U.S. Meat Export Federation

AR# 2640-FM **Amount Requested:** $7,900,000.00

AR Title: International Market Development & Access

Organization Information

Name of Contractor:	U.S. Meat Export Federation
Primary Contact:	Scott Reynolds
Primary Signatory:	Dan Halstrom

Full Application

AR Purpose and Description:

The U.S. Meat Export Federation (USMEF) works on behalf of the U.S. red meat industry to increase the value and profit opportunities for U.S. beef and other red meats by enhancing demand in export markets through a coordinated and collaborative partnership of all stakeholders. Simply put, USMEF is "Putting U.S. Meat on the World's Table". In support of the Beef Industry Long Range Plan to drive export growth in beef exports, the U.S. Meat Export Federation (USMEF) develops international programs intended to promote U.S. beef's superior quality vs competitor product, health and nutritional benefits, and supply capabilities. Programs in global markets are organized around the following strategic priorities:

- Total Carcass Utilization - Maximize returns at each link in the marketing chain by building export demand for value-added products and the complete range of U.S. beef items, especially those underutilized in the U.S. market and including variety meat.
- Trade Support - Gather and disseminate market intelligence, provide export technical services per each market, and facilitate direct contact between U.S. exporters and targeted buyers in export markets.
- Buyer Education and Loyalty - Educate targeted buyers in export markets on the quality, consistency, and safety attributes of U.S. beef and beef products. Develop a strong and positive image for U.S. exports, and build buyer loyalty.
- Market Presence - Increase the presence and availability of U.S. beef and beef products in the HRI and retail sectors in targeted export markets to build familiarity among consumers and displace competitor product.
- Product Image - Establish positive images of U.S. beef with consumers in targeted export markets and elevate U.S. beef's image as a premium product.
- Market Access - Secure meaningful, sustained access to new and existing export markets using all available means.

USMEF's programs in the international markets address both market access and market development strategic objectives. Market access initiatives are inherent part of market development; that is, market development requires reasonable access and availability in a market. USMEF's global staff monitor and manage the impact of government requirement and attributes, with the appropriate U.S. agencies and exporting entities. USMEF prioritizes issues that are likely to have the greatest impact on exports. USMEF's market development initiatives require a certain level of access to a market. These initiatives develop demand for U.S. beef among new and existing buyers by introducing new sectors to U.S. product and expanding the volume and range of cuts purchased by current users. USMEF focuses on opportunities to utilize a wide range of cuts, bringing value to an entire beef carcass by promoting alternative cuts and variety meat products where culturally appropriate. With the expertise of on-ground marketing directors and staff, UMSEF identifies sectors and opportunities with the highest potential for export growth, and ultimately designs strategic objectives unique to each market which are further described in this AR. For sustained growth and expansion, markets may require deafferent levels of a "develop", "displace", or "defend" approach depending on a variety of factors such as market access conditions, competitor performance, market penetration level and future outlook.

Develop - The development of new markets or sectors for U.S. meat is a top priority for USMEF. An example is recent work conducted in West Africa to identify market potential, establish relations with importers, and introduce buyers to U.S. sellers. Research and initial market analysis are a part of this development process, where a market is evaluated for its constraints, potential opportunities, and feasible "next steps" plan of action. But development doesn't necessarily occur only in markets new to U.S. meat exports, Rather, USMEF works closely with U.S. beef customers to develop new outlets for U.S. meat and grow each market by penetration new market subsectors, even in mature markets. For example, targeting convenience stores within the retail sector. In some markets, this also includes developing demand consumption of beef among consumers.

Displace - Competition is fierce globally, not only from domestic suppliers in each market, but also from other exporting countries. In markets where U.S. beef has a foothold, USMEF works to capture additional market share by further displacing the competition and creating loyal customers. The unique attributes of U.S. product and the industry provide the basis for influencing buyers to switch to U.S. beef, thus displacing the competing product.

Defend - In the face of ever-changing market dynamics, it is essential that the US. industry never assumes that markets currently held will remain US.-dominated. Just as USMEF works to displace the competition, competing suppliers are constantly working to displace U.S. meat. Defense strategies must be employed to hold market share against aggressive tactics from competitors, especially in large markets or sectors in which the U.S. has a significant share. Establishing and maintaining loyalty among customers is a primary goal of USMEF, as changing trade dynamics and price differentials can threaten U.S. market share among inconsistent buyers.

Throughout the program development process, USMEF breaks each market into four sectors roughly corresponding to the distribution flow of product and reflective of the level of market penetration of U.S. beef as follows: Trade (importers, distributors, processors), HRI (hotel, restaurant, institution), Retail, and Consumer. To further create opportunities for U.S. beef in each market, each sector is further divided into smaller subsectors characteristics of each individual market. For example, HRI may be divided into family-style eateries, BBQ chains, white tablecloth restaurants, local cuisine, fast-food, etc. As consumer trends change these subsectors may evolve, representing opportunities for U.S. beef export growth. This "sector-oriented" approach allows UEMF to better design programs to meet the strategic objectives.

USMEF tactics and programs designed to achieve strategic objectives are similar in many markets; however, the implementation, target audience, and specific messages delivered through these initiatives are characteristic of each market. Examples of USMEF Market Access and Market Development activities are listed below:

- **Trade Servicing:** This includes ongoing activities conducted in the market to build and maintain relationships, gather and disseminate relevant industry information between the market and the U.S. beef industry, connect buyers and sellers, and communicate the U.S. industry's commitment to target accounts. Activities may include but are not limited to company visits, technical export support, invitation to seminars and other special events, etc. Through trade servicing USMEF can further design individual marketing programs and activities to best suit the goals and needs of U.S. beef customers.
- **Trade Shows**: USMEF attends relevant trade shows in each market to bring buyers and sellers together with the opportunity to discuss business needs, reinforce relationships, exchange information about trends, and demonstrate current and new product lines. Trade shows may span a a variety of sectors targeting the trade, HRI buyers, retail byers, etc. Trade shows are a primary tool used to generate interest in U.S. beef and engage with ne and existing buyers. Exhibitions often feature a U.S. or meat pavilion in which USMEF and U.S. beef suppliers have booths for displaying product. USMEF currently hosts several biannual showcases like the the Latin American Product Showcase and the Mexico Red Meat Symposium targeted at specific regions, and may opt to expand the USMEF-hosted showcases to serve a wider set of international markets.
- **Seminars / Trainings / Cutting Demonstrations**: Targeted and customized, seminars are used to introduce U.S. beef to new customers, to establish trust in U.S. product with existing buyers, and to showcase the range and versatility of available U.S. beef cuts in each market. USMEF recognizes that education at all levels, from importers/distributors to retail meat department staff is a key cornerstone of market development. Seminars may include hands-on cutting demonstrations, customized for company-specific events and may even be directed towards the buyers of a specific importer/distributor as a support mechanism to generate more downstream sales.

- **Trade Teams**: USMEF hosts numerous international trade teams representing the entire chain of buyers and decision makers but also sometimes including media influencers. Teams allow participants to see the U.S. beef production cycle at its fullest and teams often interact with U.S. producers. Demonstrating U.S. beef production techniques, range of products available, safety and inspection procedures, and foodservice/retail trends, USMEF trade teams are an important means to facilitate business relationships between buyers and sellers, and a primary opportunity to showcase the superiority of U.S. product. USMEF is diligent and mindful of disease conditions and relevant outbreaks when selecting teams to visit the United States. USMEF also directs trade teams to other export markets to demonstrate unique merchandising, menuing and production development options.
- **Communications**: USMEF may utilize traditional or online communication to distribute information about U.S. beef among targeted buyers and consumers. Using print material such as newspapers, advertisements, magazines, and even online materials such as social media posts, articles, and video content, these activities can help introduce new products, provide information about where to purchase U.S. beef, build consumer hype and generate goodwill, and promote the quality and safety of U.S. product.
- **Promotions**: Supporting retailers and foodservice operators, USMEF utilizes promotions in conjunction with a full range of other activities (i.e. training, communications) to develop long-term sales of U.S. beef. Promotional support may sometimes be the difference of a a buyer carrying U.S. beef over competitor product. Promotion may take many forms, including livestreaming events and ecommerce banner ad campaigns, in-store tasting demonstrations, menu features, events/ contests, etc. Results are often used to communicate the value in U.S. beef to first-time users or to encourage buyers to expand their portfolios of U.S. beef products on their menu or on their shelves. In addition, promotions increase buyer familiarity with U.S. product, and are often used to deliver messages about the quality, taste, and versatility of U.S. beef directly to targeted consumers.
- **Issue Monitoring, Analysis, and Reporting**: As part of the Market Access initiative, USMEF is committed to monitoring U.S. beef access in international markets. USMEF frequently updates U.S. exporters, industry trade associations and government agencies with information and analysis on import policies, requirements, and changes that have the potential to restrict U.S. beef exports, including traceability requirements and competitor programs. Attendance at conferences, formal communications, and informal meetings are examples of activities where market access information may be gathered and shared.
- **Government and External Relations**: USMEF communicates information about U.S. production practices, U.S. meat safety systems, U.S. export requirements, and science-based assurances regarding the U.S. industry to foreign government authorities, opinion leaders, in-market port personnel, the media, the trade, and the general public in international markets. Specific activities may include hosting seminars or teams, production and distribution of educational material, relationship-building, public relations, and research. USMEF also has a role to communicate the objectives of the organization to the U.S. beef industry, and often presents in front of industry players including producers, attends industry meetings, and disseminates information about export programs publicly on the USMEF website and via social media.

- **Technical Support**: USMEF provides details to the trade and local authorities on U.S. export specifications, certifications, procedures, safety inspection measures, and quality assurance programs. In addition, USMEF offers customized technical service support to organization members, addressing export challenges and obstacles that prevent the steady flow of product to each market. Specific activities may include trade servicing visitations, conducting seminars, distributing education material , and hosting teams.

In each tactic, a description of current market conditions including key trends influencing the export marketing strategies for countries or regions covered by USEMF is provided as well as key market access information. These descriptions are not exhaustive and remain fluid as a market evolves and changes.

CBB Budget Category: Foreign Marketing

Start Date: 10/1/2025

End Date: 9/30/2026

FY26 National Beef Checkoff Funding Request		
Direct Costs	**Implementation**	**Total**
$5,767,000.00	$2,133,000.00	$7,900,000.00

Beef Industry Long Range Plan (LRP) Core Strategies Addressed by this AR:

- Drive Growth in Beef Exports

Tactic A | 2640-FM
Africa

TACTIC DESCRIPTION:

MARKET ASSESMENT

Sub-Saharan Africa has experienced dramatic population growth, increasing from 227 million in 1960 to 1.34 billion in 2020, and is projected to reach 2.2 billion by 2050. This growth will raise the region's share of the global population from 7% in 1960 to 23%, meaning nearly 1 in 4 people worldwide could be from Sub-Saharan Africa. Long-term projections suggest that per capita GDP in Sub-Saharan Africa could double by 2050, fueling the rise of an emerging middle class with increased disposable income and demand for higher-quality imported goods, including animal proteins. The prospects for economic growth in Africa, while facing significant challenges in the near term, show some potential for medium-term improvement. Although the region has struggled to keep pace with wealthier nations due to setbacks from global shocks like the COVID-19 pandemic and rising interest rates, there are signs of resilience. Efforts in health and education have led to positive outcomes, and as investment in infrastructure and technology continues, growth could gradually accelerate. While current economic conditions remain tough, the potential for new growth strategies and the emerging middle class may provide opportunities for progress in the coming years, making the medium-term outlook more hopeful.

Despite challenges such as infrastructure deficiencies, political instability, and credit restrictions, Africa's growing middle class, youthful demographic, rapid urbanization, and adoption of digital technologies are expected to drive significant demand for red meat. As these challenges are addressed through technological advancements and infrastructure investments, the continent is anticipated to become an increasingly important market for red meat exports. Currently, Africa is the second most populous continent, with consumption patterns favoring affordable and nutritious protein sources, such as beef variety meats (BVM).

South Africa has been an important U.S. BVM destination in the region since it reopened to U.S. product in 2016, driven in large part by exports of U.S. frozen beef liver. Egypt, the top importer of U.S. beef liver, has seen historically low volumes of the product in their market since 2017; however, in 2024 U.S. exports to Egypt rebounded by 12% and continue to increase in early 2025. As a result, South Africa dropped from the sixth largest U.S. BVM export destination in 2023 to the tenth largest destination for U.S. beef variety meats in 2024. Exports of U.S. beef variety meats totaled 4,320 mt to South Africa for 2024, down by 67% from 13,019 mt in 2023 and driven primarily by fewer offers and higher prices resulting from increased volumes to Egypt. Despite no reported exports to South Africa through February of 2025, markets such as Morocco and Tunisia have increased their imports of U.S. beef liver, with 353 mt (up 76%), and 108 mt (up from 0 mt) respectively. Livers remain a key opportunity item in the market, especially once the U.S. cattle cycle turns and fed cattle slaughter increases again (expected in 2027). In addition, because U.S. beef exports are essentially closed to China as a result of non-renewed facility registrations and prohibitively high tariffs, opportunities could improve in South Africa for items such as U.S. beef hearts and kidneys.

South Africa was the top export destination in 2024 for U.S. frozen beef kidney exports at 3,250 mt. However, through February of 2025, exports of U.S. frozen beef kidneys have totaled only 49 mt, all of which were shipped in January. Gabon, on the other hand, has seen an increase in U.S. frozen beef kidney imports through February of 2025 of 14% to 696 mt and the highest volume since 2015 and the top destination so far this year. Cote d'Ivoire is the second largest market through February of 2025 for U.S. frozen kidneys, with an increase of 21% to 492 mt and the highest volume since 2013. In addition to beef livers and kidneys, there is also growing demand for other U.S. variety meats in South Africa including head meat and tongue root.

Angola is also a key destination in Africa for BVM, particularly beef livers. In April 2024, Angola issued a new tariff schedule that prohibits the importation of most beef variety meat items (along with other meat and agricultural products) in the interest of encouraging domestic production. Beef livers were not included in the list of prohibited HS codes, but importers are now reporting challenges in receiving beef liver import permits. U.S. beef liver exports to Angola accelerated from the second half of 2023 through March 2024, but have since slowed.

New markets for U.S. red meats are emerging in Africa, including Tanzania, Mozambique, and Namibia, driven by factors such as growing tourism, infrastructure improvements, an increasing expatriate population, and a rising middle class. While these markets face challenges like power shortages, inadequate transportation infrastructure, high unemployment, and political instability, they also offer significant potential. The U.S. beef industry, as the largest global exporter of BVM, is well-positioned to capitalize on these opportunities by leveraging the importance of variety meats as affordable protein sources that align with local preferences.

As urbanization accelerates, improvements in cold chain infrastructure and the expansion of modern retail outlets, including major international retailers like Spar, Walmart, and Carrefour, are expected to boost demand for animal proteins. While most African consumers currently shop at traditional stores, open-air markets, and street kiosks where variety meats are popular, modern retail sectors in countries such as South Africa, Namibia, Botswana, and Angola signal a shift toward more diverse and accessible food options. This evolving retail landscape presents a strategic opportunity for U.S. suppliers to strengthen their foothold and expand market share in the dynamic African market.
In 2024, exports of U.S. beef plus variety meat to the African region were 11,881 mt, a decrease of 42% over 2023 levels. Value decreased by 34% to over $16.8 million.

South Africa

- Per Capita Beef Consumption 15.4 kg
- Total Beef Imports (not including variety meat) - all sources: 3,585 mt
- Total Beef Variety Meat (BVM Imports) - all sources: 38,631 mt
- U.S. Share of Total Beef / BVM Import Market: 12%
- Other Beef / BVM Suppliers & Market Shares: EU-27 19% (France 8%, Ireland 8%), United Kingdom 12%
- Domestic Self Sufficiency: 105%

- U.S. Beef Exports (not including variety meat): 80 mt
- U.S. Beef Variety Meat (BVM) Exports: 4,320 mt
- Customers for U.S. Beef Imports: Processing 9%, HRI 1%, Retail 90%

Angola

- Per Capita Beef Consumption 3.6 kg
- Total Beef Imports (not including variety meat) - all sources: 16,719 mt
- Total Beef Variety Meat (BVM Imports) - all sources: 12,117 mt
- U.S. Share of Total Beef / BVM Import Market: 1.5%
- Other Beef / BVM Suppliers & Market Shares: EU-27 31% (Italy 28%, Poland 2%), Argentina 10%
- Domestic Self Sufficiency: 81%
- U.S. Beef Exports (not including variety meat): 0 mt
- U.S. Beef Variety Meat (BVM) Exports: 427 mt
- Customers for U.S. Beef Imports: Processing 10%, HRI 5%, Retail 85%

Top imported U.S. Beef Cuts: Prime and Choice steak whole muscle cuts, middle meats, rib and chuck items, in-house graded steak programs (no roll)

Top Imported U.S. BVM Items: livers (cut and sliced for retail), kidneys, hearts, tongue, tongue roots, tripe, fat

Beef Noteworthy Issues include a) zero tolerance for Salmonella spp. on beef imports in South Africa; b) no access for processed products in South Africa.; c) no access for fresh (and frozen) red meat to Nigeria; d) no red meat access to Namibia as well as the loss of transit permits through Namibia; e) limited information on import requirements for African countries not listed in the FSIS Export Library; f) lack of transparency and consistency in issuance of beef liver import permits from Angola; and g) non-technical trade barriers in general.

