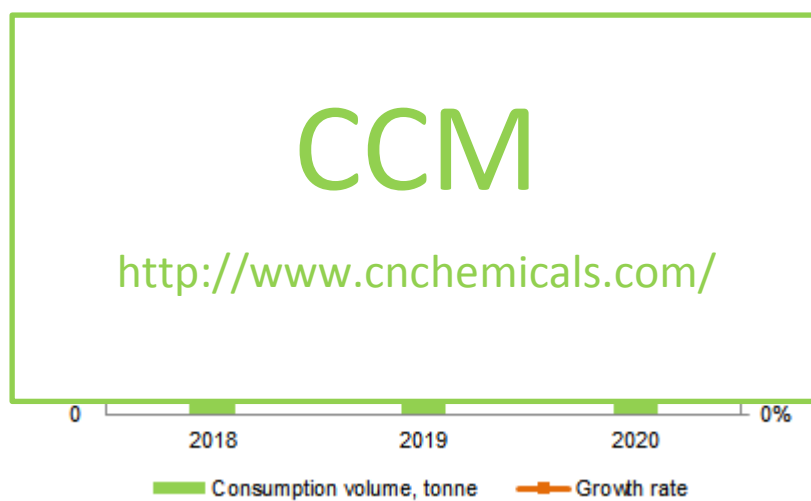
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Figure 6-1 Forecast of China's pea protein capacity and output, 2018–2020



Source: CCM

Figure 6-2 Forecast of consumption of pea protein in China, 2018–2020



Source: CCM

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**If you want more information, please feel free to contact us**

Tel: +86-20-37616606 Fax: +86-20-37616968

Email: [econtact@cnchemicals.com](mailto:econtact@cnchemicals.com)