

# The production and consumption of tea in China.

Lin Zhi

Tea Research Institute, CAAS, 1 Yunqi Road, Hangzhou, 310008, China

## Summary

Total tea plantations in China is 1,106,933 hm<sup>2</sup>, with total tea production of 683,324 t in 2000, consisting of about 498,057 t of green tea, 67,608 t of oolong tea, 47,294 t of black tea, 22,558 t of compressed tea and 47,807 t of other teas.

China Tea export in 2000 was increased remarkably, with total amount of 248,920 t and total value of US \$ 395.9 million, was up with 24.68% and 16.99% compared with those in 1999, respectively. The exportation of green tea was increased 27.9% and the exportation of oolong tea was remained, whereas the exportation of black tea was decreased with 12.4%.

The domestic tea consumption has been increasing steadily during recent years. The total consumption in 2000 was about 453,400 t, among which 54.83% was green tea, 23.16% was jasmine tea, 5.51% was oolong tea and 3.26% was black tea.

A significant growth of consumption in ready-to-drink tea in China is forecast.

## Keywords

Tea production, Tea export, Tea consumption, China

## Introduction

China is the “homeland of tea and birthplace of tea culture”. In China, tea has been known and used for thousands years. Up to now, tea has become one of three most common beverages in the world. China is the greatest tea-producing country in the world. Tea planting area in China covers about 1,106,933 hm<sup>2</sup>, with total tea production of 683,324 t and total tea export of 248,920 t in 2000. Tea has been one of most important agricultural products and traditional export commodities, which has contributed much to economic development of China.

### 1. Tea Production in China

#### 1.1 Tea Planting Areas

In China, tea planting areas were divided into 4 districts: South Yangtze River District, North Yangtze River District, South China District and Southwest District, widely ranging from 18° to 37° North latitude and from 94° to 122° East longitude. Tea bushes mostly grow in the south of China (Fig.1). Seven top provinces (Yunnan, Fujian, Zhejiang, Hubei, Anhui, Sichuan, Hunan) account for 73% of total tea planting areas and 79% of total tea production. The acreage of tea in China reached the maximum of 1,170,800 hm<sup>2</sup> in 1993. From 1993 to 1998, there was an abrupt decrease, on an average, 2280 hm<sup>2</sup> of tea fields were abolished every year. Since 1998, there has been a steady increase. At present, the total tea area harvested of China has been stabilized to about 1,10,000 hm<sup>2</sup> (Table 1).

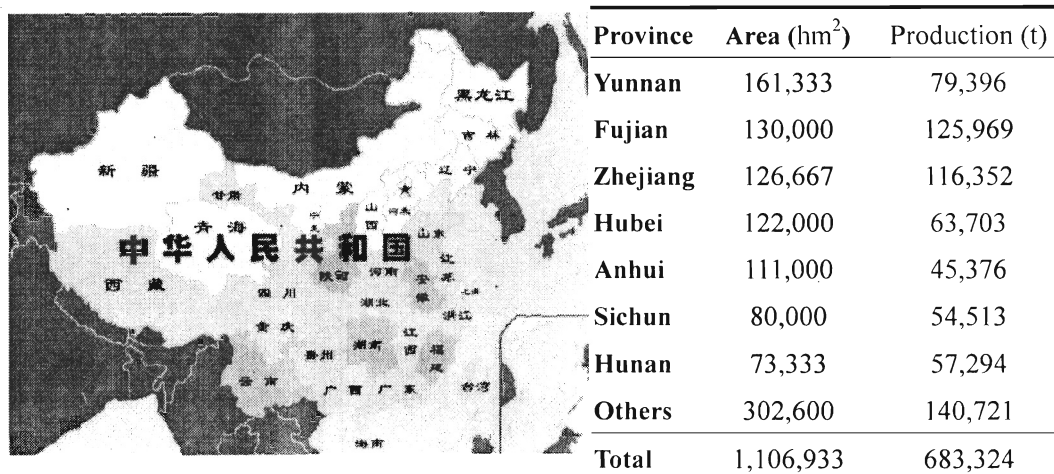


Fig.1 Tea planting area and production in China (2000)

### 1.2 Tea Production

Total tea production in China in 2000 reached the historical maximum of 683,324 t, taking account for about 23 % of world production. Among which Fujian province with a production of 125,969 t, ranked the first, followed by Zhejiang (116,352 t), Yunan (79,396 t), Hubei (63,703 t), Hunan (57,294 t), Sichuan (54,513 t) and Anhui (45,376 t) etc (Fig.1). Compared with those in 1990, the tea planting area was only increased 4.24%, but the production and value was increased with 26.52% and 117.39%, respectively. It is owing to the spread of good varieties and the improvement of tea quality.