MARKET STRATEGY

Focus on introducing U.S. beef to prominent market stakeholders and enhancing the reputation of U.S. beef through the following strategies: a) Foster supply chain development for both beef variety meats and beef muscle cuts by facilitating connections between buyers and sellers and facilitating commercial partnerships; b) Cultivate relationships with key trade representatives; c) Educate buyers across various sectors and increase exposure to high-quality U.S. beef, showcasing its consistency and reliability from U.S. suppliers; d) Identify and address market challenges while positioning U.S. beef as a dependable protein source capable of meeting the dynamic demands of the market; e) Conduct sampling and educational activities through appropriate channels to stimulate trade.

Population Growth and Urbanization·

- According to Euromonitor, Africa is home to the world's second largest population, after Asia Pacific, and will add an additional 450 million people to the global total by 2030. Currently, Africa is home to 19% of the global population.
- Africa's population is the fastest growing globally, posting expected annual growth of 3% until 2030, well above the world average.
- Africa's population is young. According to Euromonitor, as of 2021, the median age in sub-Saharan Africa is only 18.7 years old. Sub-Saharan African countries are the main drivers for this growing young population as North African countries age more rapidly. Urbanization is increasing. As of 2023, 43% of the Sub-Saharan African population lives in urban areas, and Euromonitor expects this to increase to 49% by 2033. Urbanization growth will continue to improve cold chain infrastructure and increase demand for animal proteins.

Strategic Objective

Give precedence to Africa as a burgeoning export market, vigilantly tracking economic trends and the demand for animal protein across various nations. Foster effective communication channels between prospective buyers and suppliers, providing trade support services to harness the expanding opportunities.

Tactical Response

Promote relationships between U.S. suppliers and importers to enhance trust and bolster supply chain confidence. Coordinate trade delegations to bring prospective buyers to the United States, fostering dialogues with suppliers, and emphasizing trade support to tackle market hurdles. Cultivate fresh business prospects by engaging target accounts through informative in-market seminars. Establish a repository of video resources aimed at enlightening U.S. suppliers about African importers and the present opportunities in the market. Coordinate the Africa Trade Mission in Accra, Ghana, and follow up with regular communication and promotion as markets open to traded product.

Modernizing Retail

- Retail is still dominated by traditional markets with little to no cold chain infrastructure; although South Africa, Namibia, Botswana, Lesotho, eSwatini, Zimbabwe, Zambia and Angola are the outliers with a steady modern retail sector. Ghana, Senegal, Nigeria, The Gambia, Cote d'Ivoire and Gabon are all developing in this space.
- Cultural traditions encourage consumers to continue shopping at wet markets.
- Variety meats are popular in wet markets.
- Major international retailers, such as Spar, Walmart and Carrefour, have already entered the market in Southern Africa, Ghana, Nigeria and Kenya. This evolution of investment type, or stake acquisitions into existing store and distribution networks is inevitable.
- The Shoprite retail network is the largest chain of supermarkets that reach a wide range of consumers and is the largest employer in the region.

- The modern retail segment continues to undergo consolidation. Most consumers are still price-sensitive, despite growth in the middle class.

Strategic Objective
Identify new market segments appropriate for U.S. beef and expand awareness among buyers with direct communication and technical support.

Tactical Response
Continue to develop retail partnerships in major outlets such as Shoprite and OBC, Jwayelani, Roots, Chester to drive volumes of U.S. beef exports. Foster connections between importers and U.S. suppliers to help build a higher degree of trust and confidence within the supply chain. Focus on trade servicing to address market challenges and develop new business by involving target accounts in educational in-market seminars. Continue national television advertising in RSA, and initiate media advertising in Angola and West Africa.

Meat Culture

- South Africans have a strong tradition of grilling meats that is part of their social fabric.
- Though the majority of the population is price-sensitive, consumers span a diverse range of economic classes, with major opportunities in high-end restaurants in places such as Cape Town and Johannesburg which cater to significant tourism demand as well as local consumers in higher economic tiers.
- Variety meats are highly sought-after sources of protein with strong connections to local cuisines.
- African domestic beef is generally very lean and characterized by very low marbling. Many meat importers and distributors in South Africa in particular, are well-established, technologically advanced operations representing a low credit risk for U.S. suppliers.

Strategic Objective
Educate both importers as well as end-users on the unique attributes of U.S. beef, and the variety of product available that meets the requirements of both discerning and price-sensitive consumers.

Tactical Response
Implement a comprehensive approach by launching sampling initiatives to introduce U.S. beef muscle cuts directly to the African market. Conduct educational seminars to promote both marbled, graded, and ungraded middle meats, targeting high-end consumers. Simultaneously, develop retail and foodservice channels for U.S. beef variety meats to reach a broader consumer base. Utilize the "Meating Room," a test kitchen for RSA trade, hotels, and restaurants, to highlight the quality difference between domestic and U.S. grain-fed beef. Enhance two-way communication between importers and suppliers to increase offers and interactions, with a specific focus on the nutritional value of variety meats to address protein deficiencies.

Processor Opportunities

- Demand for shelf-stable and canned products is growing at retail due to lack of cold chain infrastructure.
- Sausages and minced meats are notably popular in Ghana and Nigeria.
- Competition for processing raw material is high as cheaper, lower-quality products from suppliers like India are already present in the markets.
- Opportunities for utilizing head meat in burger patty recipes represent significant opportunity for increased volumes of U.S. beef at retail. U.S. beef short ribs are currently being sampled by a leading South African processor and retailer.

Strategic Objective

Support processors with technical workshops, seminars, sampling and downstream promotions to build demand for products made with U.S. red meat raw materials. Integrate processors with the trade involving both the importers and exporters. Provide immersive U.S. exposure to African partners.

Tactical Response

Utilize import data analysis to refine trade channels and uncover prospects for increased U.S. beef exports. Collaborate with processors to identify demand-building opportunities through technical workshops and product development training, showcasing the quality and cost-effectiveness of U.S. red meat raw materials. Assist processors by implementing sampling programs for testing U.S. products and assessing potential. Maintain the expansion of a video content library focused on educating U.S. suppliers about African importers and the existing opportunities. Continue to work on strategies that include Nigerian prospects for beef franks.

Other Key Initiatives

- Introduce U.S. beef variety meats and underutilized cuts to the informal “shisa nyama”, or grilling restaurants, that are popular among locals in settlements throughout South Africa, Mozambique, eSwatini, Lesotho, and Zimbabwe. Train these venue owners on delicious ways to present beef variety meats to their customers, emphasizing the importance of these foods in the diet, and ultimately increase the groundswell demand for the product through existing channels.
- Increase the visibility of U.S. beef within the region by partnering with companies to create mobile billboards, using their own delivery vehicles with U.S. beef promotional messages and imagery.
- Identify opportunities with processors for U.S. red meats to fulfill volume and value requirements and displace competition. Demonstrate to these processors the quality and reliability of U.S. beef.
- Develop the USMEF Africa online presence and social media community to engage trade partners, importers, and consumers who may be unfamiliar with U.S. beef.

- Identify U.S. beef suppliers interested in growing exports to these markets and facilitate supplier and buyer communication to help establish strong relationships. Offer technical support to U.S. suppliers to assist in navigating country-by-country regulations.
- Monitor and target the growing hotel HRI sector, focusing on five-star hotels in markets with increasing tourism. Also encourage U.S. beef to form a part of hotel school syllabi for young chef professionals e.g., International Chefs Schools based in RSA.
- Increase awareness of U.S. beef to meat enthusiasts by positioning U.S. beef on popular grilling programing that airs to wide audiences through cable TV and streaming services.
- Develop a U.S. Meat Truck that can be used as a mobile advertising platform to conduct both consumer and trade facing tasting events and seminars.
- Utilize advertising opportunities through sporting publications, in particular rugby, football and cycling, to reach large numbers of consumers interested in grilling while associating U.S. beef with active lifestyles.
- Analyze the scale of local production, assess the potential for U.S. products, and conduct relevant market research
- Creation of an online platform (Online Meat University) that provides comprehensive information on different cuts of meat and highlights the high-quality attributes of U.S. meat. The platform will also feature a specialized butchery training module, offering more technical in-depth information tailored specifically for meat professionals.
- Develop a U.S. Trade Mission to bring select African importers and trade representatives to the U.S. to visit packers, see U.S. production, and establish business relationships that will foster additional export growth and demand.
- Promote U.S. beef in Senegal, Seychelles, Mauritius, through sampling and then active trade among the foodservice sector.

2024 import and market share data is based on import data of South Africa, and reported export data to Angola, (from TDM) and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau.

Measurable Objectives:

Measurable Objective #1
66% of targeted importers/distributors will report that they understand the supply, quality, and value relationships of U.S. beef based on information provided by USMEF.

*Note, an increase in targeted importers/distributors.

Measurable Objective #2
81% of targeted HRI distributors will promote new ways to use popular cuts or an alternative cut of U.S. beef to their customers.

Measurable Objective #3
60% of targeted retailers will understand proper cold chain management, handling, and merchandising of U.S. beef.

Performance Efficiency Measures:

N/A for Foreign Marketing ARs

LRP Initiatives Addressed by this Tactic:

Drive Growth in Beef Exports

- Identify and address export customer needs and values
- Collaborate with targeted partners to promote U.S. beef in foreign markets
- Invest in research, marketing and education programs

Checkoff Program Committee(s): International Marketing

Tactic B | 2640-FM
ASEAN

TACTIC DESCRIPTION:

MARKET ASSESMENT

2024 U.S. beef plus variety meat exports to the ASEAN region increased 7% in volume to 42,302 mt, with value increasing 39% to just over $341 million. Philippines, Indonesia, and Vietnam were the leading export destinations for U.S. beef in this region. U.S. beef is also exported to Singapore, Cambodia, and Thailand. Although no U.S. beef plants are currently eligible to ship to Malaysia, USMEF did add formal U.S. red meat representation in this market in early 2025. Malaysia is a top 15 beef export market for Australia, and there is demand for high-quality beef. Southeast Asia plays a key role in the diversification of U.S. beef exports globally. While the region remains a smaller player in overall volume, rising demand for high-quality products and low per capita beef consumption coupled with large populations suggest strong potential for future growth.

This is a region challenged by a wide range of incomes, consumer diversity, geographical spread, and small-scale buyers. Overall, per capita beef consumption remains low, highlighting significant opportunities to increase demand. Trade servicing efforts intended to strengthen connections between buyers and U.S. traders or purveyors are key to building export growth to the region. While this region comes with many challenges, factors including increasing urbanization rates, population growth, young demographics, rising incomes, and increased international tourism will fuel long-term export potential for high quality beef.

Despite challenges such as a weaker peso, inflationary pressures, and tariff disadvantages, U.S. beef exports to the Philippines rebounded strongly in 2024, driven by rising demand for grain-fed beef—particularly in the foodservice sector. U.S. beef export volume surged by 35% to 15,668 mt, with value climbing 57% to $131.8 million in 2024. Similarly, Australia's grain-fed beef exports to the Philippines increased by 51% to 4,900 mt, though still below the 2021 peak of 7,240 mt. The resurgence in tourism and growing demand for high-quality protein in foodservice are key factors fueling this growth. The Philippines' Department of Tourism reported a 20% increase in tourism compared to pre-pandemic levels, and the government continues to invest heavily in promotional campaigns to sustain momentum. Korean and Japanese cuisines remain highly popular, with short plate cuts continue to be a staple in the market. Brazil will be a key beef supplier to watch in the future- imports of Brazilian beef increased 70% in 2024. Brazil is a top supplier to the market with 43% market share in 2024.

Total U.S. beef exports to Indonesia declined 18% in 2024 to 14,551 mt, although value increased 15% to nearly $93 million. U.S. exports are limited by ever-changing import restrictions, limited plant approvals, de facto import quotas, delayed import licenses, and halal barriers in Indonesia. At the time of this writing (May 2025) Indonesia continues to demonstrate aggressive protectionism and U.S. beef plants approved for Indonesia are at risk due to purported concerns about U.S. halal production and certification. There is no question about the potential for U.S. beef in the Indonesian market, with

preference for grain-fed and for Korean and Japanese style cuisines, plus utilization of U.S. product by large chains like Yoshinoya; however, market access issues continue to limit exports to this market.

U.S. beef exports to Vietnam increased 27% in 2024, reaching 5,052 mt with value climbing 65% to $43.4 million. The U.S. is at a strong tariff disadvantage compared to CPTPP participants, the EU, and India, and that continues to limit U.S. beef opportunities. Low-priced beef from India dominates the market; however, interest in high quality beef is slowly growing as indicated by growing demand for grain-fed product. Australia's exports of beef to Vietnam were mainly grass-fed, but grain-fed volumes increased by 51% to 2,280 mt. Large foodservice chains and growing tourism will create opportunities for U.S. beef. Today, many medium and lower-income restaurants are closing, while more high-end restaurants are opening across Vietnam. In addition, the modernization of retail is driving demand for better quality protein options.

Indonesia

- Per Capita Beef Consumption: 2.7 kg *
- Total Beef Imports (not including variety meat) - all sources: 185,346 mt
- Total Beef Variety Meat (BVM) Imports - all sources: 53,909 mt
- U.S. Share of Total Beef/ BVM Import Market: 6%
- Other Beef/BVM Suppliers & Market Shares: Australia 67%, India 17%, New Zealand 5%
- Domestic Self Sufficiency: <50%
- U.S. Beef Exports (not including variety meat): 11,555 mt
- U.S. Beef Variety Meat (BVM) Exports: 2,996 mt
- U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports: 1%
- Customers for U.S. Beef Imports: Processing 15%, HRI 60%, Retail 25%

Philippines

- Per Capita Beef Consumption: 3.9 kg
- Total Beef Imports (not including variety meat) - all sources: 211,458 mt
- Total Beef Variety Meat (BVM) Imports - all sources: 10,172 mt
- U.S. Share of Total Beef/ BVM Import Market: 6%
- Other Beef/BVM Suppliers & Market Shares: Brazil 43%, India 18%, Australia 16%
- Domestic Self Sufficiency: 40%
- U.S. Beef Exports (not including variety meat): 14,678 mt
- U.S. Beef Variety Meat (BVM) Exports: 990 mt
- U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports: 1%
- Customers for U.S. Beef Imports: Processing 10%, HRI 65%, Retail 25%

Vietnam

- Per Capita Beef Consumption: 4.3 kg
- Total Beef Imports (not including variety meat) - all sources: 223,876 mt
- Total Beef Variety Meat (BVM) Imports - all sources: 80,966 mt
- U.S. Share of Total Beef/ BVM Import Market: 1%

- Other Beef/BVM Suppliers & Market Shares: India 75%, Australia 14%, Canada 4%
- Domestic Self Sufficiency: 64%
- U.S. Beef Exports (not including variety meat): 4,144 mt
- U.S. Beef Variety Meat (BVM) Exports: 908 mt
- U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports: <1%
- Customers for U.S. Beef Imports: Processing 5%, HRI 60%, Retail 35%

Top Imported U.S. Beef Cuts: short plate, middle meats, rib and chuck items, some thin meats

Top Imported U.S. BVM Items: livers, kidneys, hearts, tongue, tripe, tendon

Beef Noteworthy Issues include a) Vietnam's non-transparent import requirements for "white offal," and onerous plant and product registration process; b) Indonesia's plant-by-plant application and requirement for on-site audits for plant approval; import license issues; pre-notification requirements; and halal related market access barriers; c) Malaysia's halal requirements and strict plant-by-plant halal approvals; d) Thailand's zero tolerance on residues of ractopamine and heat-treatment requirements; restrictions on access for beef offal; and 50% tariff on U.S. beef while Australia and New Zealand are at 0%; and f) other nonscience-based barriers throughout the region. U.S. beef faces tariff disadvantages throughout the region, while Australia and New Zealand have duty-free access through their ASEAN FTA.

MARKET STRATEGY

Educate key accounts about the quality and value of a wide range of U.S. beef products to a) Further develop the supply chain throughout the market with expanded and more diverse purchases among trade, HRI and retail accounts while connecting U.S. traders and purveyors to these buyers; b) Develop consumer demand for high-quality protein by elevating U.S. beef's image and improving product availability and visibility including on social media; c) Connect small buyers with U.S. traders and purveyors to improve U.S. beef accessibility and open opportunities for U.S. product among underserved customers; and d) Defend relationships with existing buyers and support loyal U.S. product users as they adopt a more diversified approach to reach consumers.

Trade Servicing

- Communication and trade servicing among buyers in southeast Asia can be difficult due to the geographical nature of this region.
- Importers most frequently request promotional support to keep U.S. beef top of mind with both retail and foodservice operators. However, there is a constant need for educational activities among many small buyers across the region.
- Lack of experience with frozen beef often results in mishandling of U.S. product that deteriorates quality, giving U.S. beef a bad reputation. Additional training via the USMEF ASEAN Epicurean Table, a customized training format where USMEF's trained chefs conduct hands-on and individualized workshops with U.S. beef customers, can help improve in-market handling practices.

- Many importers and their customers do not fully understand the importance of applying 'aging' or natural tenderization to frozen beef from the USA, which often leads to complaints that the product does not meet their quality expectations.
- Halal requirements vary greatly among markets in SE Asia. There is significant consumer demand for halal beef in this region. Local importers can help navigate which communities and customers to target for halal-based exports.
- Potential buyers in markets without physical representation from USMEF (i.e. Cambodia, Thailand) are unaware of the supply capabilities and quality attributes in U.S. beef. Maintaining communication, extending educational outreach, and tailoring promotions for importers in these markets is critical to export development.

