

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

## 1.1 Production, price and technology of modified food starch in China

### Modified food starch production in China

China's modified food starch capacity maintained at XXX t/a in 2014 and 2015, and its output grew from XXX tonnes in 2014 to XXX tonnes in 2015, with a YoY growth rate of XXX %. Although China's modified food starch production has remained uptrend in 2014-2015, its growth rate has slowed down largely, mainly because of slowing down downstream demand growth rate, as well as the intensifying competition from overseas products, which are better in quality and more competitive in price, especially when domestic raw material costs for modified food starch maintained at a high level during this period, especially in 2014.

Table 1.1-1 Capacity and output of modified food starch in China, 2014-2015

Year	Capacity, '000 t/a	Output, '000 tonne	Import, '000 tonne
2014	XXX	XXX	193
2015	XXX	XXX	XXX

Source: China Customs and CCM

### - Geographical distribution of modified food starch production in China

China's modified food starch production, distributed geographically in 16 regions during 2014-2015, has been increasingly concentrated on two types of regions: firstly, regions with abundant supply of raw materials for modified food starch production, and secondly, regions where target clients of modified food starch are located.

- Corn and corn starch production regions: XXX, XXX, Henan, XXX, XXX and Inner Mongolia;
- Potato and potato starch production regions: XXX, XXX, XXX and XXX;
- Cassava and cassava starch production regions: Guangxi, XXX, XXX and Hainan;
- Regions where target clients of modified food starch are located: Zhejiang, Jiangsu, XXX, Tianjin, Shanghai, Shandong and Henan.

Figure 1.1-1 Capacity distribution of modified food starch in China, 2015, '000 t/a



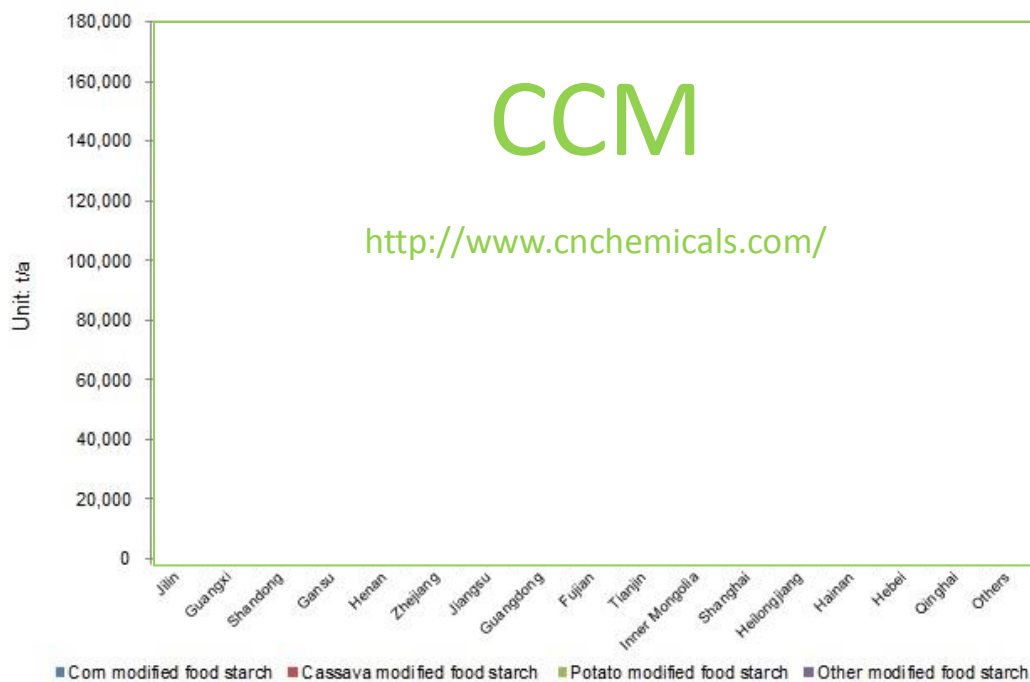
Source: CCM

Jilin, Shandong and Henan are the three largest corn planting regions in China. Gansu is the largest potato production region by capacity, and Guangxi plants about 70% of China's cassava every year. All these three crops (corn, potato and cassava) are the major resources of starch production in China. Zhejiang, the only one among these six regions that is not located in major raw material production areas, is home to many food processing companies, the target clients of modified food starch.