Table 1 Area, Production and Export of Tea in China

Year	Area (hm <sup>2</sup> )	Production (t)	Export (t)
1990	1,061,864	540,100	195,471
1991	1,060,530	541,600	184,872
1992	1,084,200	559,827	175,525
1993	1,170,800	599,941	201,435
1994	1,134,600	588,468	179,667
1995	1,115,300	588,423	166,572
1996	1,103,000	593,386	169,662
1997	1,076,200	613,366	202,464
1998	1,056,500	665,034	217,437
1999	1,130,000	675,871	199,600
2000	1,106,933	683,324	248,920

### 1.3 Tea Types

There are several types of tea produced in China: Green tea, Black tea, Oolong tea, Compressed tea, White tea, Yellow tea, and Jasmine tea. Last year it was produced of 498,057 t of Green tea, 67,608 t of Oolong tea, 47,294 t of Black tea, 22,558 t of Compressed tea and 47,807 t of other teas. Among the production, Green tea accounted for 73%, Oolong tea, Black tea, Compressed tea and other tea accounted for 10%, 7%, 3% and 7%, respectively (Fig. 2). In terms of producing

provinces, Zhejiang province dominates with Green tea, Fujian province dominates with Oolong tea, Yunnan and Hunan provinces dominate with Black tea, and Hunan and Hubei provinces dominate with Compressed tea. Since last ten years, production of Green tea and Oolong tea have developed quickly, with an increase of 49.79% and 102.35%, respectively, whereas the production of Black tea has an abrupt drop of 56.88%. The production of Compressed tea has remained at around the same levels (Fig.3).

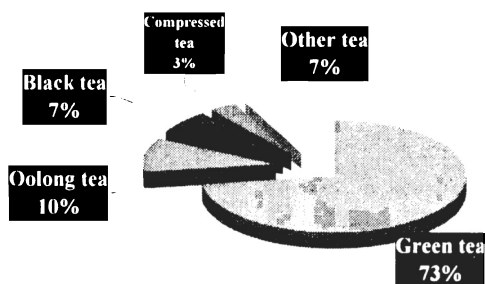


Fig.2 Percentage of different types of tea in China

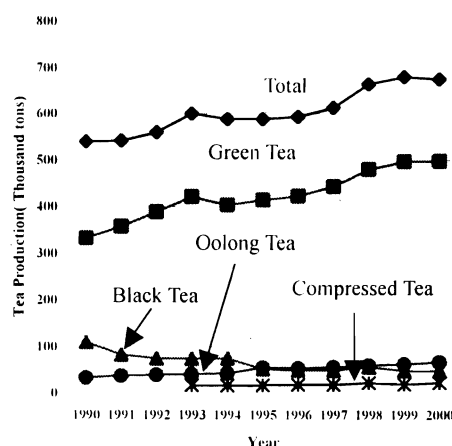


Fig.3 Production changes of different types of tea in China

## 2. Tea Export

China Tea export in 2000 was increased remarkably, with total amount of 248,920 t and total value of US\$ 395.9 million, increased 24.68% and 16.99% compared with those in 1999, respectively. Among which the exportation of green tea was increased with 27.9%, whereas the exportation of black tea was decreased with 12.4% (Table 2). Since last ten years, the tea exports has an increase of 27.34%, but the value of exports has a slight decrease of 4%. It shows that the average price of Chinese tea in the international market has declined greatly (Fig.4).