Strategic Objective:
Build a consistent supply chain for U.S. beef to increase availability and visibility in the market. Identify key accounts in small markets that are underserved by the U.S. beef industry. Work with importers to identify market needs and trends that present opportunities for U.S. beef.

Tactical Response:
Identify key regional opportunities with importer support in each market. Conduct trade servicing activities regularly to establish direct contact with importers and distributors and focus on exchanging market information with potential customers. Reach new buyers via regional tradeshows, social media (LinkedIn), etc. Further develop the U.S. Red Meat ASEAN Product Showcase to include more in-market buyers and U.S. suppliers. Expand educational outreach efforts with the USMEF ASEAN Epicurean Table, reaching importers, distributors, and upcoming culinary professionals in the region.

Traditional Markets, Modern Retail & Ecommerce

- U.S. beef and Australian beef can be found at modern grocery outlets, although many consumers in the region still shop at traditional wet markets where cold chain management is limited.
- Street vendors and small restaurants are the largest purchasers of wet market beef in Indonesia, Cambodia, the Philippines, and Vietnam.
- Thin-sliced products are popular among consumers in this region. Frozen beef is easier to slice, making it a preferred option over chilled for importers and retailers. U.S. beef is taking up more space in the frozen section at modern retail outlets.
- A large base of middle-class consumers in Indonesia shop at upscale supermarkets where U.S. beef has some visibility.
- Warehouse and member club retail formats are performing exceptionally well, taking after trends seen in other markets in Asia.
- Expansion of foreign retailers familiar with U.S. beef such as Aeon (Japan), Don Don Donki (Japan), Fujimart (Japan), Lottemart (Korea), Emart (Korea), and others present opportunities to further penetrate the retail sector.

- Consumers are open to new retail channels including live commerce, grocery delivery, etc. However, food and beverage purchases tend to be less popular on ecommerce platforms compared to other consumer goods. This is an unsaturated segment with room for growth.

Strategic Objective:
Work with importers and distributors to provide merchandising assistance to retailers, helping to promote appropriate meat handling practices (e.g., make frozen meat and the freezer case more attractive). Improve availability and visibility of U.S. product on online and offline channels.

Tactical Response:
Team up with the trade to enhance U.S. beef's retail presence at modern outlets through coordination and collaboration with suppliers and retailers and offer more point-of-sale activities. Include the use of nutritionists, chefs, and consumer-oriented cooking/tasting demos where permitted. Utilize customized tactics for each retailer focusing on corn-fed U.S. beef including tray pack sauces, specialized recipe cards, and other tailored POS material.

Evolving Consumer Preferences & Convenience Products

- Countries across the ASEAN are expected to see significant growth in middle-class consumers. By 2028 forecasts estimate that the number of households with disposable incomes over $25,000 will grow 61% in Indonesia, 80% in Philippines, and 101% in Vietnam. Strong growth will also be seen in Malaysia, Thailand, and Cambodia. (Euromonitor).
- Food safety scandals and rampant corruption are fueling consumer distrust in government agencies and domestic product throughout the region, while consumers become increasingly interested in personal health and nutrition. In general, imported meat from the U.S. has a good reputation among consumers as a safe product.
- "Tenderness" is a top searched word related to beef from consumers in Vietnam. Other suppliers in the market are not marketing "tenderness" for beef. Similarly, other suppliers are not advertising "corn-fed" or "grain-fed" in Indonesia and other markets. U.S. beef has the opportunity to establish an elevated reputation as the first to highlight this feature.
- Consumers are seeking convenience in product selection. Drivers include economic growth and longer working hours, and reduced willingness to spend time cooking. Importers are creating their own ready-to-heat, meal kit, and other convenience-item options to diversify channels.
- Innovative packaging of meat-based ready meals or even frozen meat products could make distribution via kiosks and vending machines a reality for SE Asia.
- Many consumers prefer smaller packages for processed meats that are meant to be purchased more frequently.
- Similar to other Asian markets, convenience stores continue to establish a presence in the region, creating opportunities for ready-made fresh products. Indonesia, Thailand, and Malaysia are forecasted to experience some of the largest growth in convenience store sales in the world by 2028. (Euromonitor).

Strategic Objective:
Identify opportunities for U.S. beef to meet growing demand for processed convenience products, such as ready meals, and work with importers and processors to expand usage of U.S. beef raw material. Establish a high-end reputation for U.S. beef that differentiates U.S. product from the competition and can take advantages of growing tastes for marbled beef.

Tactical Response:
Team up with the trade and processors to enhance U.S. beef's retail presence in convenience products such as frozen ready meals, ready-to-heat items, meal kits, hot meals served at convenience stores, etc. and offer training and promotional support to enhance sales of these items. Additionally, identify opportunities to improve packaging to meet consumer demand for efficient storage. Highlight premium raw material in items using U.S. beef. Use influencers and promotions to educate consumers on the U.S. beef grading system and quality marbling attributes unique to U.S. cornfed product.

Foodservice Trends Pave the Way for Growth in Beef Consumption

- Booming tourism is pushing quality upgrades among hotels and foodservice operators in popular tourist centers. Although it will take time, these upgrades will trickle down to improve demand for high quality among local consumers.
- Hotpot, tonkatsu, Korean BBQ, beef bowl and other Asian cuisines continue to perform well in this region.
- International restaurant brands are popular with consumers who look to these brands for quality and status.
- Affordable steakhouse trends are surging, creating opportunities for U.S. beef. Reflecting polarized trends, high-end steakhouses like Smith & Wollensky are also expanding in the region, tapping into potential in areas in Singapore, Indonesia, etc.
- Beef from Canada and Australia is growing in popularity in Da Nang, a tourism hub in Vietnam. Opportunities to displace competitor products here will require additional trade servicing, education, and exposure.
- Street food options are popular among busy consumers despite lack of safety monitoring. These informal road-side restaurants in the Philippines, called carinderias, are a popular meal option among locals.
- Labor shortages, especially in Singapore, are forcing foodservice operators to utilize more value-added products and alternative cuts to reduce in-house costs.
- Cloud kitchens that are responsible for the preparation or partial-preparation of menu items for delivery, takeaway, and dine-in orders will continue to remain influential in the foodservice arena, especially as operators continue to face challenges such as labor shortages, small venues, etc.
- Lack of infrastructure and education continues to limit growth of beef in this region; however, as consumers become more health conscious, local foodservice operators will adhere to more modern health standards and improve their handling practices.

Strategic Objective:
Keep foodservice operators engaged with U.S. beef, presenting options such as alternative cuts to help reduce raw material costs and adapt menus. Target key food distributors, chefs, purchasing managers and restaurant owners to address company-specific opportunities and challenges, demonstrating support and flexibility to U.S. beef partners within each market.

Tactical Response:
Support foodservice operators with promotional material to drive consumer traffic and maintain demand for U.S. beef. Utilize social media, delivery platform applications, and banner ads to introduce menu promotions to consumers. Conduct seminars and other activities like chef competitions to teach foodservice end-users, including carinderia owners, about the profitability of underutilized U.S. beef cuts and demonstrate innovative cooking options for items such as hanging tender, short plate, heel muscle, and rib fingers. Work with student chefs to introduce the attributes of U.S. beef and continue to build a buyer base among culinary professionals. Partner with culinary schools to build a reputation among students who can later become U.S. beef ambassadors.

Other Key Initiatives

- Engage with consumers directly via social media campaigns, livestreamed recipe videos, consumer events, educational booths, etc. to drive awareness of U.S. beef and position the U.S. as a safe and trustworthy protein supplier.
- Emphasize the benefits of grain-fed U.S. alternative cuts (vs. grass-fed traditional cuts from other sources) in this developing region.
- Educate processors on using U.S. beef variety meat such as hearts and livers as standard input material. Seek out opportunities to promote other variety meats, such as tripe and tendon in traditional or local recipes.
- Explore expanded use of sirloin and round cuts. Increase the market for >30-month and no-roll items.
- Monitor the presence of plant-based alternative meats debuting in markets such as Singapore and Malaysia where these products are growing in popularity in both retail and foodservice.

*2024 import and market share data are based on import data of Indonesia and the Philippines (from TDM) and reported exports to Vietnam (excluding from HK). U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau. *Based on USMEF estimates.*

Measurable Objectives:

Measurable Objective #1
84% of targeted trade accounts will report that they understand the profit potential of and have a favorable attitude towards U.S. beef based on information provided by USMEF.

*Note, increase in target accounts

Measurable Objective #2
90% targeted HRI accounts will report that they understand the unique quality and profit potential of U.S. beef compared to competing products based on information provided by USMEF.

Measurable Objective #3
95% of targeted HRI accounts will regularly feature/promote U.S. beef on their menus.

*Note, increase in target accounts

Measurable Objective #4
100% of targeted retail accounts will report that they understand the quality attributes of U.S. beef based on information provided by USMEF.

Performance Efficiency Measures:

N/A for Foreign Marketing ARs

LRP Initiatives Addressed by this Tactic:

Drive Growth in Beef Exports

- Identify and address export customer needs and values
- Collaborate with targeted partners to promote U.S. beef in foreign markets
- Invest in research, marketing and education programs

Checkoff Program Committee(s): International Marketing

Tactic C | 2640-FM
Caribbean

TACTIC DESCRIPTION:

MARKET ASSESMENT

In 2024, U.S. beef and beef variety meat exports to the Caribbean (excluding the Dominican Republic) increased by 25% to a record-high 22,096 mt. Export value to the region was also record high at $163 million, up 10% year-over-year. U.S. beef exports to the Caribbean historically have leaned heavily on tourism and the high-quality beef demand within the foodservice sector. 2024 was a successful year for the tourism industry in the Caribbean. According to the Caribbean Hotel and Tourism Association, the industry saw revenue increases across the board in 2024, including food and beverage sales. Tourism continued to expand in 2024, as international tourist arrivals reached 34.2 million, per the Caribbean Tourism Organization (CTO).

Compared to 2023, this is a 6.1% increase and is a 6.9% increase from pre-pandemic levels. These increases are largely being driven by continued strong demand from U.S. and Canadian tourists and improved air connectivity to the region. Economic growth has been notably strong in several Caribbean destinations, including Turks & Caicos, Aruba, Bonaire, Curaçao, Guyana, and the Cayman Islands. Airlines are expanding their routes to the region, while hotel chains and retailers are increasing their presence both in existing markets and in new locations. This economic recovery and heightened demand, as well as concerns around inflation and higher purchasing costs, have led to price increases in the HRI sector, with businesses no longer heavily relying on promotional deals to attract customers. Tourists are also facing inflationary pressures, and as a result are turning to all-inclusive resorts and second-tier hotel chains to manage costs. These resorts, along with the rising popularity of BBQ cuisine and live fire, present an opportunity for U.S. beef alternative cuts like bottom sirloin flap, chuck rolls, coulotte, tri-tip, and chuck flap. Additionally, resort kitchens catering to tourists and staff require a range of beef products, from premium steaks to more budget-friendly cuts and processed items. Consequently, the Caribbean represents a lucrative market for a diverse array of U.S. beef products. The region still faces difficulties in finding skilled and experienced labor, underscoring the importance of training new staff in understanding the quality and versatility of U.S. beef, as well as the value of portion control.

While the tourist-centered foodservice sector is the major driver for sales of high-quality, high-end U.S. beef, more cost-effective cuts are also available at foodservice and retail outlets geared towards the local populations. In regions where frozen U.S. beef is sold in retail settings, it typically comes in portion-controlled steaks, burgers, or variety meats including oxtail, feet, liver, and kidneys. Local consumers are generally more price-sensitive, demonstrating the importance of emphasizing the quality of U.S. beef to justify its higher cost. At the same time, there is a growing interest among affluent ex-pats in branded products and premium value-added options at retail, such as dry-aged, all-natural, or upper-choice beef. There is potential to expand the presence of U.S. beef and tap into new markets, especially in areas experiencing economic growth like Guyana. Opportunities also remain for expanding market access in

Belize, the French West Indies, and potentially Cuba. Buyers in the region typically make small purchases, and there remains a need for additional support from traders or purveyors to consolidate shipments.

Bahamas

- Per Capita Consumption: 14.4 kg *
- Total Beef Imports (not including variety meat) - all sources: 4,123 mt
- Total Beef Varity Meat (BVM) Imports- all sources: 469 mt
- U.S. Share of Total Beef/BVM Import Market: 77%
- Other Beef/BVM Suppliers & Market Shares: Brazil 22%, Canada 1%, Turkey <1%
- Domestic Self Sufficiency: <1%*
- U.S. Beef Exports (not including variety meat): 3,198 mt
- U.S. Beef Variety Meat (BVM) Exports: 324 mt
- U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports: <1%
- Customers for U.S. Beef Imports: Processing <1%, HRI 69%, Retail 30%

Jamaica

- Per Capita Consumption: 7.4 kg *
- Total Beef Imports (not including variety meat) - all sources: 9,951 mt
- Total Beef Varity Meat (BVM) Imports- all sources: 6,152 mt
- U.S. Share of Total Beef/BVM Import Market: 23%
- Other Beef/BVM Suppliers & Market Shares: Brazil 21%, EU-27 17% (Ireland 17%), Australia 16%
- Domestic Self Sufficiency: 34%*
- U.S. Beef Exports (not including variety meat): 1,561 mt
- U.S. Beef Variety Meat (BVM) Exports: 2,126 mt
- U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports: <1%
- Customers for U.S. Beef Imports: Processing 60%, HRI 20%, Retail 20%

Top Imported U.S. Beef Cuts: top and bottom sirloin, inside round, strip loin, rib eye, ground beef, tenderloin, short ribs

Top Imported U.S. BVM Items: liver, kidney, feet, oxtail

Beef Noteworthy Issues include a) Jamaica's excessively high import duties on U.S. beef at 40% ad valorem plus a 33% additional stamp duty and a 15% general consumption tax. Note: exemptions can be applied for through the "Omnibus" program.

MARKET STRATEGY

Keep U.S. beef top-of-mind among buyers in the Caribbean by distinguishing its quality, consistency and eating experience. Reinforce U.S. beef as an excellent source of dietary protein while educating consumers and easing concerns surrounding sustainability, food safety, and health in order to a) Defend market share against the competition and other alternative protein sources; b) Further develop demand for a wide range of items, especially those targeted for high-end food service and BBQ concepts, and continue to displace

competitor product; and c) Support foodservice sector development boosted by tourism while leveraging momentum at retail for high-quality and affordable meat options for Caribbean consumers.

Tourism and the Foodservice Sector

- In 2024, international tourism to the region reached 34.2 million according to the Caribbean Tourism Organization (CTO), which is a 6.1% increase over 2023 and a 6.9% increase from pre-pandemic levels. However, as many restaurants have been forced out of business over the past few years and as new restaurants open and a new labor force is employed, educating HRI, importers and end users about high-quality U.S. beef remains as important than ever.
- The Caribbean islands are home to many all-inclusive resorts that are attractive to travelers seeking value in the face of inflationary pressures.
- Improved travel conditions are creating opportunities for increased tourism to the region. Greater flight availability, safety and proximity to the U.S. is a driver for U.S.-based tourists.
- Restaurateurs are seeking affordable cuts while retaining well-marbled characteristics. To some, affordability means going back to breaking down subprimals—so it is important to demonstrate the real cost/value equation.
- There is growing interest in portion-controlled cuts (i.e. pre-cut or steak-ready) that reduce labor and excess trim costs for those with labor issues. However, back-of-house training is still needed for new staff—especially on how to properly handle, cook and slice cuts for maximum palatability.
- Foodservice operators express a need to differentiate, presenting potential for U.S. beef specialty brands and alternative cuts.
- As price volatility and variable supply present problems for promotional planning, foodservice operators are becoming more interested in alternative cuts as a way to save on costs. U.S. beef has an advantage, because U.S. beef alternative cuts provide consistent, high-quality performance in foodservice.
- Alternative cuts also present an opportunity for resorts to add an affordable protein to menus developed for staff.
- HRI buyers have inquired about ways to use high quality beef to improve locally-made burgers so it is important to highlight the premium burger trend in the U.S.
- The BBQ trend continues to thrive, with brisket and short ribs appearing on more menus, and chef willingness to use different BBQ techniques driving menu and cut diversification to include cuts such as top and bottom sirloin, coulotte, tri-tip, and chuck clods or rolls.
- Chefs trained in the Caribbean region often go on to work in other regions of the world and contribute to a general broadening of the culinary influence.

Strategic Objective

Maintain a presence for U.S. beef on restaurant menus by illustrating the cost benefits of purchasing underutilized U.S. beef cuts at the highest possible/affordable quality grade, along with maximizing cut variety from existing inventory.

Tactical Response

Work closely with the foodservice industry to position U.S. beef in menus for returning tourists. Proactively partner with foodservice operators as a source of product and service ideation. Train chefs on value cuts such as bottom sirloin flap/tri-tip, brisket, chuck eye roll, shoulder clod and top sirloin, reiterating the impact of quality and consistency on profitability while offering support with menu development and methods to differentiate between foodservice outlets. Demonstrate the value equation on portion control and "new looks for old cuts". Support a small box program for price sensitive shoppers. Support targeted restaurant promotional efforts.

