



# A GLIMPSE INTO THE CHINESE COLD CHAIN INDUSTRY

*GCCA participates in CFLP conference, and visits a number of cold chain partners.*

**By Adam Thocher**

In June 2024, GCCA's Adam Thocher, Senior Vice President of Global Programs & Insights, attended the Chinese Federation of Logistics and Purchasing's (CFLP) 16th Annual Global Food Cold Chain Conference in Nanchang, China. In addition, Thocher traveled around China visiting a number of partners to get a glimpse of the state of the Chinese Cold Chain Industry.

GCCA and CFLP have enjoyed a long and fruitful collaboration. For years, GCCA has been proud to support this event, which brings Chinese food, logistics and transportation professionals together with local and global industry suppliers, international trade representatives and even an ambassador or two. Over two days, more than 1,200 delegates heard from experts and discussed content

focused solely on the food supply chain.

I am proud and privileged to have spent much of the past three years attending conferences and visiting cold chain facilities and businesses worldwide. But it is fair to say that my time has been largely spent in the “Western” supply chain. Even so, wherever I have been, China has loomed large. Receiving and sending goods from and to China is a sig-

nificant, even dominant, business opportunity for many GCCA members.

The conference was my first glimpse of the global cold chain from inside China looking out. It was striking in both its separation and its fundamental similarities. The similarities were apparent in the conference's theme, “harnessing the increased efficiencies that result from a globalized and integrated supply chain.” Chinese businesses, like their Western counterparts, see opportunity in growing infrastructure and trade links between markets across the world.

As the saying goes, a rising tide lifts all boats. I was delighted to share the GCCA's analysis and our optimistic outlook on the growth of the cold storage market. Our industry, significantly fragmented only a few short years ago, is now experiencing a wave of globalized consolidation. I shared the Global

Cold Chain Foundation's (GCCF) work in providing expertise in feasibility studies, market assessments for underdeveloped markets, and the downstream effects of nations seeking to increase their export or food trade capacities.

The separation (if that is the right word) comes from seeing firsthand just how much the power of the cold chain in China has come from how it has transformed how the food supply is organized within the country. Feeding the growing middle class is a powerhouse of the Chinese economic story. It has been made possible by investment from the Chinese state and coordinated efforts to create cold chain corridors within the country between urban populations and their hinterlands. This has been the foundation of a growth story that is amazing to behold.

The China story (at scale, admittedly) should inspire many other countries still developing their cold chain infrastructure. It also vindicates our strategy and approach to GCCF project work.

After the conference, I was on the road to see some of this innovation firsthand. I was invited to visit the Guangdong Cold Chain Association for meetings across the state. We started our meetings with a visit to Yuhu Cold Chain Market Trading Center, a compound that combines a commodity market, auction house and 280,000 tons of automated cold storage capacity.

From there, we visited a VX Cold Chain facility and sampled the durian fruit stored inside at one of the newest retail outlets proliferating nationwide. We wrapped up our schedule with a visit to the Guangdong Provincial Department of Commerce, where we discussed with the director the importance of reasonable policies in moving food across borders, opportunities to professionalize the workforce and the opportunity to implement global standards.


Finally, we took up the opportunity offered at the CFLP event by the Managing Director of the Yantian Port for a tour and discussion of this incredible complex. Moving over 30 million TEUs annually and 20,000 trucks daily, with expansion efforts underway to double that capacity, the size and complexity of the global supply chain was in full view. The



focus on efficiency was evident in the heavy investments to reduce dwell times for refrigerated containers and move them as quickly as possible to one of the many cold storage facilities around the complex.

This trip offered a glimpse, but one that opened my eyes wide to a cold chain story that is worthy of at least equal attention to the one we know well in the "west." I was left reassured that while the scale, culture and approach may seem very different, the fundamental challenges and opportunities that are

driving the Chinese cold chain are the same as those in other global regions. I am also confident that our ability to foster dialogue and shared learning is vital to our shared future.

To find out more about the Chinese Federation of Logistics and Purchasing and their work visit [en.chinawuliu.com.cn](http://en.chinawuliu.com.cn). 

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