

# **Production and Market of Citric Acid and Sodium Citrate in China**

**The Fourth Edition**

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## 1. Introduction

*Production and Market of Citric Acid and Sodium Citrate in China* is CCM's fourth edition report on China's citric acid industry, finished in February 2019. The report attaches importance to the following aspects:

- Production summary of citric acid and sodium citrate (capacity, output and key producers), 2016–2018
- Consumption summary in 2018
- Introduction on producer's key raw materials of citric acid
- Price of citric acid and sodium citrate during 2016–2018
- Forecast on China's citric acid and sodium citrate production to 2021
- Key factors influencing the development of China's citric acid industry

## 2. Approach for this report

The report is based on data sourced by diverse methods listed as follows:

-Desk research

Desk research includes access to published magazines, journals, government statistics, industry statistics, customs statistics, association seminars as well as information on the Internet. Much work has gone into the compilation and analysis of the information obtained. Where necessary, information has been checked with Chinese citric acid participants regarding intelligence related to market structure and performance characteristics as key producers, key end users, production levels, end user demand and so on.

-Field Survey

CCM has conducted an extensive field survey using telephone interviews in order to survey the market for citric acid and sodium citrate in China.

The interviewees included the following groups:

- Key producers
- Key end users
- Key traders
- Material suppliers
- Associations involved
- Industry experts

-Network search

CCM employs a network to contact industry participants by using B2B websites and software.

-Data processing and presentation

The data collected and compiled was variously sourced from:

- CCM's database
- Published articles from periodicals, magazines, journals and third-party databases
- Statistics from governments and international institutes
- Telephone interviews with domestic producers, joint ventures, service suppliers and government agencies
- Third-party data providers
- Customs statistics
- Comments from industrial experts
- Professional databases
- Information from the Internet

The data has been combined and cross-checked to ensure that this report is as accurate and methodologically sound as possible. Throughout the process, a series of discussions were held within CCM to systematically analyse the data and draw appropriate conclusions.

### 3. Executive summary

Influences from government policies on citric acid industry have been tremendous in China, which mainly embodied in the aspects of raw materials supply, export management and environmental protection.

Firstly, the supply of corn for citric acid production was once limited by a policy that aimed at restricting the development of some corn deep processing products, such as citric acid and lysine that are oversupply and export-oriented. The policy was issued in XXX and rescinded in XXX.

Secondly, from 2008, stricter export management of citric acid and sodium citrate requires both producers and traders who want to export citric acid or citrates to get an export licence from the Chinese government.

What's more, citric acid production lines with backward or low capacity that could not meet the national environmental protection standards had been eliminated continuously and compulsorily by the government from 2007. As a result, capacity of citric acid has been highly concentrated in large producers.

Since 2014, citric acid industry has entered into stably-developing period. The average annual operating rate of citric acid during 2016–2018 was XXX%. As of Dec. 2018, there were only XXX active citric acid producers which either completed construction of new production lines or has been carrying out expansion plan in 2018.

As citric acid producers are also major producers of sodium citrate, the number of sodium citrate producers went down as that of citric acid producers declined. As of Dec. 2018, there were only XXX active sodium citrate producers with a capacity above XXX t/a. However, the output of sodium citrate increased with a CAGR of XXX% in 2016–2018, driven by the booming XXX and XXX industries.

About XXX tonnes citric acid was consumed in China in 2018 and its main end use segment include XXX. About XXX tonnes sodium citrate was consumed in China in 2018, which is mainly applied in XXX.

During 2016–2018, ex-works prices of citric acid and sodium citrate had little change within each year. However, the ex-works prices of citric acid and sodium citrate in 2017 were XXX than those of 2016 and 2018 in general due to XXX. In 2018, the ex-works prices of citric acid and sodium citrate dropped back because XXX.

It is predicted that the production of citric acid and sodium citrate will has little change in 2019, but about XXX t/a citric acid and XXX t/a sodium citrate will be under construction in the next three years. Therefore, the output of citric acid and sodium citrate still has room to grow in the

future. Besides, it is estimated that consumption volume of citric acid and sodium citrate in China will increase by XXX% and XXX% year on year respectively in 2019.

