

China's agricultural trade friction with the US presents opportunities for other exporters



By [Wandile Sihlobo](#)

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The first week of February 2025 was eventful for global agriculture. Following US President Donald Trump's announcement of further tariffs on China, China retaliated.



Source: [Wandile Sihlobo](#)

On 4 March, China announced retaliatory tariffs on U.S. agricultural products, imposing a 10% tariff on sorghum, soybeans, pork, beef, aquatic produce, fruits, vegetables, and dairy products, alongside a 15% tariff on chicken, wheat, corn, and cotton.

During President Trump's first term, when China imposed retaliatory tariffs targeting agriculture, US farmers were among the most affected due to the significance of China in their exports. This time around, it will be no different.

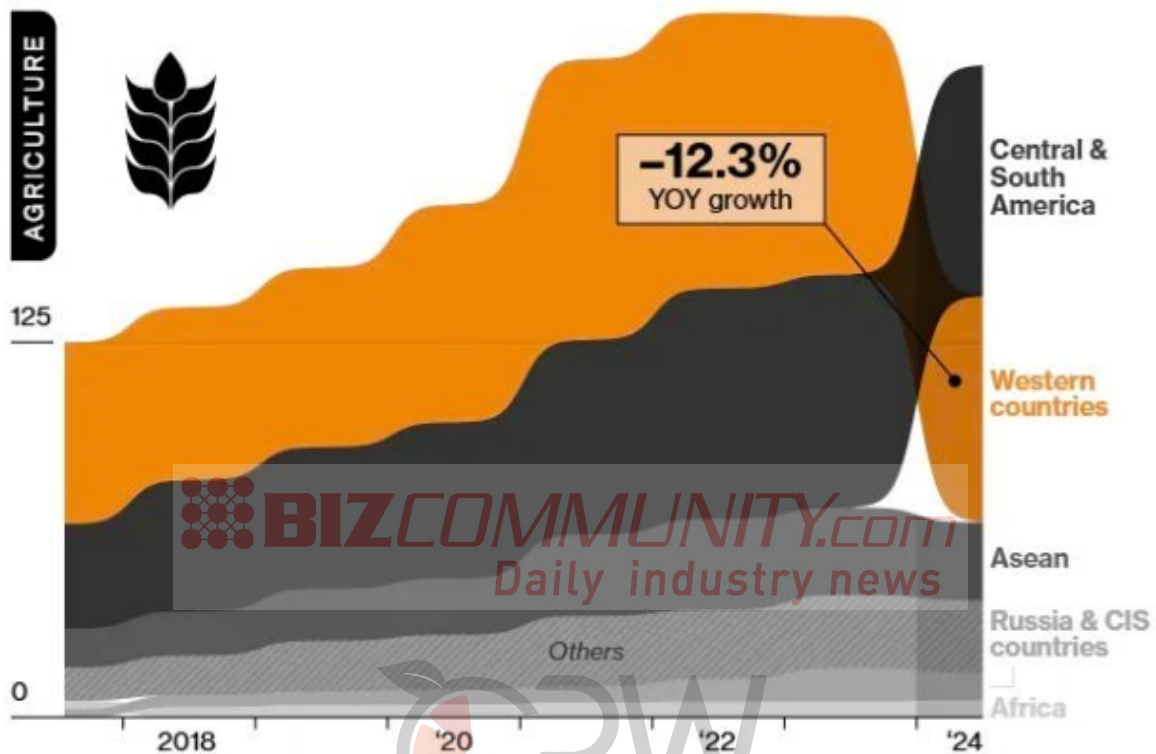
One could even argue that China is now more prepared than in the past, as it has been building its domestic agricultural production for the past few years and switching to new suppliers of vital farm products in South and Latin America.

The chart below clearly illustrates what is happening with China's agricultural imports. What is clear now is that South America, like in 2018, may be among the winners as China searches for new sources of agricultural products.

Shifting Allegiances

China is reducing overall agricultural imports from Western nations

250 billion dollars



Sources: General Administration of Customs of China, Bloomberg calculations

Note: 2024 figures are annualized estimates based on Jan-Oct data. Western countries include US, Canada, Australia, New Zealand and EU.

Source: [Wandile Sihlobo](#)

The ASEAN countries and the Black Sea region are also among the primary beneficiaries of these changes in agricultural trade shifts.

With all the progress China has made in boosting its agricultural produce, it remains a major importer. In 2023, China was a leading agricultural importer, accounting for 11% of global farm imports, totaling over US\$200 billion, as the chart above shows.

The top agricultural products China imports from the world market include soybeans, beef, various fruits, maize, wheat, rapeseed, palm oil, poultry meat, and sorghum, amongst other products.

The major suppliers of agricultural products to China are Brazil, the US, Australia, Thailand, Vietnam, New Zealand, Indonesia, Canada, France, Argentina, Chile, Russia, and Malaysia, amongst others.

South Africa is the only African country in China's top 30 agricultural suppliers, which ranked 28 in 2023. Still, South Africa remains a negligible player in the Chinese agricultural market, accounting

mere 0.4% (\$979m) of China's agricultural imports of \$218bn in 2023.

Sudan and Zimbabwe are other African agricultural suppliers to China, ranked 33rd and 34th, respectively.

Are there any opportunities for South Africa during this disruptive time?

There certainly is an opportunity. Even without China's clashes with the US, South Africa had a chance and was willing to expand its access to the Chinese market.

South Africa's significant challenges in the Chinese markets are higher import tariffs and phytosanitary barriers for various products.

The higher tariffs make South African farm products less competitive than those of Australia and Canada, which access the Chinese market for duty-free products.

Given the reality of clashes between China and the U.S. and China's [efforts to diversify its agricultural suppliers](#), it is key that the South African message in engagements with the Chinese authorities is more firm and persuasive in promoting agricultural exports.

South Africa has an agricultural surplus yearly and has maintained a trade surplus for over a decade. In 2024, South Africa's agricultural exports amounted to a record \$13.7bn.

Indeed, this is far from the staggering \$218bn that China spends each year on importing agricultural products from around the globe.

China is already one of South Africa's major agricultural markets for fruits, wine, red meat, nuts, and soybeans, and wool.

However, there is room for more ambitious agricultural export efforts. Importantly, these products would be even more competitive if there were zero duties in accessing the Chinese market.

Ultimately, the South African agricultural sector—organised agriculture and researchers—continues to point out the need to lower import tariffs in China and remove phytosanitary constraints on various products.

The South African government must build on this momentum and message in its engagements with Chinese authorities.

At a time when South Africa's export-oriented agricultural sector faces uncertainty in some of its markets, mainly the US, it may be appropriate to argue for greater access to China to diversify our agricultural exports and help China diversify its sources.

Still, in engagements with China, South Africa should maintain an open-minded posture with other regions that are key markets. For example, South Africa must consistently work to retain the duty-access we enjoy in the US market and other key export markets in the African continent, EU, Middle East, Asia, and other regions.

Our engagements with China are primarily for diversification, not the replacement of the existing export markets.

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