

Silk Road to Milk Road: *Dairy Trade Dynamics with China*

4:30 – 5:30 p.m.

Panelists:

Madam Yu Lu

vice president, The China
Chamber of Commerce
of Import & Export of Foodstuffs,
Native Produce & Animal
By-Products (CFNA)

Jaime Castaneda

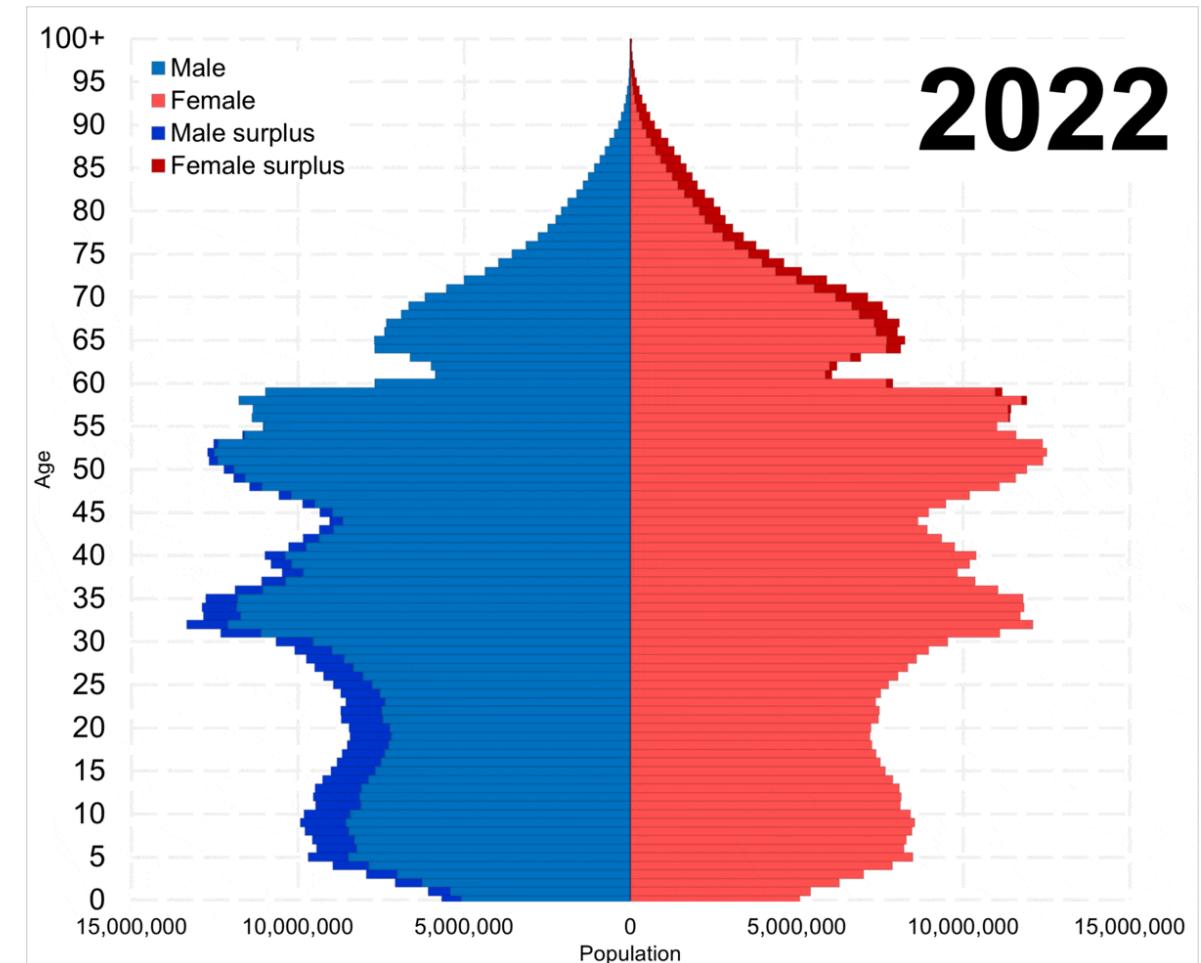
executive vice president of policy
development, USDEC
(co-moderator)