#### 4. What's in this report?

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

### 1 Brief introduction to citric acid and sodium citrate industry

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#### 1.1 Development of citric acid and sodium citrate in China

Table 1.1-1 Development of China's citric acid industry

Citric acid development stage	Main events
Foundation period(1967–XXX)	1967 The first production plant of citric acid was established by Heilongjiang Heping Sugar Factory.1980 Several small-scale factories were set up in Fujian Xiamen, Fujian Quanzhou, Guangdong Guangzhou, Sichuan Longchang and Zhejiang Ningbo. The capacity of these factories was generally about 30 t/a–40 t/a each.
Flourishing period(XXX–XXX)	XXX
Maturing period(XXX–XXX)	XXX
Pains period(XXX–XXX)	XXX
Integrating period(XXX–XXX)	XXX
Stably-developing period(XXX–2018)	XXX

Source: CCM

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### 3 Supply and demand of citric acid and sodium citrate in China

#### 3.1 Summary of citric acid and sodium citrate production

Table 3.1-1 Capacity and output of citric acid producers in China, 2016–2018

No.	Producer	Abbreviation	Location	Capacity, t/a			Output, tonne		
				2016	2017	2018	2016	2017	2018
1	Weifang Ensign Industry Co., Ltd.	Weifang Ensign	Shandong	460,000	XXX	XXX	XXX	XXX	XXX
2	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
3	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
4	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
5	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
6	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
7	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
<b>Total</b>				<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>

Note: The capacity and output of refined citric acid is excluded.

Source: CCM

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Table 3.1-2 Capacity and output of sodium citrate producers in China, 2016–2018

No.	Producer	Abbreviation	Location	Capacity, t/a			Output, tonne		
				2016	2017	2018	2016	2017	2018
1	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
2	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
3	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
4	RZBC Group Co., Ltd.	Shandong RZBC	Shandong	40,000	XXX	XXX	XXX	XXX	XXX
5	Jiangsu Guoxin Union Energy Co., Ltd.	Jiangsu Union	Jiangsu	30,000	XXX	XXX	XXX	XXX	XXX
6	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
7	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Others				XXX	XXX	XXX	XXX	XXX	XXX
<b>Total</b>				<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>

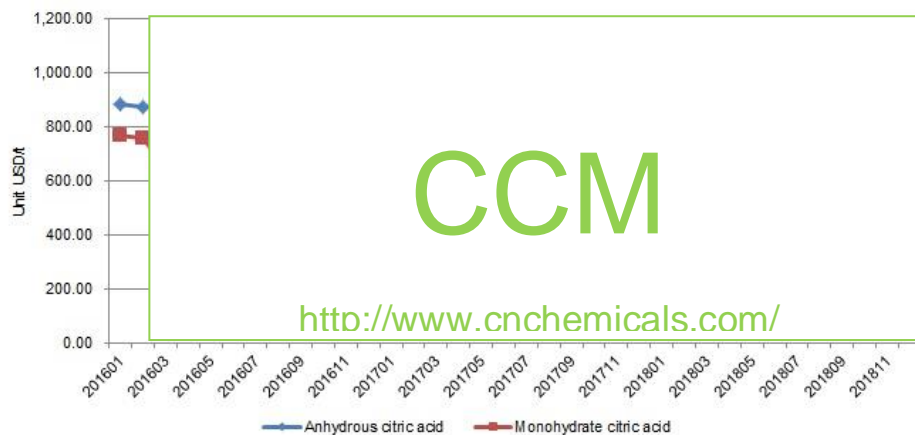
Note: The capacity and output of refined sodium citrate is excluded.

Source: CCM

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### 3.3 Price of citric acid and sodium citrate

Figure 3.3-1 Monthly ex-works prices of anhydrous citric acid and monohydrate citric acid in China, 2016–2018



Source: CCM

Table 3.3-1 Annual average ex-works price of citric acid in China, 2016–2018

Year	Ex-works price, USD/t	
	Anhydrous citric acid	Monohydrate citric acid
2016	XXX	XXX
2017	XXX	XXX
2018	XXX	XXX



Source: CCM

Table 3.3-2 Annual average ex-works price of sodium citrate in China, 2016–2018

Year	Ex-works price of sodium citrate, USD/t
2016	XXX
2017	XXX
2018	XXX

Source: CCM

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