China UCO Export Status and Outlook

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China currently produces more than 3.5 million tons of waste cooking oils per year, which is 2.12 times the number of waste cooking oils made in European Union.

In China, the main sources of bio-diesel feedstocks are UCO, gutter oil, spent bleaching earth oil and acid oil. As for the UCO, it only accounts for around 42% of all waste oils. All these waste oils are further processed, refined and exported to overseas market as biodiesel feedstock in name of 'Industrial Blend Oil' in China.

Source: STIN Analysis
Hebei Province
Hebei claims to have the most UCO plants in China, particularly around Shijiazhuang City.

Shandong Province
Shandong has the largest refining capacity, mainly collecting UCO from central and eastern China.

Sichuan Province
Sichuan has been a major UCO manufacturing base since 2015 due to their unique cuisine habit.

Guangdong Province
Guangdong has been the largest UCO exporter in China since 2016.

Source: STIN Analysis
Major export destinations

- Netherlands: 118771 metric tons
- Korea: 25923 metric tons
- Spain: 24463 metric tons
- Hong Kong: 8805 metric tons
- Portugal: 8634 metric tons
- UK: 6361 metric tons

Export of UCO from China (2017.1-9) under HS 15180000: main destinations

Source: China Customs
China UCO export is significantly impacted by following factors:

- Mandates and tax incentives from Chinese government
- Increasing UCOME and HVO feedstock demand from overseas market
- Ups and downs of China biodiesel market
- International crude oil market

Source: China Customs
China UCO exports to face many challenges:

- Lack of a stable UCO supply chain here in China
- Insufficient incentive policies from local government authorities
- No unified UCO quality standard in China and abroad
- Resource contention of UCO will be fierce enough for both domestic and overseas market with the development of oleochemicals, HVO and recovery of domestic biodiesel industry.
UCO is banned as feedstock for animal feed industry in China at present, thus more UCO will be properly collected and flowed to export market.

China UCO will be much more competitive and acceptable in overseas market thanks to the ISCC training and certification service.

More overseas biodiesel plants will source UCO in China, and with the soaring demand from home and abroad, it will put great pressure on UCO supplies, the competition will be fiercer.

The normalized large-scale UCO enterprises will have a promising future. Lots of small-scale UCO plants will be closed due to the strict environment-protection mandates from China.
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China UCO Trader

China UCO Exporter

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Biodiesel Plant

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