

China – EU trade tension grows; Russia, US may boost pork import

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If China imposes restrictions on pork imports from the European Union (EU) due to escalating trade tensions, pork suppliers from South America and the United States may have the opportunity to expand their market share in China. Russia, which has become a significant trading partner of China and began exporting pork to China in February, could also increase its meat shipments.

The Ministry of Commerce in China has announced the possibility of imposing provisional anti-dumping tariffs on pork and pig by-products imported from the European Union. This decision is a result of an ongoing anti-dumping investigation that began on June 17. He Yadong, the spokesperson for the Ministry of Commerce, stated during a regular press conference that if the European Union's dumping practices are confirmed to have caused damage to the Chinese domestic industries, temporary anti-dumping measures might be taken by World Trade Organisation rules and China's anti-dumping regulations.

The Ministry of Commerce in China initiated this anti-dumping investigation into specific pork and pig by-products imported from the European Union following an application by the China Animal Agriculture Association on behalf of the domestic industry. This investigation fulfils all the necessary conditions for such a probe.

The investigation will focus on certain pork and pig by-products imported from the EU from January 1, 2023, to December 31, 2023. Its purpose is to evaluate any harm caused to Chinese industries from January 1, 2020, to December 31, 2023, with an

expected conclusion before June 17, 2025. There is a possibility of a six-month extension under special circumstances.

According to Global Times, China is expanding its pork export partners. In January, the General Administration of Customs (GAC) of China announced that imports of Russian pork and edible pig by-products meeting the relevant requirements are now permitted. According to customs statistics, 18 countries have exported pork products to China in 2024.

Russia's pork market has undergone a significant transformation. Over the past two decades, it has shifted from being fully dependent on imports to becoming fully self-sufficient. Last year, Russia exported approximately 255,000 tonnes of pork, marking a 66 per cent increase from the previous year, as reported by the Agriculture Ministry.

The Russian National Union of Pig Breeders aims to capture approximately 5 per cent of the Chinese pork import market.

The USA is also interested in pork trade with China. China imported \$217.88 million worth of pork from the United States in 2023, according to the United Nations COMTRADE database.

As the world's largest pork consumer, China consumes over 700 million hogs annually, accounting for more than half of the world's pork production. Pork, a staple meat in China, represents about 60 per cent of the country's total meat consumption. In 2023, China's domestic pork production reached 57.94 million tonnes, while the country imported 1.55 million tonnes of pork, according to official figures.

Data from the General Administration of Customs revealed that China imported around 1.34 million metric tonnes of pork and pork by-products from the EU last year. The EU has become a major source of these imports for China, with more than half of these imports being sourced from the EU between 2020 and 2023.

To stabilise pig production and supply, the Ministry of Agriculture and Rural Affairs (MARA) has revised the Implementation Plan for Pig Production Capacity Regulation. The national target number of reproductive sows has been adjusted from 41 million heads to 39 million heads. Reports indicate a decline in the sow herd through 2023 and into 2024, with sow numbers down between 5 per cent and 7 per cent year-on-year.

The Chinese government remains committed to its pork self-sufficiency goal of 95 per cent, set in 2020, and actively encourages the transition from small-scale to large-scale production. Additionally, the government continues to monitor market behaviour and will intervene when production, pig numbers, or prices move above or below certain thresholds, as updated in the revised Implementation Plan for Pig Production Capacity Regulation.

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