Transitioning Retail

- A more global and culinary approach to cooking created opportunities for targeting local consumers at retail with promotions for affordable secondary cuts.
- Expansion into the retail sector is targeting both price sensitive locals and affluent ex-pats.
- U.S. beef variety meats, such as beef liver, kidneys and oxtail, can be found at retail.
- Consumers are increasingly focused on healthy and active lifestyles, presenting opportunities to reinforce the benefits of U.S. beef as a primary source of protein.
- Retail outlets continue to transition from frozen to chilled beef products but are challenged with a "frozen" mindset often thinking slacking product is a solution.
- Retailers face issues such as shrink, inconsistent cold chain infrastructure, price volatility and high employee turnover or lack of skillset.
- There is new demand for smaller case-ready cuts – both fresh and frozen.
- With tourism recovery, demand for high-quality value-added products such as dry-aged, all-natural, or upper-choice beef has continued to rise in the retail marketplace. There is also a resurging interest in branded products.
- Anti-U.S. sentiments and a popular focus on 'buy-local' lingo with local populations present a challenge for country of origin labelling at the retail level.
- Consumers want to see brands on products for the story and transparency. U.S. beef brands are expanding in the market.
- There is demand for premium ground beef at retail which can be obtained by in-house grinding of U.S. chuck eyes and shoulder clods or importing 10 lb chubs to cut into burgers or further grind/fluff up.

Strategic Objective

Build retailer confidence by educating employees on the value/quality benefits of U.S. beef, train staff on proper handling and marketing of products, and support the launch and merchandising of value-added or niche high-quality chilled items.

Tactical Response

Continue to train retailers and their employees on proper merchandising techniques by incorporating store walk-throughs and audits into tailored seminars and workshops. Work with retailers to embrace brands and quality messaging as part of their marketing strategies and demonstrate proper cold storage and handling techniques to maintain product quality. Communicate with the importer on how to handle quality issues and manage inventory. Expand U.S. beef from the meat aisle to tie in with other promotional offers and complimentary products. Enhance point of sale messaging to emphasize U.S. beef as a primary source of protein for an active and healthy lifestyle. Conduct test "models" with Massy Group, one of the most prominent retailers in the region, to measure sales potential.

Reaching Buyers Online

- A wide range of social media influencers reach significant numbers of consumers in the region.
- The region has a large number of highly trained and influential chefs that have a strong following both online and offline.
- The key role that tourism plays in the Caribbean foodservice sector places a greater importance on capitalizing on social media opportunities and trends, as guests enjoy sharing their experience with friends and family at home. This contributes to the creativity of menus and presentation.
- Consumers still need training on U.S. beef attributes and proper cooking techniques required to maximize the eating experience of high-quality beef.
- BBQ and grilling techniques remain extremely popular and create a natural opportunity to promote the regional variations of U.S. barbeque to consumers.

Strategic Objective

Position U.S. beef to consumers as a tool to achieve a healthy lifestyle while providing content to ensure that its quality is maximized on the plate. Demonstrate a variety of barbeque/grilling techniques to chefs, retailers, and their customers to increase sales of appropriate mainstream and lesser-known U.S. beef cuts.

Tactical Response

Continue developing a USMEF Caribbean online presence and social media community to engage trade partners and importers, as well as provide a platform for increasing engagement with Caribbean consumers. Leverage social media as a method to reach U.S. beef consumers while providing them with a wide variety of resources to draw upon in creating high-quality meals. Where appropriate, partner with well-known fitness and culinary influencers to amplify health-related and culinary messaging of U.S. beef to consumers. Integrate offline retail promotions with online content. Create a community of chefs and retail operators who are eager to both learn and share the knowledge they have gained about how to properly utilize U.S. beef to maximize profitability in their businesses.

New Cooking Styles

- Locals predominantly use slow cooking methods and stew recipes for beef due to the traditional availability of low-quality beef and the attractive price point of stew meat.
- Increased availability of high-quality beef has spurred interest in other cooking techniques like grilling and barbecuing, although BBQ is still excluded from many culinary training programs and BBQ training in HRI is inconsistent.
- Retailers are seeking to introduce new items suitable for the grill, pan-grill, automated pressure cooker & air fryer. Shareable dishes/small bites are becoming more prevalent due to factors related to convenience and flexibility for kitchen staffs. Bowls/one pot meals and small plates are increasing in popularity, especially if leftovers can be utilized in lunches for family.

Strategic Objective

Demonstrate a variety of grilling techniques to chefs, retailers, and their customers to increase sales of appropriate mainstream and lesser-known U.S. beef cuts suitable for sous vide, grilling, automated pressure cooker, and air-frying and move consumers away from just stewing meat.

Tactical Response

Develop educational materials for the meat case that include recipes promoting "Protein Power" concepts and provide training for meat department staff on promoting cuts for grilling. Encourage integration of formal barbecue courses into local culinary curriculums and partner with pit-master experts to improve the quality of BBQ training. Introduce the popular air-fryer, automated pressure cooker, or fast and slow cooker methods to replace the stewed meat concept and develop menus around "one meat, many applications."

Other Key Initiatives

- Continue the launch of a comprehensive culinary school curriculum with the help of influential chefs from the region, including a Contemporary Caribbean Cuisine (CCC) textbook and video training series, that promotes a contemporary interpretation of traditional Caribbean cuisine that places U.S. beef at the center of the plate.
- Maintain and support a CCC portal for students and instructors containing all elements needed to successfully roll out the curricula at the participating culinary schools.
- Facilitate communication between potential buyers and U.S. suppliers via participation in events such as the USMEF Latin America Product Showcase and Americas Food and Beverage Show. Also, participation in USMEF member shows when heavily attended by Caribbean buyers and on-island distributor shows when invited to attend.
- Bring together influential chefs within the region to educate and train new and up-and-coming chefs on creative applications of U.S. beef in contemporary Caribbean cuisine.
- Promote U.S. beef as a guilt-free premium source of protein and dietary tool for promoting good health via a "pack more protein on your plate" theme.

- Educate chefs and consumers about regional American barbeque techniques to capitalize on the popularity of Caribbean barbeque (traditionally focused on ribs and chicken) to tie in U.S. beef as a flavorful component of an authentic experience.
- Introduce smoking and grilling techniques outside of barbecue applications and focus on how it can work as a flavor infuser by showcasing its potential use with different cuts such as prime rib, tri tip, and coulotte.
- Elevate the image of U.S. beef, focusing on recapturing the memories of great steak eating moments to recreate positive consumer experiences.
- Focus on pairing and promoting U.S. beef with other complimentary products at both retail and through training foodservice establishments.
- Enhance buyer understanding of the U.S. beef grading system and highlight the value/price relationship between quality grades and affordable cuts.
- Present the maximum SKUs (individual items) from each cut and identify ways distributors can work with their customers to broaden menu and retail offerings.
- Demonstrate the profit potential of case-ready and portion control products (e.g. strip, ribeye, top sirloin, burgers and flat iron) to retail and HRI accounts, plus share new co-product ideas— beyond vein steaks— like “in-betweeners”, tenderloin tips and tails, and trim.
- Work with retailers to review their fabrication and storage facilities, meat case setup, pricing, and product labeling and provide recommendations for improvement to maintain the integrity of U.S. beef products, reduce consumer confusion, and increase sales.
- Support the development of a modern cold chain and educate buyers on proper handling techniques.
- Reinforce the U.S. beef story of farmers and ranchers, aligning with consumer interests in brand stories.
- Continue groundwork on getting U.S. beef product into the FWI directly instead of through the EU and support the introduction with seminars, receptions, and promotions.

*2024 import and market share data is based on reported exports to the Bahamas and Jamaica (from TDM), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau. *USMEF estimates based off of rough production estimates and trade data from TDM.*

Measurable Objectives:

Measurable Objective #1
88% of targeted importers/distributors will report that they understand the supply, quality, value relationships of U.S. beef based on information provided by USMEF.

Measurable Objective #2
88% of targeted HRI distributors will promote new ways to use popular cuts or an alternative cut of U.S. beef to their customers.

Measurable Objective #3
96% of targeted retailers will report that they understand proper cold chain management, handling, and merchandising of U.S. beef.

Performance Efficiency Measures:

N/A for Foreign Marketing ARs

LRP Initiatives Addressed by this Tactic:

Drive Growth in Beef Exports

- Identify and address export customer needs and values
- Collaborate with targeted partners to promote U.S. beef in foreign markets
- Invest in research, marketing and education programs

Checkoff Program Committee(s): International Marketing

Tactic D | 2640-FM
Central America

TACTIC DESCRIPTION:

MARKET ASSESMENT

In 2024, beef and beef variety meat exports to Central America totaled 21,746 mt, up 3% and a record year, and value increased by 7% to a record-high $160 million. Exports to the Dominican Republic also hit a record high in 2024, up 6% to 10,253 mt, and value increased by 11% to a record-high $120 million. The implementation of CAFTA-DR and the U.S.-Panama FTA has opened up new avenues for exporting premium cuts of U.S. beef and beef variety meats to Guatemala, the Dominican Republic, Costa Rica, Panama, Honduras, El Salvador, and Nicaragua. By eliminating tariffs on top-quality beef, these agreements have made American products more accessible to consumers in the region. Currently, the United States stands as the sole provider of high-quality beef to these markets. The advantages of the CAFTA-DR, coupled with a decrease in domestic beef self-sufficiency in the region and a resurgence in tourism, are fueling significant opportunities for expanding the market share of U.S. beef across Central America.

In 2024, FAS revised Guatemala's historical beef production data down significantly, which impacted USMEF's previous calculations on self-sufficiency. According to the updated estimates from FAS, Guatemala's beef production dropped 4% to 43,000 mt carcass weight in 2024, the lowest level in recent years. FAS forecasts that production will decrease 2% in 2025. Guatemala's self-sufficiency has been on a long-term decline, and in 2024, self-sufficiency reached a new low of 61%, down from 64% in 2023 and 72% in 2019. After increasing by 20% in 2023, Guatemala's total beef and variety meat imports increased by another 6% in 2024 to a record 24,089 mt. The U.S. surpassed Nicaragua as the top supplier to the market in 2020. U.S. market share edged down from 43% in 2023 to 42% in 2024, and Nicaragua's market share decreased from 40% to 37% as the DR's share increased from 6% to 9%. Imports are accounting for a larger share of consumption, and U.S. beef alone accounted for 20% of Guatemala's total beef consumption in 2024, a new high. This was up from 19% in 2023 and 12% in 2019. In 2024, per capita consumption was down 2% to 3.8 kg carcass weight as record imports did not fully offset the decrease in production. Per capita consumption was at the lowest level in recent years due to the long-term decline in beef production but imports per capita were record high at 1.8 kg carcass weight, up 4% from 2023 and up 19% from 2019. Product mix is mainly middle meats (ribeyes, NY strips, tri-tips, tomahawks) and coulottes along with chuck cuts, and USMEF continues to support importer and end user education on more economical alternative cuts including rounds. USMEF continues to tie promotions to popular grilling trends, and in 2025, USMEF will use its food truck to expand promotional activities geographically outside of Guatemala City, partnering primarily with restaurants. The tourism sector is a growing driver for the market in Guatemala, with tourism contributing 10% to GDP. In 2024, tourist arrivals increased by 15% from 2023.

Total beef and variety meat exports to the DR were record large for the third consecutive year in 2024 at 11,543 mt in 2024, up 12% year-over-year. The growth was driven by a notable increase in beef variety meat exports from Spain (922 mt, up from 0 mt in 2023) and another year of record volumes of total beef and beef variety meat from the U.S. (10,096 mt, +4%). The EU has free access to the DR only for beef variety meats and not beef muscle cuts through its EPA with CARIFORUM. Depending on the country, hanging tender, outside skirts, and inside skirts can be classified as variety meats, and those are the cuts that Spain is sending to the DR at zero duty under the beef variety meat HS code. These cuts are destined for all-inclusive resorts, including for Spanish chains like Riu and Ibis that operate in the DR. U.S. unit export values of beef to the DR jumped by 41% in 2024, opening some opportunity for EU hanging tenders and skirts. But even at record price levels, exports from the U.S. to the DR reached a new record volume in 2024, and U.S. beef maintained 95% market share of beef muscle cut exports. U.S. beef accounted for 18% of total beef consumption in the DR in 2024, a new high and up from 16% in 2023 and 12% in 2019.

Brazilian beef gained access to the market in August 2023. In 2024, the only reported exports from Brazil were 39 mt in December which are subject to the full 40% duty. Domestic production has been on a long-term downtrend, but FAS estimates that production rebounded somewhat in 2023 and 2024. 2024 production was up 3% year-over-year to 65,000 mt carcass weight, and FAS expects production to hold at that level in 2025. Self-sufficiency was 86% in 2024, down from 89% in 2019 and 90% in 2014. Per capita consumption was 6.7 kg, up 2% year-over-year in 2024, but per capita consumption remains well below historical levels in-line with the decrease in domestic production, signaling further room for import growth. For example, per cap consumption ten years ago was 8.5 kg. Imports per capita were record high in 2024 at 1.2 kg, up 9% from 2023 and up 45% from 2019. The DR is the largest economy in the Caribbean, and the Economist is projecting 5% GDP growth in 2025 following 2% growth in 2024. The DR continues to be a standout tourist destination, and the sector is dominated by all-inclusive hotels. Tourist arrivals reached a record 11.2 million in 2024, up 6% from 2023 and up 32% from 2019. Most visitors were from the U.S. and Canada, but there has also been growth in visitors from South America – including from Colombia, Ecuador, and Argentina. Most all-inclusive hotels use U.S. Choice beef or higher, and U.S. beef is also being utilized more by high-end restaurants. Hotels use U.S. marinated inside skirts along with flap meat and the whole chuck.

Dominican Republic

- Per Capita Beef Consumption: 6.7 kg
- Total Beef Imports (not including variety meat) - all sources: 10,077 mt
- Total Beef Variety Meat (BVM) Imports - all sources*: 1,457 mt
- U.S. Share of Total Beef / BVM Import Market: 88%
- Other Beef/BVM Suppliers & Market Shares: EU-27 8% (Spain 8%), Guatemala 4%, Brazil <1%
- Domestic Self Sufficiency: 87%
- U.S. Beef Exports (not including variety meat): 9,587 mt
- U.S. Beef Variety Meat (BVM) Exports*: 666 mt
- U.S Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports: 1%
- Customers for U.S. Beef Imports: Processing 10%, HRI 60%, Retail 30%

Guatemala

- Per Capita Beef Consumption: 3.8 kg
- Total Beef Imports (not including variety meat) - all sources: 23,077 mt
- Total Beef Variety Meat (BVM) Imports - all sources*: 1,012 mt
- U.S. Share of Total Beef / BVM Import Market: 42%
- Other Beef/BVM Suppliers & Market Shares: Nicaragua 37%, DR 9%, Costa Rica 7.5%
- Domestic Self Sufficiency: 62%
- U.S. Beef Exports (not including variety meat): 9,027 mt
- U.S. Beef Variety Meat (BVM) Exports*: 547 mt
- U.S Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports: 1%
- Customers for U.S. Beef Imports: Processing 10%, HRI 60%, Retail 30%

Top Imported U.S. Beef Cuts: strip loin, outside skirt, coulotte, flatiron, round, clod, gooseneck, inside skirt, ribeye bone-in, short loin, tri-tip, flap meat, short ribs, brisket
Top Imported U.S. BVM Items: liver, tripe, sweet breads

Beef Noteworthy Issues include a) regulations in Panama and Costa Rica that do not allow for frozen meat to be thawed for sale at retail; b) Decree 255 in Panama and its potential impact to place shelf-life and other concerning restrictions on product entering the country; c) Panama's domestic producers contend that the Panama Trade Promotion Agreement results in unfair competition for the domestic industry and advocate for renegotiation; and d) zero tolerance for Salmonella spp. for imports entering Nicaragua.

MARKET STRATEGY

Aggressively develop and grow the market through a strong emphasis on educating the trade and end-users across multiple sectors on the unique quality, consistency, and profit potential of grain-fed U.S. beef, while defending existing U.S. market share from lesser-quality competitor product. Introduce value cuts and the appropriate suppliers to buyers throughout the region to build demand and foster export growth. Partner with key importer, foodservice, and distribution buyers to position U.S. beef in restaurant and tourism reopening.

Favorable Access

- The U.S.-Panama FTA presents increased export opportunities for both top-graded cuts and variety meats.
- The U.S. benefits from full duty-free access under CAFTA-DR, and all duties in Panama will be reduced to zero in 2026.
- Decreased domestic supplies presents opportunities for U.S. beef; however, Nicaragua is a significant supplier to the region despite declining market share.

Strategic Objective

Leverage the benefits of the region's FTAs by identifying niche HRI and retail segments for high-grade U.S. beef, to build consumer familiarity with the product and increase demand in segments willing to utilize variety meats.

Tactical Response
Develop region-wide programs with large regional retailers such as Walmart and local retail chains and aggressively pursue new sectors to move a variety of products.

Opportunities in Diverse Retail Segments

- Although retail in the region is still modernizing, major players, such as Walmart, are continuing to invest and expand in the region.
- Trendy meat boutiques are beginning to offer high-end cuts, including: T-bone, porterhouse, tomahawk, cowboy, ribeye, striploin, flank steak, etc.
- Traditional wet markets still present vast opportunities for variety meats in this region.
- U.S. high grade beef competes with the price of domestic Nicaraguan beef products.
- Training is key as most buyers are not well-versed in the unique attributes of U.S. beef, and inexperience in proper meat handling hinders perceived quality.
- Consumers are generally accustomed to low quality domestic beef and need education on the culinary advantages of U.S. beef as well as new ways to prepare and utilize it so as not to overcook and jeopardize the eating experience.

Strategic Objective
Educate buyers on the U.S. beef products available to expand their portfolios and train them on proper meat merchandising techniques and cold chain practices for optimal yields and profits. Educate final consumers through cooking classes inside of meat boutiques, encouraging them to properly prepare high-end cuts with a focus on differentiating U.S. beef based on marbling and consistency attributes versus lower quality domestic product to eventually increase demand. Expand reach of retail-focused activities to second-tier cities within the region. Leverage technology into education efforts to maximize reach and engagement.

