



U.S. Trade Performance and Position in Global Meat, Poultry, and Dairy Exports

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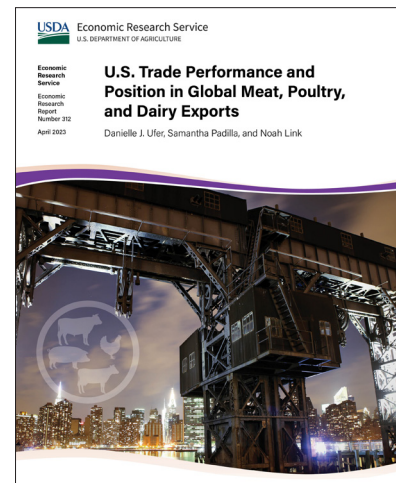
What Is the Issue?

The United States is one of the top global producers and a key exporter of meat and dairy products. However, in recent years, several other competitors have also capitalized on growing demand for these products. A complex global trade environment, characterized by bilateral and multilateral trade agreements, sanitary and phytosanitary trade barriers, trade sanctions, trade disputes, and Coronavirus (COVID-19) pandemic-induced production disruptions, created both opportunities and threats to the competitiveness of the United States and other major exporters in animal products trade.

What Did the Study Find?

The United States remains a top competitor in the trade of animal products, though the global market is shifting to create opportunities and threats to U.S. competitiveness. Total U.S. animal product exports reached over \$36 billion in 2021, representing more than 18 percent of U.S. agricultural trade. U.S. competitiveness is strong in East Asian, Southeast Asian, and North American markets, supported by multilateral trade agreements and strong exports despite pandemic disruptions to domestic industries. The United States is a leading global competitor in the four major animal agricultural commodity markets analyzed in this study: beef, pork, chicken, and dairy. However, global competitors continue to pose a challenge to U.S. export performance across the four major animal commodities:

- **Beef:** The United States leads the world in beef production and since 2006 has been among the top three global beef exporters by value, exporting over \$9.4 billion of beef in 2021. Compared with major competitors, including Australia and New Zealand, U.S. beef trade performance is heavily influenced by high domestic consumption. Bovine spongiform encephalopathy (BSE) has historically posed risk, since U.S. access to foreign markets can be lost if BSE is discovered on U.S. operations, as well as opportunity for U.S. beef trade, as sporadic foreign cases limit competitors' market access.
- **Pork:** The United States is the second largest exporter of pork behind the European Union. East Asian markets (e.g., Japan, China, and South Korea) support strong U.S. pork exports. Non-tariff trade barriers and the threat of African swine fever (ASF) pose risks to strong U.S. pork trade performance, though opportunities may arise for U.S. pork producers as competitors also face the threat of ASF.



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- **Chicken:** U.S. chicken exports have more than doubled since 2000, exceeding \$4.4 billion in 2021. U.S. chicken exports and destinations have experienced much volatility since 2000, with trade barriers, trade disputes, and the impacts of highly pathogenic avian influenza (HPAI). Current major markets for U.S. chicken include China, Mexico, and Canada. The top competitor for chicken exports is Brazil.
- **Dairy:** The United States is a top dairy producer in several major categories, exporting over \$4.7 billion in major milk and dairy commodities in 2021. The United States has steadily grown over the last two decades to be a strong net exporter of dairy products, with the European Union and New Zealand as primary competitors supported in part by strong exports of cheese and dry whole milk powder, respectively. U.S. competitiveness in dairy products is category-dependent, with strong performance in cheese and dry skim milk product exports.

How Was the Study Conducted?

The study drew on two main sources of data to analyze the trade performance of the United States. Authors relied on the USDA, Foreign Agricultural Service's Production, Supply, and Distribution database to calculate exports-to-production indices for four animal commodities. Authors also used the Trade Data Monitor (TDM) interface to calculate export and import market shares to further understand U.S. trade performance.