

U.S. BEEF UNDER NAFTA: AN EXPORT SUCCESS STORY

Under NAFTA, the U.S. beef industry increased exports by developing efficient North American supply chains.

Increased exports

- Global exports have increased 125% by volume since pre-NAFTA levels.
- Exports to NAFTA partners account for roughly \$2 billion in sales annually.

Enhanced efficiency

- Imports help meet domestic demand for ground beef, enabling domestic sales of higher-value beef cuts (e.g., flat iron steak) and exports of cuts like tongues, rounds, chuck and short ribs.
- Average dressed carcass weights have increased by 123 lbs from pre-NAFTA levels.

ASIA

~\$4 billion

U.S. beef exports to top three Asia-Pacific markets (Japan, South Korea, Hong Kong) in 2017

U.S. exports account for nearly \$300 per head of fed cattle (17% of total value).

CANADA

35 M 12 M head

\$796 M U.S. beef exports to Canada in 2017

+120% Increase in U.S. beef exports to Canada since NAFTA was implemented

U.S.A.

326 M 94 M head

~2 percent Amount of foreign-born cattle in the U.S. cow herd. Live cattle imports from Mexico and Canada avg. 2 M head annually, with fluctuation based on drought and market conditions.

26.2 B lbs Total domestic beef production in 2017

2.9 B lbs Total beef imports in 2017 (~11% of total)

MEXICO

131 M 17 M head

\$980 M U.S. beef exports to Mexico in 2017

+450% Increase in U.S. beef exports to Mexico since NAFTA was implemented

BEFORE NAFTA

- High tariffs (up to 25 percent)
- Import/export quotas
- Arbitrary standards and technical barriers to trade

TODAY

- No tariffs
- No quotas
- Science-based trade standards