Shawna Morris

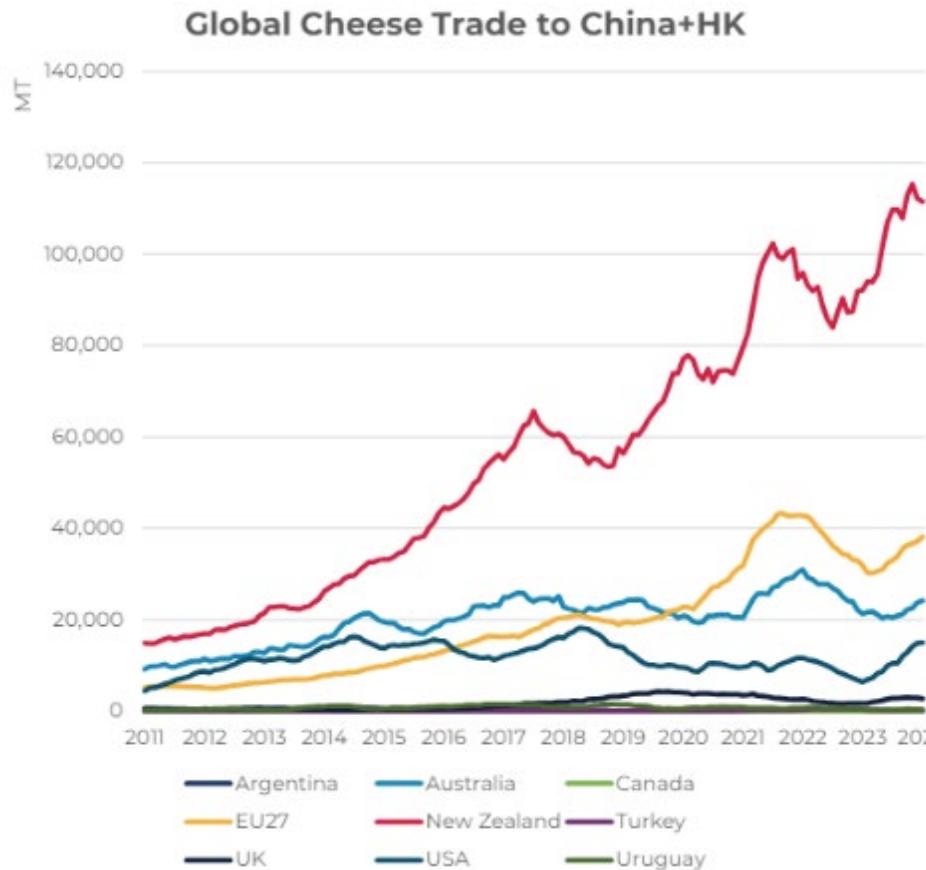
executive vice president of trade
policy and global affairs
(co-moderator)

China Demographic Trends

- China's total population is expected to peak in the early 2030s at around 1.4 billion people before entering a period of decline.
- Despite policy changes to encourage higher birth rates, China's fertility rate continues to decline, falling below the replacement level.
- China is anticipated to experience a significant increase in its elderly population, with projections suggesting that by 2050, the percentage of people over the age of 65 will rise from approximately 12% to over 25%.



China Trade Situation



- The U.S.-China trade relationship remains delicately balanced with both U.S. political parties targeting Chinese global economic influence leading up to the 2024 elections.
- USDEC & NMPF collaborating with Congressional allies to avoid any tariff escalation that would result in retaliation on U.S. dairy exports.

USDEC Policy Engagement with China



USDEC-FAS China Trade & Fact-Finding Mission (June 2024)

- *Multifaceted, multi-department mission for policy and commercial engagement*

China Most-Favored Nation Tariff Cut Project (Ongoing)

- *Working to build on 2017 MFN cheese tariff cut USDEC secured in China*

US-China Phase One Implementation (Ongoing)

- *Negotiated in 2020; Numerous non-tariff barrier issues addressed for dairy*

Agriculture Roundtable with Chinese Ag Minister Tang (Jan. 2024)

- *Martha Scott Poindexter represented USDEC in US-China dialogue session*

US Cooperators Mission to China (Nov. 2023)

- *Ag-wide delegation focused on policy re-engagement post-Covid*

China Milk Powder Research Project (2022)

- *Assessed the multidimensional impediments to expanding milk powder sales and how to overcome them*



Jaime Castaneda with Ambassador Burns during Nov. '23 Cooperators Mission