Tactical Response
Conduct activities to develop new business by directly bringing local buyers together with U.S. suppliers, while also providing training on handling and merchandising of unfamiliar cuts, and further supporting downstream buyers with USMEF's "continuous improvement program" to enhance presentation techniques and handling practices at the retail level. Conduct goodwill activities to support retail recovery.

Foodservice Growth

- The foodservice sector has benefited from the booming tourism industry as countries throughout the region are conducting promotional campaigns to increase both domestic and international tourism.
- Home delivery capabilities and infrastructure are improving, though training is necessary to ensure that quality is maintained through preparation and packaging in reaching the consumer.
- Importers that primarily supplied the foodservice sector have needed to diversify their customers in order to stay in business, including direct-to-consumer home delivery.

- Sunday Brunch is a popular dining trend for families in the Central America Region, with many high-end hotels competing with creative offerings.
- A need for “price friendly” cuts is still prominent in this region, especially with rising beef costs. Restaurants could benefit from adding value cuts to menus such as clod, chuck tender, top sirloin butt, and brisket.
- Traditionally, local beef is cooked “medium-well” and marinated, while U.S. beef cooked “medium” offers the same taste quality without requiring extra prep.
- Costa Rica and Panama have the highest per capita incomes, where consumers are more likely to break traditional eating habits and dine out more often.
- Growing tourism, especially to Dominican Republic, presents opportunities for U.S. beef in meals at resorts for guests and staff alike.
- Foodservice importers are creating their own training kitchen centers to teach their customers about the characteristics that distinguish American beef and how to properly handle the product for the best yields.

Strategic Objective
Position U.S. beef as a quality differentiator in a concerted effort to drive foodservice recovery after the economic devastation of the coronavirus pandemic. Assist leading importers and distributors in sourcing additional U.S. beef cuts and introduce foodservice buyers to a diverse set of value cuts while emphasizing proper cooking techniques to maximize taste and tenderness.

Tactical Response
Demonstrate trade servicing advantages to directly support importers of U.S. beef. Provide cutting and cooking training on specific cuts to help foodservice operators improve their menu options and reach a wider range of consumers. Conduct goodwill activities to support the foodservice sector recovery.

Consumer Awareness
- Consumers are increasingly interested in trends such as grilling and barbecuing as both a social activity on the weekends as well as a method of preparation for meals during the week.
- B2C ecommerce sales channels have continued growing, even as traditional sales channels have returned to normal operations.
- Consumers are using social media, mobile apps, and following popular online influencers more and more to learn about food trends, dining options, nutrition and various preparation methods.
- Health and nutrition are important considerations for consumers as it relates to menu choices and presents U.S. beef with an opportunity to align consumer messaging with health-related branding.

Strategic Objective
Because U.S. beef is significantly different in various attributes to domestic grass-fed beef, educate consumers with easy to digest content on the quality attributes and proper ways to prepare U.S. beef to maximize its appeal. Foster customer loyalty to retain existing customers.

Tactical Response

Utilize digital marketing channels to segment consumers to create targeted marketing programs that reach new demographics with information and education that encourages consumption of U.S. beef. Carry out consumer-facing in-person activities that educate consumers on the unique attributes of U.S. beef.

Other Key Initiatives

- Proactively engage the foodservice and tourism sectors to re-introduce U.S. beef to consumers eager to spend, particularly as tourism in the region continues to increase to record levels.
- Utilize regional web presence as a virtual platform for educational programs focused on grilling and smoking.
- Focus on building relationships with integrated importers, processors, and distributors to maximize efficiency in training and create the most impact in downstream sectors.
- Engage key importers in the region with webinars and in-person seminars that inform them on marketing trends, industry updates and the economic outlook.
- Connect and engage Central American buyers of U.S. beef with suppliers and exporters through relationship building opportunities such as the Latin American Product Showcase and other trade shows and networking events.
- Encourage education on the U.S. beef industry by working with nutritionists and other experts to develop courses to be included in culinary school programs.
- Help importers, distributors and retailers take advantage of and maximize ecommerce purchasing trends, through paid social media campaigns, targeted promotions and technical assistance.
- Collaborate with regional distributors, retailers, and restaurateurs to promote USDA Choice beef to end consumers to build customer loyalty and differentiate quality U.S. beef from the competition.
- Introduce the trade and their downstream customers to lower-cost alternative cuts (e.g., chuck tender, shoulder clod, top sirloin butt) to address relatively high beef prices.
- Further advance channel development in the region and build demand by broadening the reach of educational programs to more countries and into more locally owned supermarket and meat shop chains.
- Work with the Dominican Republic foodservice sector to increase use of value cuts, especially at resorts for both guest and staff meals, and target new retail chains to further expand the market. In addition, work with processors to target the local market with more affordable, processed products.
- Educate the trade as well as new segments of consumers on various cooking applications such as barbeque techniques to expand the range and volume of U.S. beef cuts through barbeque challenges and chef competitions.
- Continue expanding social media engagement and reach with channels dedicated specifically to the Central American region, targeting local consumers.

- Promote a consumer facing U.S. Meat mobile app that will serve as a platform for recipe content, U.S. beef promotions, customer loyalty initiatives and educational campaigns.
- Further develop initiatives that pair influential online celebrities to promote the positive nutritional aspects of U.S. beef along with content that encourages consumers to improve their skills and knowledge related to preparing meals with U.S. beef in a wide variety of ways.

*2024 import and market share data is based on import data of Guatemala and reported exports to the Dominican Republic (from TDM), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau. * Historical discrepancy between import data and U.S. export data for Guatemala beef variety meat.*

Measurable Objectives:

Measurable Objective #1
65% of targeted importers/distributors will consistently source and successfully promote U.S. beef to their downstream customers.

*Note, increase in target accounts

Measurable Objective #2
73% of targeted HRI accounts will report that they understand the quality and profit potential of U.S. beef based on information provided by USMEF.

*Note, increase in target accounts

Measurable Objective #3
90% of targeted retailers will consistently incorporate suggested merchandising methods to promote the quality attributes of U.S. beef.

Performance Efficiency Measures:

N/A for Foreign Marketing ARs

LRP Initiatives Addressed by this Tactic:

Drive Growth in Beef Exports

- Identify and address export customer needs and values
- Collaborate with targeted partners to promote U.S. beef in foreign markets
- Invest in research, marketing and education programs

Checkoff Program Committee(s): International Marketing

Tactic E | 2640-FM
China / Hong Kong

TACTIC DESCRIPTION:

MARKET ASSESMENT

China imported a record large volume of beef from all suppliers again in 2024 – importing 2.920 million mt. U.S. beef export volume to mainland China declined 5% in 2024 to 179,464 mt. Exports to Hong Kong also declined to 36,139 mt. Despite the overall decline in exports to China/Hong Kong, this region was still the fourth-largest market for U.S. beef on a volume basis. Value of U.S. beef exports declined 2% in 2024 to just under $2 billion, although China/Hong Kong remained the second-largest export market for U.S. beef on a value basis. U.S. beef still has minority market share in China- making up only 5% of imported beef in 2024, down from 1% in 2020.

The U.S. is the top supplier of grain-fed beef to China, accounting for a dominant share of grain-fed imports but just 5% of China's total imports. Grain-fed imports are estimated to have accounted for roughly 16% of China's total imports in 2024, up from just 4% in 2020. U.S. beef accounted for about 37% of China's grain-fed beef imports at 160,377 mt, widely surpassing the close to 98,000 mt of grain-fed beef from Australia (which was a new high for Australia). But USMEF China estimates that close to 100,000 mt of grain-fed beef came from Argentina last year, along with nearly 50,000 mt from Uruguay. This product is different from grain-fed from the U.S. and Australia but is gaining a foothold in the price-sensitive Chinese market.

The majority of beef imported into China is grass-fed, primarily sourced from South American suppliers such as Brazil, Argentina, and Uruguay. Imports of Australian grass-fed beef have declined due to intense competition from South America. South America remains heavily dependent on the Chinese market, with China accounting for 47% of Brazil's beef exports and 64% of Argentina's in 2024. Both short-fed and medium-term grain-fed beef from South America, although unable to match the stability of supply and quality of U.S. beef and typically graded by the number of grain feeding days, which is quite different from the consistency and credibility of the USDA grading system, have been gaining market share in China due to their highly cost-effective prices that fit well with the current trend of consumption downgrading in the country. However, Chinese demand remains relatively strong for a wide range of grain-fed cuts from the U.S., including short plate, short ribs, chuck short ribs, top blade, rib fingers, chuck roll, heel muscle, hanging tender, and variety meats like omasum and aorta.

As the world's largest beef importer, China still maintains relatively low per capita consumption—just 8.1 kg—highlighting substantial growth potential (compared to 18.3 kg in Korea). With the second-largest population globally (after India), rising incomes, an expanding middle class, and increasing demand for premium products, China represents a promising long-term export market, particularly given its limited domestic beef production. Despite headwinds such as weak consumer confidence and sluggish economic growth, demand for grain-fed beef in China remained resilient throughout 2024. U.S. beef continues to perform strongly in premium dining segments—including hot pot, yakiniku, and

Korean BBQ restaurants—as well as in modern retail outlets like Sam's Club, where it stands apart from the lean commodity beef that dominates the market. Grain-fed beef accounted for roughly 10% of China's total beef imports in 2024, up from just 4% in 2020. The U.S. supplied 57% of these grain-fed imports in 2024, significantly outperforming Australia. Canada, another key grain-fed exporter, has remained absent from the Chinese market since the end of 2021, following its suspension due to an atypical BSE case. Russia is also exporting grain-fed beef to China (20,914 mt) and Argentina and Uruguay are exporting some as well, but the majority remains grass-fed.

U.S. beef regained access to mainland China in mid-2017; however, this access was short-lived and limited, as retaliatory tariffs—beginning in July 2018—imposed additional duties on U.S. beef exports. Despite these challenges, market access improved significantly with the implementation of the U.S.-China Phase One Economic and Trade Agreement in 2020. The agreement expanded access to include beef from cattle of all ages, removed restrictions related to hormones, and introduced provisions that streamlined production and export processes, making U.S. beef more competitive in the Chinese market. While beef from cattle of all ages is now eligible for export, imports are still subject to ractopamine residue testing upon arrival, though additional traceability requirements have been removed. Although the agreement did not eliminate retaliatory tariffs, China began offering temporary exclusions from Section 301 (intellectual property-related) duties to eligible importers in March 2020, effectively restoring U.S. beef to the Most-Favored Nation (MFN) duty rate of 12%. The future of these tariff exclusions remains uncertain.

On March 4, 2025, China announced to impose additional 10% retaliatory tariffs on beef originating from the United States starting from March 10, 2025 in response to the U.S. announcement of an additional 20% tariff on all Chinese goods as a way to address the opiod supply chain. Then on April 4, 2025, China announced an additional 34% in retaliatory tariffs on all goods imported from the U.S. (including beef) in response to the U.S. imposing 34% reciprocal tariffs on all imports from China. After the U.S. and China continued to escalate reciprocal tariff rates on each other's products, China announced a final reciprocal tariff level of 125% on all products imported from the U.S. effective April 12. This brought the total tariff rate for U.S. beef to 147% (12% most favored nation duty plus 10% in opiod retaliatory tariff plus 125% reciprocal tariff). On May 12, after the China-U.S. Economic and Trade Meeting in Geneva, both sides published a joint statement to reduce the reciprocal and retaliatory tariffs to 10%. However, on July 18th, China ended its exclusions to section 301 tariffs which will result in an additional 30% tariff going into effect August 1, for any product not cleared by September 15. While this would bring the total tariff rate on beef and most beef variety meats to 62%, the potential remains for an additional 24% if the reciprocal tariff is not addressed by August 12th.

U.S. beef access to China faces renewed challenges following developments in late 2024 and early 2025. In December 2024, China's Ministry of Commerce (MOFCOM) launched a beef safeguard investigation at the request of domestic cattle industry groups and that investigation is progressing in early 2025. Separately, many U.S. establishments—representing the bulk of approved production for the Chinese market—saw their registrations expire in China's CIFER system on March 16, 2025. Although the U.S.-China Phase One Agreement allows for FSIS-designated eligibility, China's CIFER system imposes a five-year registration

validity, typically renewed automatically. However, in this case, China's General Administration of Customs (GACC) allowed numerous U.S. facilities to expire on February 19， March 16 and April 20 without update. As of May 2025, no reinstatements or renewals have occurred. This effectively stopped most of the U.S. beef exported to China.

These disruptions, combined with highly volatile trade conditions, are placing U.S. beef exports to China at risk. U.S. beef already commands a premium in the Chinese market, and the continuation of retaliatory tariffs further reduces U.S. competitiveness. While China remains a major export destination, USMEF continues to emphasize diversification, with strong demand in other global markets helping to offset the impact of instability in China.

U.S. beef exports to Hong Kong continue to benefit from a 0% import duty, even as challenges persist in mainland China. While Hong Kong consumers still enjoy relatively high disposable incomes, subdued consumer sentiment has slowed overall consumption. Increasingly, many residents travel to mainland China on weekends and holidays in search of lower prices and better deals. However, this trend could shift if Hong Kong's foodservice sector capitalizes on the quality differentiation offered by access to U.S. beef—positioning itself as a premium alternative to mainland dining. At the same time, ongoing outmigration—driven by factors such as national security laws and the high cost of living—is significantly affecting local beef consumption. In response to softer demand and a changing consumer base, importers are expected to adopt a more conservative purchasing strategy, favoring frozen over chilled beef and shifting toward lower grades and secondary cuts such as chuck roll, top blade, and top sirloin.

China

- Per Capita Beef Consumption: 8.1 kg
- Total Beef Imports (not including variety meat) - all sources: 2,879,842 mt
- Total Beef Variety Meat (BVM) Imports - all sources: 39,789 mt
- U.S. Share of Total Beef/BVM Import Market: 5%
- Other Beef/BVM Suppliers & Market Shares: Brazil 46%, Argentina 20%, Uruguay 9%
- Domestic Self Sufficiency: 68%
- U.S. Beef Exports (not including variety meat): 160,377 mt
- U.S. Beef Variety Meat (BVM) Exports: 19,087 mt
- U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports: 14%
- Customers for U.S. Beef Imports: Processing 10%, HRI 65%, Retail 25%

Hong Kong

- Per Capita Beef Consumption: 18.1 kg
- Total Beef Imports (not including variety meat) - all sources: 105,531 mt
- Total Beef Variety Meat (BVM) Imports - all sources: 200,473 mt
- U.S. Share of Total Beef/BVM Import Market: 12%
- Other Beef/BVM Suppliers & Market Shares: Brazil 58%, Argentina 7%, Australia 3%
- Domestic Self Sufficiency: 2%
- U.S. Beef Exports (not including variety meat): 28,806 mt
- U.S. Beef Variety Meat (BVM) Exports: 7,333 mt
- U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports: 3%
- Customers for U.S. Beef Imports: Processing 0%, HRI 80%, Retail 20%

Top Imported U.S. Beef Cuts: middle meats, bone-in/boneless short rib, bone-in/boneless chuck short rib, short plate, chuck roll, top blade, hanging tender, rib fingers, rounds, loin tail, short rib plate, brisket, chuck tender

Top Imported U.S. BVM Items: omassum, backstrap, tripe, tendon, oxtail, tongue, inside skirt, outside skirt, honeycomb, aorta

Beef Noteworthy Issues include a) GACC's failure to update U.S. beef facilities in its CIFER system, allowing them to expire at their 5-year renewal dates starting February 19, 2025; b) Zero tolerance for the presence of ractopamine residues; c) No path to relisting suspended establishments; c) Non-transparent quarantine clearance procedures/regulations; d) Retaliatory tariffs imposed in March, April and reduced in May, with the effective tariff on U.S. beef and most variety meats increasing from 12% to 22% to 147% before being reduced temporarily to 32% effective May 14, 2025 (there is a risk that the tariff increases to 56% at the end of the 90-day détente).

MARKET STRATEGY

*USMEF is closely monitoring market access issues and will adjust marketing strategies in China as appropriate. The strategies outlined below are under the assumption that GACC registration issues will be resolved.

A) Monitor buyer sentiment amid trade volatility and, where appropriate, counter negative perceptions of U.S. products, and design and implement positive image-building campaigns utilizing various media platforms; B) Build customer loyalty with increased support for importers and downstream buyers including trainings and promotions highlighting U.S. beef safety/inspection systems, unique production capabilities, grading, quality, and profitability; C) Create demand in untapped segments in the China/Hong Kong region and deepen distribution channels in China, focusing on a broad range of cuts and specifications to ensure that U.S. beef is affordable to a large segment of the population; D) Introduce chilled beef branded products to buyers and support communication between suppliers and importers to increase product availability and improve logistics; E) Identify regional opportunities for U.S. beef based on unique local consumption patterns, food culture, etc. that exist across the large landscape of mainland China.

Growing Demand for Chilled and Grain-Fed Beef, but Education is Still Key

- China continues to diversify beef suppliers, purchasing more from grass-fed exporters out of South America. The U.S. remains one of the few high-quality suppliers to the region, although competitors like Australia, Argentina, Brazil, and even Russia are increasing their grain-fed production.
- Even before trade tensions in early 2025 emerged, end-users remain relatively unfamiliar with U.S. beef specifications and best attributes. Some buyers remain reluctant to spend premiums to buy and distribute grain-fed beef.
- Training and seminars introducing the qualities and attributes of U.S. beef are the most requested marketing activities by trade accounts who recognize that there are opportunities for U.S. beef but are limited by lack of experience.