Table 2 Status of tea export in China

Year	Amount (t)			Value (Million US\$)
	Green Tea	Black Tea	Total	
2000	155,325 (+27.9%)	29,449 (-12.4%)	248,920 (+24.68%)	395.9 (+16.99%)
1999	121,631	33,594	199,600	338.4
1998	127,358	64,800	217,437	370.2
1997	78,800	87,100	202,464	332.5
1996	55,900	81,000	169,662	282.5

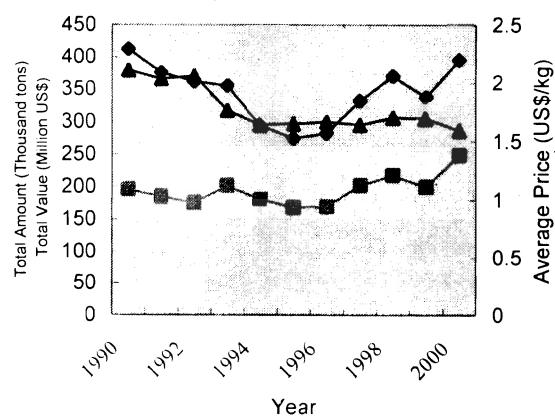
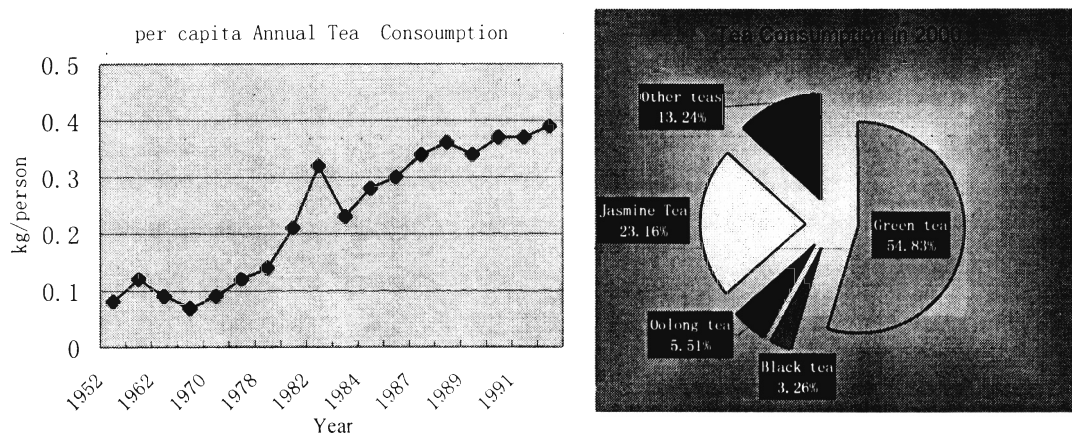


Fig.4 Changes of tea export in China

## 3. Tea Consumption

Tea consumption in China has been increased steadily, particularly in urban areas. Over the five

decades, Annual consumption per capita was increased from 0.08kg in 1952 to 0.39kg in 1992. The total tea consumption in 2000 was about 453,400 t, among which 54.83% was green tea, 23.16% was jasmine tea, 5.51% was oolong tea and 3.26% was black tea, respectively. The consumption of green tea, especially so-called well-know brand and high-quality tea has shown a remarkable increase.



**Fig.5 Tea consumption in China**

#### **4. Recent Development of Chinese tea industry**

##### **4.1 Development of Well-known Brand and High-quality Tea**

In recent years, more attention had been paid to the well-known brand and high quality of tea. The production and output value of well-known brand and high-quality tea in 1999 were 134,714 t and US\$ 659.08 million, accounting for 20% and 57% to the total, respectively. The production and development of well-known brand and high-quality tea have made a great contribution to the development of Chinese tea industry.

##### **4.2 Development of Organic Tea**

Since the new standard of pesticides residue in tea issued by EU last year, organic tea has rapidly been developed in China. According to the Ministry of Agriculture's estimate, the area and production of organic tea in 2000 were 61,000 hm<sup>2</sup> and 14,174 t, increased 26.05% and 34.38% compared with that in 1999. The development of organic tea brings along the expansion of Chinese tea industry.

##### **4.3 Development of Ready -to-Drink-Tea**

With improvement of living standard and techniques of producing Ready-to-Drink-Tea (RTD Tea), the production and consumption of Ready-to-Drink-Tea (mostly in PET bottle) in China grows significantly. In 1997, the total production of RTD section was only 200,000 t, after three years, the total production reached to 1,850,000 t, with an annual average growth rate of 275%. China Beverage Industry Association forecasts that the consumption of RTD Tea in China will keep growing rapidly, the total production of RTD Tea will reach to 3,000,000 t in 2001 and over 5,000,000 t in 2005.