The top six modified food starch production regions, Jilin, Guangxi, Shandong, Gansu, Henan and Zhejiang, with the capacity of XXX t/a, accounted for XXX % of national total in 2015. While the output in these six regions in 2015, also the top six in China, reached XXX tonnes, accounting for XXX % of China's total. However, the ranking by capacity is not the same as that by output, with the capacity utilization rate of producers varying from region to region.

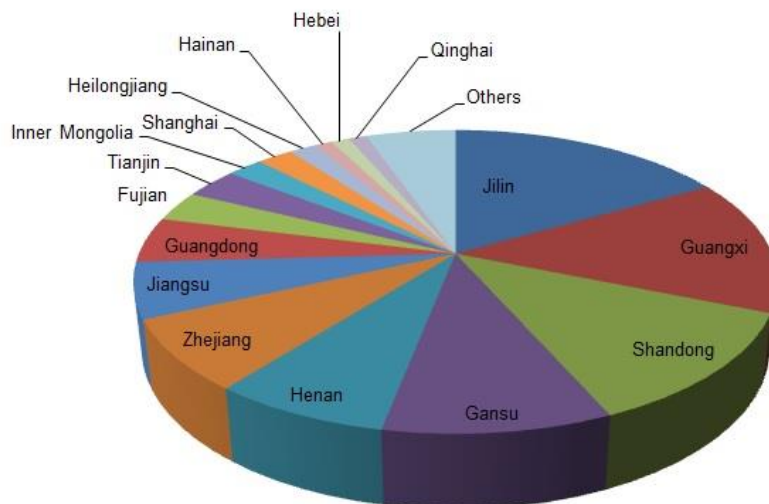
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Figure 1.1-2 Capacity of modified food starch by region in China, 2015



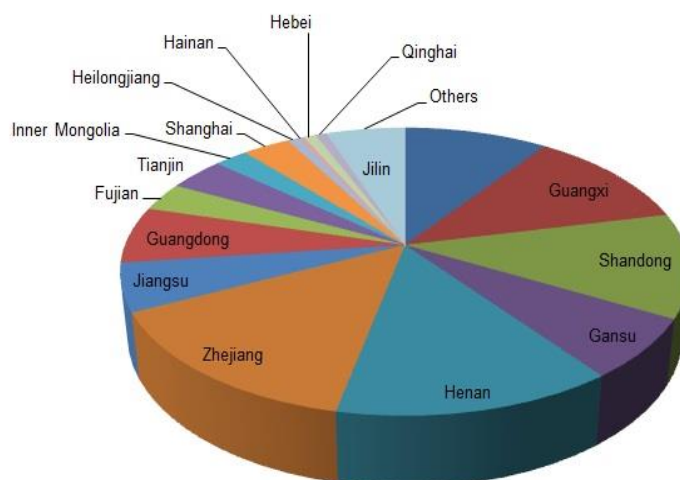
Source: CCM

Figure 1.1-3 Share of modified food starch capacity by region in China, 2015



Source: CCM

Figure 1.1-4 Share of modified food starch output by region in China, 2015



Source: CCM

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### Summary of modified food starch producers in China

As of March 2016, there are about 38 active modified food starch producers in China, distributed in 16 regions of China.

Attracted by the abundant supply and low transportation cost of raw materials, most modified food starch producers prefer to choose to set up their plants in the raw material production regions, and some of producers choose to set up their plants close to their target clients. Among the 16 regions where China's 38 active modified food starch producers located, 12 of them are key production regions of raw materials for modified food starch, with only four in exceptions: Jiangsu, Zhejiang, Shanghai and Tianjin, regions where clients of modified food starch are concentrated.

Producers located in these 12 major regions supplying raw material usually tend to use raw material that is largely produced there. As the major raw material planted or produced in these 12 raw material regions differs from region to region, the major raw materials adopted in these 38 producers vary largely. Corn starch and cassava starch are the two most popular raw materials used by China's modified food starch producers. And potato starch is used only on two occasions:

- Firstly, ...;
- Secondly, ...

Table 1.1-2 Regional distribution of modified food starch producers by key raw material in China, 2014~2015

Region	Number of producers located in the region	Key raw material produced in the region
Jilin	6	Corn and corn starch
...	..	..

*Note: Some regions have more than one major key raw material, such as Heilongjiang and Inner Mongolia.*

*Source: CCM*