- Compared to other U.S. beef export destinations in Asia, chilled beef share out of total beef imports is low at only about 2%. There are many opportunities to build demand and further develop the market for chilled beef.
- The quality attributes of U.S. chilled beef are not widely known among all consumer demographics and across different regions. However, other competing beef suppliers, especially Australia, are putting more emphasis and focus on chilled beef.
- U.S. beef can satisfy the demands of even middle-tier buyers with alternative cuts or middle meats that are cost effective substitutes to more popular and more expensive cuts. Beef variety meats are heavily consumed in China, although most often found at wet markets.

Strategic Objective
Promote the grain-fed quality attributes of chilled U.S. beef, linking U.S. suppliers with buyers. Improve buyer knowledge of the safety, quality, and availability of U.S. beef, and identify opportunities to push trial purchases of chilled beef. Promote a mix of dry-aged, chilled, alternative cuts, etc. to suit the needs of different buyers.

Tactical Response
Offer increased and intensified levels of support for new and existing U.S. beef buyers with additional trainings and promotional marketing programs, including branded product. Expand the reach of trainings and U.S. beef communications into new untapped regions. Create customized, hands-on trainings for processors, retail, and HRI buyers to renew buyer knowledge of U.S. beef, highlighting the versatility of alternative cuts, while demonstrating the differences in Australian grain-fed product vs. U.S. product, particularly for chilled. Discuss the profitability in secondary and alternative U.S. beef cuts.

Foodservice Demand
- The catering and foodservice industry is oversaturated. Intense competition is pushing high restaurant closure rates as consumers spend less dining out. Restaurant operators are moving out of first-tier cities to find more success among less competitive markets.
- Hangzhou, Suzhou, Nanjing, and Chengdu are all showing strong consumption growth potential with diverse culinary trends. ·
- Consumers are following more rational and conservative spending patterns, which has made low-priced restaurants very popular. This is pushing high-end restaurants to offer discounted menus and promote heavily over social media to retain foot traffic.
- Rebounding tourism to lower-tier cities may drive long-term foodservice upgrades to these regions, although chefs outside of first-tier cities are seeing a slowdown in profitability.
- Hotpot and yakiniku restaurants are advertising “fresh” ingredients to their customers, driving demand for chilled product and increasing consumer standards.
- Regional flavors and cuisines are trending among consumers. Strategies for pushing beef may be tailored to specific regions according to local tastes.
- Big-name restaurants are diversifying revenue channels and investing in ready-to-heat meals available at retail to reach consumers seeking easier meal prep and convenience.

- Ghost kitchens are growing in popularity throughout China and some restaurants only offer take-out menus to satisfy this niche of customers and reduce costs.
- Tourism in Hong Kong is rebounding, although consumers from Hong Kong are vacationing on the mainland due to lower prices and cost savings.
- Restaurants in Hong Kong acknowledge that food delivery platforms are becoming a more substantial part of their business.

Strategic Objective
Build loyalty with key U.S. beef buyers and new customers in the HRI sector, while demonstrating the value in utilizing U.S. beef to differentiate among menus and improve perceived restaurant quality. Identify regional culinary differences and leverage opportunities among these different food cultures to reach new buyers. Expand educational efforts to second and third-tier cities and include more alternative cut promotion to satisfy all levels of buyers in the foodservice industry.

Tactical Response
Utilize chef tables and HRI seminars to train HRI professionals on menu ideation and proper handling for U.S. beef. Position U.S. beef as ideal for menu differentiation in both mainland China and Hong Kong and offer increased levels of support to buyers interested in continuing long-term use of U.S. beef on menus. Utilize promotions, celebrity endorsements, KOL posts on social media, and other tactical means to target affluent consumers and drive the perception that U.S. beef is different and superior to other imported product. Highlight visible U.S. beef "success story" establishments, whose attributes are widely distributed on social media. Train and build relationships with a team of U.S. meat "spokesmen" across the HRI industry that know the attributes and advantages of U.S. meat.

Traditional Markets, Modern Retail
- Retail throughout China is still relatively fragmented, with mom-and-pop shops and wet markets dominating the retail sector. Sales of imported beef in traditional markets are growing in double digits annually. U.S. beef variety meats are often found at wet markets.
- Modern retail is still developing in mainland China, especially in lower-tier cities; however, international players with the ability to move large volumes of product (i.e. Costco, Sam's Club) via membership and warehouse-style outlets are expanding with increased focus on first and second-tier cities.
- Consumers are demonstrating more conservative spending patterns. Membership stores are popular among value-seeking consumers. However, U.S. beef at Sam's Club and Costco is elevated and differentiated from the typical lean, commodity product. There is still considerable demand for Prime U.S. beef among these retailers.
- Retail staff need training on proper handling and butcher techniques to maximize profit potential and display the full attributes of U.S. beef.
- Following trends in Korea, shelf-stable ready meals continue to demonstrate positive growth among consumers seeking convenience. According to Euromonitor, ready meal sales between 2019-2028 are expected to grow 15% in China, becoming a nearly $10 billion industry.

- Convenience stores in China experienced sales growth and rapid expansion in 2024.
- Retail in Hong Kong is mostly modern, with high-end specialized meat shops remaining popular with a wealthy consumer base. Retailers that over-expanded in recent years are now closing outlets to reduce operational expenses.
- Many consumers in Hong Kong are extremely price sensitive due to disposable income shrinkage in the wake of interest hikes over the past two years. Lower grade steaks such as frozen sliced U.S. chuck roll are now gaining share.

Strategic Objective
Further establish trust and loyalty among key retailers – online and offline – with potential to move large volumes of U.S. beef, including membership stores. Explore the innovation of U.S. beef ready-to-cook and ready-to-heat products. In China, adopt a "flagship" store approach to perfect the meat case with high traffic outlets of targeted modern retailers. Develop U.S. beef's image as a quality product with support to niche boutique meat shops and ecommerce platforms.

Tactical Response
Customize trainings and specialized butcher certification courses for retailers, ecommerce platforms, new U.S. beef buyers and their in-store staff that are unfamiliar with U.S. beef. Offer support via tasting demonstrations; online and in-store promotions, including for branded product; and livestreaming events. Develop merchandising ideas for new cuts at retail including value-added convenience products made with U.S. beef raw material.

China's Digital Footprint
- China has been the longstanding leader in global food and drink ecommerce sales. Online shopping for home delivery is part of normal life even in Tier 2 and 3 cities.
- Livestreaming and group buying have become popular tools among consumers. Douyin (TikTok) videos and WeChat (for group buying) are popular methods of mobile ecommerce referred to as m-commerce. Importers are even using WeChat groups to sell products direct to consumers.
- Traditional ecommerce platforms like JD.com and Tmall.com have seen sales revenue growth rate slow or even decrease as purchasing channels become more fragmented with the rising popularity of livestreaming and community group buying.
- Brands use short videos like Douyin and Kuaishou (200 million active users) as a marketing tool powered by influencers. Through the use of popular SNS WeChat, Weibo, Douyin, and Kuaishou, attributes of U.S. beef can easily be shared and effectively educate a large audience.
- Staff and buyers of ecommerce platforms are unfamiliar with U.S. beef and would benefit from hands-on training and experience with U.S. products.

Strategic Objective
Maintain a presence on top social media sites, including WeChat, Weibo, YouTube (in Hong Kong), Douyin, and others to reach a wide range of consumers and build a positive reputation for U.S. beef. Tap into ecommerce platforms to establish a presence for U.S. beef.

Tactical Response

Utilize social media tools to reach consumers and highlight various promotions. Use digital tools to educate consumers on U.S. beef attributes, sustainability, cooking techniques, availability, etc., and create a positive image for U.S. beef with the help of KOLs, micro-bloggers, and other relevant influencers. Create a trustworthy presence for U.S. beef on JD.com with verified U.S. beef sellers. Extend training efforts to meat buyers from ecommerce platforms.

Other Key Initiatives

- Help align U.S. beef exporters with Chinese importers. Support exporters in navigating Chinese import regulations. Identify more China-eligible supply options from the U.S. and share these contacts with Chinese buyers, including packers with the ability to supply popular offal items like tripe and abomasum.
- Work with U.S. government officials and relevant Chinese organizations to resolve commercial and technical trade issues making the import process more reliable and transparent.
- In addition to working with well-known importers, drive further market penetration through the education and development of promising startup companies (e.g. online retailers, independent meat shops and new restaurant concepts) eager to expand their purchases and sales of imported U.S. beef.
- Educate Chinese chefs about the U.S. beef industry and U.S. beef culinary history and expand the presence of U.S. beef in high-end hotel and restaurant outlets through chef and culinary events expanded to second and third-tier cities.
- Educate student chefs and other food industry students to cultivate future U.S. beef spokespersons.
- Expand interaction with large HRI operators of high-end or casual dining establishments, and local tea houses known as cha chaan teng in Hong Kong and Macau.
- Continue to build relationships with government officials and key influencers, including the domestic beef producing and processing industry to make them aware of U.S. quality and safety standards.
- Monitor the presence and expansion of alternative meat options in mainland China and Hong Kong and remain prepared to respond to targeted questions about U.S. beef sustainability.

2024 import and market share data is based on import data of China and Hong Kong, excluding reported imports from China (from TDM), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau.

Measurable Objectives:

Measurable Objective #1
61% of targeted Hong Kong & China importers/distributors will report that they understand the supply capabilities and quality attributes of U.S. beef based on information provided by USMEF.

Measurable Objective #2
93% of targeted China importers/distributors will have a favorable attitude toward U.S. beef and are knowledgeable about the range of U.S. beef products available based on information provided by USMEF.

Measurable Objective #3
82% of targeted Hong Kong and China HRI outlets/chains will actively participate in and/or contribute to USMEF promotions to their customers.

Measurable Objective #4
69% of targeted Hong Kong retailers will regularly feature U.S. beef cuts.

Measurable Objective #5
86% of targeted China online or offline retailers will feature or actively promote U.S. beef to end-consumers.

Performance Efficiency Measures:

N/A for Foreign Marketing ARs

LRP Initiatives Addressed by this Tactic:

Drive Growth in Beef Exports

- Identify and address export customer needs and values
- Collaborate with targeted partners to promote U.S. beef in foreign markets
- Invest in research, marketing and education programs

Checkoff Program Committee(s): International Marketing

Tactic F | 2640-FM
Commonwealth of Independent States

TACTIC DESCRIPTION:

MARKET ASSESMENT

The Commonwealth of Independent States (CIS), excluding Russia, has a population of about 140 million and presents a promising market for U.S. beef, including steaks, alternative cuts (especially from the round complex), and livers. USMEF is targeting markets like Ukraine, Kazakhstan, Azerbaijan, Kyrgyzstan, Georgia, Uzbekistan, and Mongolia, where interest in high-quality U.S. beef is growing. However, in 2024, U.S. beef exports to the CIS region made up less than 1% of all imported beef, highlighting a significant untapped opportunity. While awareness of premium beef is limited, rising tourism and Russia's promotion of high-quality beef are driving demand. U.S. alternative cuts provide an accessible entry point for buyers looking to explore premium products, though education and exposure to U.S. beef are still needed.

The ongoing Russia-Ukraine conflict, which began in 2022, adds uncertainty and disruptions to supply chains, commodity prices, and food and energy sectors, impacting both local and global food security. Within the Eurasian Economic Union (EAEU), countries like Armenia, Belarus, Kazakhstan, and Kyrgyzstan, enforce strict sanitary and phytosanitary (SPS) regulations, similar to Russia's, particularly concerning ractopamine residues and hormone use. However, other CIS countries generally have more accessible markets for U.S. beef, although political alignments with Russia or the EU (as seen in Tajikistan, Uzbekistan, Georgia, Moldova, and Ukraine) make the situation fluid. In 2024, U.S. beef and beef variety meat exports to the CIS increased by 43% to 50 mt, valued at $1.34 million, an increase of 60% compared to the prior year. This increase was driven by a 67% increase of U.S. beef exports to Georgia as well as an increase to Azerbaijan, which more than offset modest decreases to Uzbekistan and Kazakhstan. However, it's important to note that export volume to the region is typically under-reported as a result of product that is trans-shipped to this region from distributors in places such as Europe and the United Arab Emirates (and there is no data source to track these shipments).

Despite these challenges, there are long-term opportunities for U.S. beef cuts and variety meats in the region. Engaging with new buyers and building demand is essential, especially as beef consumption rises in countries like Kazakhstan, Uzbekistan, Georgia, and other parts of Central Asia and the Caucasus, where offal products are widely used. U.S. beef received improved access to Uzbekistan in June of 2024 when an agreement was reached to open the market to all U.S. federally authorized meat and poultry establishments. Previously, only 29 U.S. meat and poultry facilities were eligible to export to Uzbekistan as a result of the country's facility registration measure adopted in 2021. Now, all U.S. establishments listed in the FSIS MPI Directory are eligible.

There is a growing demand for high-quality beef across the region. Russia, for instance, is investing in domestic high-quality beef production to reduce import dependence. Marketing efforts promoting marbled beef have increased interest in quality beef, boosting consumption in foodservice and retail

sectors. As Russia looks to expand exports to neighboring countries, the competitive landscape is shifting. While U.S. beef is still relatively expensive for the average CIS consumer, alternative cuts like short plate, brisket, short ribs, top blade, shoulder clod, chuck roll, top sirloin butt, knuckle, and round can pave the way for future exports of higher-end products. Markets like Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, and Ukraine offer opportunities for the U.S. beef industry, especially as tourism drives demand for quality beef. Local production tends to yield lower-quality, leaner beef, making it less suitable for high-end dining, and creating a niche for marbled, grain-fed U.S. beef, which is superior to the lean, grass-fed products typically offered by competitors.

Ukraine

- Per Capita Beef Consumption: 6.0 kg
- Total Beef Imports (not including variety meat) – all sources: 2,749 mt
- Total Beef Variety Meat (BVM) Imports – all sources: 7,763 mt
- U.S. Share of Total Beef/BVM Import Market: 1%
- Other Beef/BVM Suppliers & Market Shares: EU-27 95% (Poland 5%, Lithuania 12%, Germany 12%), Argentina 2%, Brazil 2%
- Domestic Self Sufficiency: 110%
- U.S. Beef Exports (not including variety meat): 10 mt
- U.S. Beef Variety Meat (BVM) Exports: 0 mt
- U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports: <1%
- Customers for U.S. Beef Imports: Processing 60%, HRI 33%, Retail 4%

Kazakhstan

- Per Capita Beef Consumption: 25.0 kg*
- Total Beef Imports (not including variety meat) – all sources: 14,982 mt
- Total Beef Variety Meat (BVM) Imports – all sources: 703 mt
- U.S. Share of Total Beef/BVM Import Market: <1%
- Other Beef/BVM Suppliers & Market Shares: Brazil 60%, Russia 26%, Ukraine 5%
- Domestic Self Sufficiency: 97%
- U.S. Beef Exports (not including variety meat): 12 mt
- U.S. Beef Variety Meat (BVM) Exports: 0 mt
- U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports: <1%
- Customers for U.S. Beef Imports: Processing 40%, HRI 40%, Retail 20%

Top Imported U.S. Beef Cuts: ribeye, striploin, tenderloin, short ribs, top blade, short plate, hanging tender, skirt, flanks, brisket

Top Imported U.S. BVM Items: liver, trimming, beef fat

Beef Noteworthy Issues include a) Russia and Belarus maintain a strict zero-tolerance policy for ractopamine residues in beef imports, leading to an ongoing ban on U.S. beef imports; b) Both Russia and Belarus have near-zero tolerance for tetracycline residues; c) Russia enforces a zero-tolerance policy for Salmonella spp., Listeria monocytogenes, coliforms, and has low tolerance for aerobic and anaerobic

plate counts in raw products; d) Russia and Belarus have restrictions related to BSE on U.S. beef imports from cattle over 30 months old; e) Lack of clarity in Russia and other Eurasian Economic Union (EAEU) countries regarding the requirements and process for approving new slaughter and exporting establishments; f) Unscientific inspection criteria in Russia and the EAEU for slaughter plants; g) No access to the Mongolian market; h) Unclear procedures for adding new plants to Uzbekistan's approved plant list; i) No agreed certificate for beef trade with Moldova; j) Tariff rates imposed on U.S. beef imports in Georgia.

Measures by Russia and the EAEU are gradually being incorporated into the standards and requirements of the EAEU member countries, which include Russia, Belarus, Kazakhstan, Kyrgyzstan, and Armenia. This further compounds the impact on U.S. red meat exports. Russia imposed decrees in 2014, 2017, and 2019, prohibiting various agricultural imports from the U.S. and other countries that had placed economic sanctions on Russia following the Ukraine conflict. As a result, the market remains completely closed to all U.S. beef and pork cuts, fat, and offal.

MARKET STRATEGY

Enhance the presence of U.S. beef products and bolster the reputation of U.S. beef and beef variety meat in the region by distinguishing them from competitors and informing buyers about the advantages and profitability of utilizing U.S. beef products. Focus on educating importers, distributors and end users on quality attributes that differentiate it from other imported beef. Additionally, maintain logistical readiness in the unlikely event the market reopens to Russia.

Regional Expansion

- Russia is investing in expanding its domestic high-quality beef production to reduce reliance on imports, yet production is declining, leading to higher prices.
- In June of 2024, Uzbekistan expanded access for U.S. beef from all federally authorized establishments.
- Emerging regional markets beyond Russia offer untapped potential for U.S. beef and diversify export opportunities.
- Kazakhstan, Uzbekistan, Georgia, Azerbaijan and several Caucasian and Central Asian countries are experiencing growth in beef consumption, with strong traditions of utilizing offal products.
- Beef remains relatively expensive for the average consumer, but there are prospects for alternative cuts still perceived as high-quality beef.
- Some upscale retailers in regions like Ukraine, Georgia, Uzbekistan, and Kazakhstan have started offering U.S. beef, paving the way for other retailers and boosting U.S. beef visibility.
- While the number of U.S. beef consumers is increasing, regional markets outside of Russia have faced challenges with yield and final product quality, primarily focusing on higher-priced loin cuts.
- Political re-alignment of countries such as Georgia and Moldova away from the EU in favor of closer ties with Russia creates further uncertainty.

Strategic Objective
Concentrate on extending promotional efforts into emerging export destinations such as Armenia, Azerbaijan, Georgia, Moldova, Mongolia, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, and Ukraine whenever feasible.

Tactical Response
Generate interest in the region through promotions, seminars, and workshops that highlight the optimal utilization of budget-friendly cuts, expanding the range of available beef cuts and grades while enhancing consumer awareness of the qualities of high-quality products.

Foodservice Opportunities

- The hospitality sector in Georgia, Kazakhstan, Uzbekistan, and Azerbaijan is experiencing rapid growth, offering promising prospects for U.S. beef and veal.
- Expatriate communities employed by oil and gas companies across the region, along with traders, business professionals, and tourists, are inclined to invest in premium dining experiences and favor cuisines they are familiar with. This creates a demand for upscale food establishments offering a variety of cuisines, including Western-style dining that complements U.S. beef.
- Local beef is generally lean and less suitable for Western-style dishes like BBQ.
- The influx of tourists to ski and seaside resorts in Georgia, as well as religious pilgrimage destinations in countries like Uzbekistan, creates opportunities for food establishments catering to the demand for halal meats.
- Foodservice establishments are showing significant interest in U.S. beef alternative cuts (such as short plate, brisket, short ribs, top blade, etc.) as cost-effective options for high-quality ingredients.
- Since September 1, 2017, chilled beef and beef variety meats in Uzbekistan have been subject to zero customs duties, presenting a crucial opportunity for export expansion.
- Ukraine has the option to supply U.S. beef through EU ports, airports, and its western border, opening up additional import opportunities.
- Russia's marketing efforts promoting domestic marbled beef have heightened consumer awareness of high-quality beef and its attributes. This has led to increased consumption of premium beef in both foodservice and retail sectors, fostering beef consumption traditions and enhancing perceptions of the protein. These experiences in Russia are influencing regional markets as well.
- Russian consumers have adapted to the high prices of domestic beef in a closed market, leading to a new trend of upscale burger outlets.

Strategic Objective
Encourage additional restaurants to experiment with U.S. chilled beef products and alternative cuts. Highlight these alternative cuts as both high-quality and cost-effective choices for upscale dining experiences, family-style meals, and catering services. Provide training to chefs and key decision-makers, emphasizing the superior quality and consistency of U.S. beef compared to domestic options.

Tactical Response

Provide culinary training to chefs, emphasizing the importance of proper cooking techniques to avoid overcooking. Educate them on how to distinguish high-quality, marbled U.S. beef from competing products, highlighting the advantages of U.S. beef over options from Uruguay, Argentina, Australia, and, in certain cases, domestic sources. Promote American BBQ as an ideal platform for showcasing high-quality U.S. beef.

Other Key Initiatives:

- Provide guidance and assistance to regional distributors on effective marketing strategies for premium U.S. beef.
- Enhance the prominence of U.S. beef by participating in globally recognized trade shows and culinary exhibitions.
- Organize workshops in emerging markets within the region, focusing on aspects like fabrication, cutting techniques, portion control, and cooking methods for both popular and less common U.S. beef cuts.
- Illustrate to chefs and distributors the versatility of U.S. beef cuts, such as shoulder clod, chuck roll, and top sirloin butt, suitable for foodservice and home cooking due to their rich marbling and cost-effectiveness. Explore opportunities for leaner round cuts like the knuckle, inside round, and outside round, aligning with consumer preferences for lean options.
- Educate major processors about the adaptability of U.S. beef to meet their specific needs, gathering insights into critical attributes like leanness and packaging improvements, while further bolstering the reputation of U.S. beef within these processing firms.
- Raise consumer awareness regarding the unique qualities of U.S. beef, contributing to increased demand in hospitality and retail sectors.
- Maintain a focus on emerging prospects, including expanded usage of alternative cuts, the growth of chilled beef in retail settings, and engagement with online meat retailers.
- Monitor the development of domestic beef production targeting higher-end segments to adapt U.S. beef strategies accordingly.
- Explore opportunities to enter the e-commerce sector with high-quality U.S. beef, recognizing the importance of consistency in this market.

*2024 import and market share data is based on import data of Ukraine and Kazakhstan (from TDM), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau. *USMEF estimates based off rough production estimates and trade data from TDM.*

Measurable Objectives:

Measurable Objective #1
100% of targeted trade accounts will report that they understand U.S. beef's quality attributes based on information provided by USMEF.

Measurable Objective #2
100% of targeted trade accounts will report that they understand how to properly handle U.S. beef.

Measurable Objective #3
100% of targeted HRI outlets/restaurant chains will regularly stock U.S. beef.

*Note, increase in target accounts

Measurable Objective #4
100% of targeted retail outlets will identify the origin of U.S. beef.

*Note, increase in target accounts

Measurable Objective #5
86% of targeted retail outlets will actively promote U.S. beef origin.

Performance Efficiency Measures:

N/A for Foreign Marketing ARs

LRP Initiatives Addressed by this Tactic:

Drive Growth in Beef Exports

- Identify and address export customer needs and values
- Collaborate with targeted partners to promote U.S. beef in foreign markets
- Invest in research, marketing and education programs

Checkoff Program Committee(s): International Marketing

Tactic G | 2640-FM
Colombia

TACTIC DESCRIPTION:

MARKET ASSESMENT

As a result of the H5N1-related restrictions on U.S. beef imposed by the Colombian government, 2024 U.S. beef exports fell 55% to 3,435 mt, and value decreased by 41% to $23 million. On April 15, 2024, Colombia removed plants located in states with reported cases of HPAI in dairy cows from its eligible plant list and accordingly stopped issuing import permits for beef from these states. Colombia's restrictions had a significant impact on U.S. beef exports, which declined by 65% to just 615 mt during the April-July period. Export value fell 51% to just under $5 million. Canada was the beneficiary with exports valued at $2.95 million and 854 mt, up from just 150 mt in the same period last year and minimal value. The estimated loss in U.S. beef exports, based on the strong pace established in the first quarter and year-ago trends, is more than $18 million for April through September. On September 19, the Colombian government approved a resolution repealing its H5N1-related restrictions on U.S. beef. USMEF spent the last quarter of 2024 working to re-launch U.S. beef in the market and U.S. exporters and Colombian importers remain determined to continue to develop business for U.S. beef.

Despite these challenges, the Colombian market for U.S. beef presents promising avenues for expansion, driven by consumer demand for its high quality and taste. Opportunities exist for both primal and subprimal cuts of beef, and some Colombian consumers are willing to pay premium prices for high-quality and branded beef. Particularly, there is a significant opportunity for U.S. chilled and frozen products, although addressing regulatory hurdles will require USMEF to provide additional support for exporters and buyers. Promotional strategies to promote U.S. pork in Colombia have created opportunities for U.S. beef as well. While the beef market in Colombia is still in its early stages of development compared to pork, USMEF is adopting a similar strategic approach to advance its presence.

U.S. beef is seen as a luxury item among many in Colombia, yet the expanding middle class is increasingly investing in premium food choices, including U.S. beef products. The introduction of new branded beef items in Colombia has spurred a surge in retail demand for high-quality beef. Currently, the U.S. beef market in Colombia is primarily focused on cuts such as ribeyes, bone-in and boneless loin cuts, coulottes, short ribs, and outside skirts. There is also a growing interest in items like tri-tips and flap meat, which are available at upscale restaurants and premium Colombian retailers. Alongside commodity Choice and Prime graded product, brands such as Certified Angus Beef and Swift Black Angus are gaining traction in the market.

- Per Capita Beef Consumption: 14.1 kg
- Total Beef Imports (not including variety meat) – all sources: 6,988 mt
- Total Beef Variety Meat (BVM) Imports – all sources: 4,418 mt
- U.S. Share of Total Beef/BVM Import Market: 27.5%
- Other Beef/BVM Suppliers & Market Shares: Canada 22%, Chile 19%, Argentina 12%
- Domestic Self Sufficiency: 103%

- U.S. Beef Exports (not including variety meat): 2,720 mt
- U.S. Beef Variety Meat (BVM) Exports: 715 mt
- U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports: <1%
- Customers for U.S. Beef Imports: Processing 0%, HRI 80%, Retail 20%

Top Imported U.S. Beef Cuts: Outside skirt, picanha, short ribs, ribeye, striploin, tri-tip

Top Imported U.S. BVM Items: liver, tripe

Beef Noteworthy Issues include a) Colombian rules which prohibit frozen meat from being thawed for sale at retail; and b) Port issues related to dirty containers and boxes and documentation/labeling in Colombia.

MARKET STRATEGY

Continue to develop the market by communicating the quality, consistency and profit potential of U.S. beef across sectors, and by introducing U.S. beef value cuts and variety meats to buyers. Work with importers, distributors, and retailers to educate them on how to properly merchandise and market U.S. beef to consumers with little knowledge of the unique attributes of U.S. product.

Developing Markets

- Some consumers in Colombia are willing to pay higher prices for high-quality beef and are increasingly becoming interested in branded beef products.
- Opportunities exist for both primal and subprimal cuts of beef and variety meat due to the variable demographics in this diverse market.
- Despite relatively low adoption by consumers, e-commerce and home delivery channels in both the retail and HRI sectors have grown and become increasingly more popular choices for consumers during COVID-19 shutdowns.
- Competition from Argentina and Uruguay is growing as the quality from these competitor beef suppliers is improving, both in terms of product quality and product presentation.
- Canadian beef gained market share in Colombia due to the restrictions by the Colombian government on U.S. beef imports, but the U.S. does benefit from lower cost logistics and increased product variety. Local importers also feel that there are better opportunities for promotional support from the U.S. industry than the Canadian beef industry, which could help create a clientele loyal to U.S. beef.
- Improving, yet underdeveloped, infrastructure in intermediate cities challenge the distribution channel. Despite recent high U.S. beef prices and unfavorable exchange rates, the consumer preference of U.S. product has remained relatively strong.

Strategic Objective

Educate buyers on the quality and profit potential of U.S. beef, including value cuts and other more affordable options, and demonstrate effective merchandising of unfamiliar cuts and products. Focus on encouraging smaller and improved retail ready presentations as well as value-added products.

Tactical Response

Provide training for the HRI and retail sectors on cut fabrication and new applications for more affordable cuts such as the knuckle, flap meat or chuck roll to expand presence of U.S. beef with a more affordable price. Advise importers on different applications for the same cut and retailers on different presentations in order to expand the target audience and increase options for consumers.

Retail Development

- Retail ranges from wet markets, which are still prevalent throughout the region, to modern supermarkets and high-end meat boutiques.
- While mainly sold in wet markets, beef variety meats can also be found in modern retail.
- The growing middle class is spending more on premium food items, including imported beef.
- With high meat prices, some consumers are looking to purchase smaller quantities at more affordable prices; however, high-quality beef is still a luxury item for consumers.
- Retail giants are slowly integrating convenience-driven concepts into their retail models, such as ecommerce services and features as well as drive-through grocery departments for added convenience.
- Informal ecommerce channels based on social media platforms are increasingly popular.

Strategic Objective

Work with retailers to identify the U.S. origin and promote U.S. beef cuts by improving product labels and maintaining product rotation to increase consumer confidence. Work with importers and distributors and specifically butcher shops and retail chains, to provide category management training, cold chain audits and marketing program planning. Work with key foodservice chains to train their teams, including chefs and buyers, about the U.S. industry to give them more tools to select U.S. beef. Consistently work to discover new opportunities in the market and connect the supplier with the demand.

Tactical Response

Educate retail buyers (supermarkets and wet markets) on the attributes of U.S. beef to increase the number of cuts offered, and promote alternative cuts for price-conscious consumers with recipe development, in-store tastings, etc. Ensure proper handling and highlight the profit potential of portion-control packaging and origin identification. Continue developing a foodservice course and business match event in the most important cities in Colombia to provide education on the U.S. industry and foster connections between buyer and supplier. Connect with new commercial opportunities through a new meat merchandiser strategy.

Favorable Access

- On April 15, 2024, Colombia restricted imports of U.S. beef from eight U.S. states affected by HPAI, and at its peak restricted imports from fourteen states. As of September 19, 2024, all restrictions on U.S. beef imports in Colombia have been lifted. USMEF has been working to re-launch U.S. beef and increase its presence in the Colombian market.

- The removal of the EV requirement for Colombia increases eligible U.S. exporter plants to over 500, while also increasing opportunities for value-added items.
- Dietary and nutritional labeling regulations present additional barriers for exports of value-added product to the region.

Strategic Objectives
Further build the image and visibility for U.S. beef among buyers who may be price-sensitive and need to be educated on the premium quality of U.S. beef.

Tactical Response
Provide training on U.S. production, safeguards, and quality and provide promotional support to help expand sales of new U.S. beef items entering these emerging markets.

Other Key Initiatives

- Position U.S. beef muscle cuts in settings that promote U.S. beef as a premium protein item associated with health and active lifestyles among segments of consumers that would be likely buyers.
- Encouraging Colombian importers to add steps in their processing lines to be able to meet the needs of different market segments.
- Demonstrate to importers and purveyors how to use the latest available technologies, including procedures to freeze and thaw meats, to preserve quality and food safety.
- Present U.S. beef as a profitable item, educating buyers on affordable and available cuts that can replace local beef in traditional dishes, while enhancing flavor.
- Increase buyer awareness about U.S. beef variety meats and lower-cost alternative cuts and how to fabricate, package and promote them to increase sales.
- Strengthen the foodservice channel by working with newly identified trade partners (importers/distributors), including those outside of major metropolitan areas, to conduct joint educational and promotional activities.
- Facilitate sales by conducting activities that directly bring buyers together with U.S. suppliers, especially medium/small suppliers interested in growing exports to Colombia, such as the Latin American Product Showcase.
- Use interactive merchandising and culinary education to drive sales in high-end foodservice, focusing on higher-graded and branded U.S. beef.
- Coordinate promotions with HRI and retail partners to raise the visibility and image of U.S. beef. Introduce foodservice to novel cooking techniques, such as BBQ, to increase the ways of preparing U.S. beef and help to promote U.S. beef's image.
- Conduct barbeque workshops targeting foodservice professionals as well as high-end consumers to promote high-quality U.S. beef and the versatility of available cuts.
- Conduct online sales training to connect Colombian importers and give importers' sales teams more tools to sell U.S. beef products and defend U.S. market share.

- Promote U.S. beef as part of a balanced diet for athletes and health-conscious consumers with the help of medical and nutrition experts.
- Work to promote the consumption of U.S. beef among children and create loyal consumers in the future by creating an educational program that will focus on reaching children and young people in schools and colleges, as well as places throughout cities where children go with their parents, such as shopping malls and other public venues.

2024 import and market share data is based on import data of Colombia (from TDM), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau.

Measurable Objectives:

Measurable Objective #1
100% of targeted importers/distributors will have a favorable attitude toward U.S. beef based on information provided by USMEF.

*Note, increase in target accounts.

Measurable Objective #2
70% of targeted HRI outlets/chains will regularly use U.S. beef.

Measurable Objective #3
100% of targeted retailers will identify the origin of U.S. beef and promote the attributes of U.S. to their customers.

*Note, increase in target accounts.

Measurable Objective #4
100% of targeted foodservice importers/distributors will report that they have increased the number of downstream U.S. beef restaurant users on a yearly basis.

Performance Efficiency Measures:

N/A for Foreign Marketing ARs

LRP Initiatives Addressed by this Tactic:

Drive Growth in Beef Exports

- Identify and address export customer needs and values
- Collaborate with targeted partners to promote U.S. beef in foreign markets
- Invest in research, marketing and education programs

Checkoff Program Committee(s): International Marketing

Tactic H | 2640-FM
Europe

TACTIC DESCRIPTION:

MARKET ASSESMENT

Approximately 70% of U.S. beef sales in Europe are driven by the high-end foodservice sector. Tourism and business travel contribute heavily towards sales in the high-end foodservice market. After weathering pandemic-related challenges, tourism across Europe has surpassed pre-COVID levels by 6% as of late 2024 according to the European Travel Commission. Compliance with the Non-Hormone-Treated Cattle (NHTC) requirement has led U.S. exporters to send full sets of U.S. beef cuts, with premium cuts destined for high-end restaurants and less popular cuts purchased by family-style eateries and retail clients, both offline and online, across Europe. The U.S. beef industry's expansion into Central, Eastern, and Southern European markets has also supported better utilization of alternative cuts. While the NHTC requirement does add significant costs to production, the European market continues to provide one of the highest export values on a per-pound basis.

In August 2019, the U.S. secured exclusive access to the EU's duty-free High-Quality Beef (HQB) quota, at the expense of competitors, beginning at 18,500 mt and set to grow to 35,000 mt by 2026. By 2024, the U.S. share of the quota had risen to 30,200 mt, with the share further increasing to 32,600 mt in 2025. However, U.S. beef exports have not fully filled the expanding quota due to restrictive EU import requirements, high prices resulting from decreased production, and uncertainty around additional upcoming regulations for products destined for the EU.

Economic uncertainty and rising inflation have made European consumers increasingly price-sensitive, with higher U.S. beef prices due to domestic herd reductions making it unaffordable for some. Nonetheless, a core group of loyal consumers remains willing to pay a premium for U.S. beef. Growth potential still exists, but U.S. exporters face challenges, including EU initiatives aimed at reducing meat consumption, adapting to shifting certification requirements, and mitigating the impact of the Ukraine conflict on EU food security.

The looming implementation of the EU Deforestation Regulation (EUDR) on December 30, 2025 is another limiting factor. In May 2025, the U.S. classified the U.S. as low risk for deforestation along with many other countries like Australia and EU member states. Brazil and Argentina received standard risk status. Low risk status means there is a lower (1%) compliance check and importers are not required to carry out risk assessments and other details, although Due Diligence statements and geolocations of commodities are a requirement for all countries regardless of risk level. The regulation's complexity could deter suppliers from committing to the EU market, further exacerbating the decline in U.S. beef exports, which have already fallen below 50% of the allocated HQB quota. U.S. and international officials, as well as stakeholders within the EU, have raised concerns about the EUDR's potential to increase compliance costs and uncertainty without offering clear consumer benefits. Meanwhile, EU beef production had rebounded by 3% in 2024 after dropping to record low levels in 2023, but FAS expects production to decline again in

2025 and decrease by 1%. Beef prices are likely to stay elevated, not due to rising demand, but as a result of stagnant domestic production and import constraints, which could worsen with the introduction of the EUDR.

The U.S. has imposed a reciprocal tariff of 20% on EU-origin imports, which is in addition to a baseline 10% tariff on all goods. This reciprocal tariff was initially effective as of April 10, 2025, but was subsequently paused until July 9, 2025. As of the time of this writing, the European Commission is implementing a 90-day pause for any retaliation in response to U.S. tariffs to allow time for negotiations. The EU has officially adopted countermeasures in response to U.S. steel and aluminum tariffs but has suspended these measures until July 14. Initially, U.S. chilled beef had been included in the EU's draft retaliatory list at a 25% duty rate, effective May 15. However, the European Commission has now revised its proposal: frozen U.S. beef tariff lines are included instead of chilled, along with chilled, frozen, and cured pork tariff lines. Since nearly all U.S. beef exports to the EU are chilled, the removal of chilled beef from the list marks a significant improvement over earlier proposals.

Accessing the UK market became much more difficult post-Brexit, as the U.S. lost duty-free access since the EU's HQB quota no longer applied to the UK. U.S. beef now enters the UK at full duties, competing with Australian and New Zealand beef that enters at zero duty through their respective FTAs with the UK. However, in May 2025, President Trump and British Prime Minister Keir Starmer announced a new framework for a U.S.-UK trade agreement that includes a reciprocal, duty-free tariff rate quota (TRQ) of 13,000 metric tons for beef. This marks the first instance of duty-free access for U.S. beef into the UK since Brexit, replacing the steep tariff of 12% + 2.53 GBP/kg. The agreement establishes country-specific, duty-free quotas for both countries, creating a more stable foundation for trade. Although this represents a promising development, at the time of this writing, sanitary and non-tariff barriers remain in place, including the UK's continued requirement for compliance with EU standards such as the NHTC program. The UK imported over $2.1 billion in beef in 2024—mostly from the EU, Australia, and New Zealand—so successful implementation of the agreement could enhance the competitiveness of U.S. beef in this high-value market.

Despite the evolving regulatory environment, the U.S. beef industry continues to show resilience and adaptability. By leveraging its strong market presence, commitment to quality, and ability to navigate these emerging challenges, the industry is well-positioned to maintain and grow its footprint in the EU and beyond. U.S. beef and beef variety meat exports for 2024 to the EU plus UK decreased by 15% in volume to 17,320 mt, with value decreasing 8% to $266.6 million.

EU-27

- Per Capita Beef Consumption: 14.1 kg
- Total Beef Imports (not including variety meat) – all sources 289,681 mt
- Total Beef Variety Meat (BVM) Imports – all sources 10,834 mt
- U.S. Share of Total Beef/BVM Import Market 4%
- Other Beef/BVM Suppliers & Market Shares: UK 31%, Brazil 22.5%, Argentina 18%
- Domestic Self-Sufficiency 104%

- U.S. Beef Exports (not including variety meat) * 15,205 mt
- U.S. Beef Variety Meat (BVM) Exports * 145 mt
- U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports 1%
- Customers for U.S. Beef Imports: Processing 0%, HRI 70%, Retail 30%

United Kingdom

- Per Capita Beef Consumption: 17.3 kg
- Total Beef Imports (not including variety meat) – all sources 288,634 mt
- Total Beef Variety Meat (BVM) Imports – all sources 19,722 mt
- U.S. Share of Total Beef/BVM Import Market <1%
- Other Beef/BVM Suppliers & Market Shares: EU-27 88% (Ireland 69%, Poland 7%), Brazil 7.5%, Uruguay 1%
- Domestic Self-Sufficiency 79%
- U.S. Beef Exports (not including variety meat) * 1,970 mt
- U.S. Beef Variety Meat (BVM) Exports * 0 mt
- U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports <1%
- Customers for U.S. Beef Imports: Processing 0%, HRI 90%, Retail 10%

Top Imported U.S. Beef Cuts: Full sets

Top Imported U.S. BVM Items: None

Beef Noteworthy Issues include a) There is a reciprocity clause in the antimicrobial use legislation being incorporated into current implementing laws. This clause requires third countries to comply. The EU and Switzerland are expected to fully implement the EU's Article 118, restricting use of specific antimicrobials in livestock, in September 2026. The antibiotics listed in the regulation are not used in U.S. livestock, it also prohibits use of any antibiotics as growth promotants, both parts require verification programs to prove non-use, adding costs to production. It is notable that the EU required additional third-party verification related to Article 118, whereas Switzerland does not; b) The EU and UK have banned the use of hormone growth promotants and FDA-approved beta agonists; c) The EU and UK have also banned most pathogen reduction treatments (PRTs) used in U.S. slaughterhouses, except for one for beef; d) EU Deforestation Regulation (EUDR) will be applicable to U.S. beef exports – originally scheduled for implementation on December 30, 2024, though the European Commission has proposed a 12 month phasing-in time. The EUDR will require additional verification steps and possibly geolocation provisions to verify product did not contribute to deforestation; and e) Some countries like Bosnia and Herzegovina, Turkey, Montenegro, Macedonia, and Serbia have no access to U.S. beef exports as they work toward becoming EU member states.

The Global Transition, part of the EU strategy, suggests that the EU aims to impose changes on production and documentation in other countries through a mix of education and trade barriers. USMEF is monitoring how these various issues might affect imports into the EU from third countries and set a precedent for the world. The EU's Farm to Fork (F2F) Strategy and Green Deal could impact U.S. exports in various ways. These policies include proposals like front-of-pack labeling, mandatory country of origin labeling, restrictions on antimicrobial use in livestock farming (beyond Article 118), regulations on food

contact materials, potential packaging taxes, carbon taxes on imports, sustainability and animal welfare labels, and date marking rules.

MARKET STRATEGY

To boost the demand for U.S. beef in Europe, USMEF aims to: 1) Educate targeted buyers about the profit potential and culinary excellence of both traditional and less commonly used cuts of U.S. beef; 2) Defend our strong presence in high-volume and high-value markets such as Italy, France, the UK, Scandinavia, and Germany; 3) Expand our reach into emerging markets like the Baltic States, Slovakia, Romania, Bulgaria, Hungary, and Poland; 4) USMEF will continue projects in Southern European markets like Croatia, Greece, Slovenia, Spain; 5) Explore new markets such as Austria, Portugal, and Luxemburg and explore partnerships with local restaurants and retail; 6) Investigate opportunities in non-EU countries in the former Yugoslavia, though this may pose some challenges regarding market access; 7) Support the growth of distribution channels, including e-commerce, for U.S. beef; 8) Educate consumers about the safety and sustainability of U.S. agricultural practices to enhance their confidence in our products; 9) Collaborate with key importers, foodservice providers, and distributors to promote U.S. beef in restaurants; 10) Increase marketing efforts through social media and partner communications, including educational content, retail-level engagement, consumer raffles, and blogger outreach to raise awareness and encourage trial purchases of U.S. beef.

Premium Products

- People are willing to spend more on high-quality beef, especially in high-end restaurants and specialty stores, even if they buy it less often.
- In some countries, there are strong promotional campaigns for European beef, which can be a challenge. However, in many EU countries, there is an effort to make local beef seem higher quality, and this is creating a culture where people appreciate premium beef. This is a positive trend for U.S. beef, and USMEF does not see the efforts to promote Polish, French, Swedish, or Irish beef as a threat.
- Grilling and American-style BBQ are becoming popular, especially in smaller markets, which is boosting interest in top-quality U.S. beef.
- Wealthy consumers in places like Sweden, Denmark, and Germany like imported products because they're seen as unique and high-quality.
- Many experts and chefs think U.S. beef is better than others, but people have little knowledge about lesser-known cuts. Going forward, as people get used to higher food prices, they might be increasingly open to buying U.S. beef.
- As importers generally purchase full sets (16-22 cuts), they sometimes face difficulty in marketing some of the less common cuts.
- People in many European countries, especially in central, southern, and eastern Europe, tend not to eat much beef. That means there is a big opportunity for more growth in beef consumption.

Strategic Objective
Establish distribution networks for U.S. beef and provide education to distributors and chefs about the accessibility and culinary versatility of cost-effective alternative beef cuts that enhance profitability.

Tactical Response
Discover chances for cut-specific growth by addressing trader requirements, offering tailored training on various U.S. beef products, organizing cost-effective collaborations with distributors, and collaborating with the trade, media, and social media influencers to boost awareness and offer diverse options for cuts and cooking methods. Maintain involvement with the retail sector while concentrating on emerging markets to stimulate interest in alternative cuts. Utilize both social media and traditional communication channels to convey U.S. beef messages directly to consumers.

High-End Restaurants

- U.S. beef faces competition from cheaper grain-fed beef from Australia, Uruguay, and Argentina under the share available for other suppliers in the duty-free HQB quota. There are also logistical issues, currency exchange rates, inflation, rising energy costs, and high beef prices that add to the complexity.
- Despite increased competition, upscale restaurants provide an excellent niche for high-quality U.S. beef. These restaurants prioritize their image, profit margins, and service over selling large quantities.
- In some parts of the EU, there is a trend of consuming less but choosing higher-quality food. Certain restaurants are using techniques like dry aging to enhance their menus. However, European chefs, restaurant managers, and consumers often express a preference for local beef, even though there are concerns about inconsistent quality in domestic production.
- Higher inflation rates in many European countries may pose challenges for high-end dining, which often features U.S. beef. Nevertheless, there is optimism that consumers will adapt to price changes and adjust their habits accordingly.
- Gourmet burger joints and BBQ catering outlets are gaining popularity, creating opportunities for the growth of cuts like chuck rolls and less commonly used ones. However, educating consumers about these cuts is crucial. Emerging EU markets like Bulgaria, Hungary, Croatia, Romania, and Estonia, where economies are growing faster than the European average, are discovering U.S. beef. This offers further growth potential, especially for budget-friendly, alternative cuts. Additionally, these countries have relatively low per capita beef consumption, providing more room for growth.

Strategic Objective
Maintain connections with prominent hospitality and restaurant industry buyers across different markets, emphasizing U.S. beef cuts known for their value, flexibility, and distinctive marbling. With the extra capacity provided by TRQ, concentrate on entering new markets where U.S. beef hasn't established a strong presence yet.

Tactical Response

Introduce chef training programs aimed at educating influencers who can influence consumers' choices, thereby increasing demand for both standard U.S. beef cuts and less common ones. Collaborate on educational initiatives for chefs and other HRI professionals alongside U.S. beef distributors. Involve restaurant chains and HRI distributors in efforts to inspire them to arrange special events to showcase U.S. beef, encouraging them to incorporate U.S. beef cuts into their menus. Leverage the favorable position of U.S. beef in the Duty-Free quota as an extra incentive for introducing U.S. beef to their menus.

Retail Differentiation

- Costco is expanding its support for U.S. beef to new countries like Iceland, the UK, France, Sweden, and Spain. They now offer both Prime and Choice products, giving consumers more options in terms of quality and price.
- Many retailers, including discount stores, are offering premium products, even though they work with tighter budgets and profit margins. Retail partners in Germany and Poland use U.S. beef-branded refrigerators to draw attention to American products while allowing USMEF to directly communicate marketing messages to consumers.
- Selling U.S. beef cuts at stores that specialize in non-food products, like those focused on grilling equipment, has been an effective way to introduce customers to U.S. beef. USMEF will continue to support such initiatives by getting these non-traditional outlets to carry specialized U.S. beef refrigerators.
- Apart from specialty shops, more supermarkets are interested in stocking U.S. beef, and cash-and-carry retailers are open to offering alternative beef cuts to reach a broader customer base.
- Ecommerce is a growing way to distribute premium food and meat products, especially since people became accustomed to it during the peak of the COVID-19 pandemic. U.S. beef is already available in niche ecommerce markets in established countries like Germany, Italy, and Denmark, as well as in developing markets such as Bulgaria, Poland, and Romania.

Strategic Objective

Inform retailers and customers about the quality of U.S. beef and its various cuts. USMEF will expand the availability of U.S. beef in both physical and online retail spaces, introducing new cuts. Furthermore, USMEF plans to enter new European markets by leveraging existing partnerships with importers and industry associations.

Tactical Response

Organize educational and promotional events with retailers to increase awareness about U.S. beef and its versatile uses in cooking while sharing USMEF's social media content to assist retailers in engaging with their customers. Additionally, USMEF will support U.S. beef importers in participating in specialized retail exhibitions across the region. Promoting further processing, such as portion control (or splitting primal cuts into smaller, more affordable pieces) as a strategy to attract new retail customers. Provide consumers with comprehensive educational materials, both at the point of purchase and through social media channels. To stand out, U.S. beef will be featured in dedicated coolers within specific retail

sections, enhancing consumer awareness and offering additional educational opportunities. Another way of increasing retail presence of U.S. beef is to work with producers of HMR products targeted at retail customers. USMEF, through cooperation with U.S. beef distributors, will work with those producers to encourage development of HRM kits containing U.S. beef and contribute to marketing of those HMR kits to the consumers. This will provide additional distribution channels for less popular U.S. beef cuts.

Other Key Initiatives

- Engage consumers through culinary influencers, digital marketing, and in-store activities to educate them about the quality and sustainability of U.S. beef. Collaborate with bloggers and influencers, especially those familiar with local languages and cultures, to generate excitement about U.S. beef.
- Counter Farm-to-Fork messages and efforts to reduce meat consumption by emphasizing the sustainability practices in U.S. beef production.
- Focus on educating buyers in primary markets like Germany, Italy, and the UK; secondary markets such as France, Netherlands, and Spain; and third-tier markets including Romania, Bulgaria, and Hungary. Explore opportunities in the Balkans, considering market access, and work in less active markets like Austria and Portugal to foster growth.
- Partner with importers to promote U.S. beef e-commerce through their social media channels and digital platforms.
- Identify new markets, niches, and trends to increase demand for high-quality U.S. beef.
- Provide enhanced trade servicing, training, and gather market intelligence to better understand local stakeholders' needs, including those interacting directly with consumers.
- Target new consumer segments, such as women, that have not historically been the target audience for grilling or barbeque trends.
- Demonstrate the U.S.' commitment to maintaining EU market relationships.
- Enhance U.S. beef visibility through grilling and cooking shows, customer-facing branding on partner delivery fleets and billboards.
- Elevate the image of U.S. beef by showcasing quality cuts at high-profile events in collaboration with FAS.
- Maintain an online presence through social media platforms like Facebook, YouTube, and Instagram to educate traders, chefs, buyers, and consumers about U.S. beef.

*2024 import and market share data is based on import data of EU-27 and the United Kingdom (from TDM), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau. Assume large volumes of unidentified imports for UK are from Ireland (as indicated by Ireland's reported export data to the UK). * Historical discrepancy between EU import data and U.S. export data.*

Measurable Objectives:

Measurable Objective #1
85% of targeted distributors are consistent year-round purchasers of U.S. beef.

Measurable Objective #2
62% of targeted distributors will purchase muscle cuts other than traditional loin steak cuts.

Measurable Objective #3
100% of newly targeted distributors will make trial purchases of U.S. beef.

Measurable Objective #4
76% of targeted retailers will make trial purchases of U.S. beef.

Measurable Objective #5
62% of targeted retailers will regularly offer U.S. beef to their customers.

Performance Efficiency Measures:

N/A for Foreign Marketing ARs

LRP Initiatives Addressed by this Tactic:

Drive Growth in Beef Exports

- Identify and address export customer needs and values
- Collaborate with targeted partners to promote U.S. beef in foreign markets
- Invest in research, marketing and education programs

Checkoff Program Committee(s): International Marketing

Tactic I | 2640-FM
Japan

TACTIC DESCRIPTION:

MARKET ASSESMENT

U.S. beef exports to Japan remained steady in 2024 at 242,869 mt, while value increased 3% to $1.809 billion. Despite higher beef prices, demand for U.S. beef remained resilient in 2024 and Japan returned to its status as the leading volume market for U.S. beef. In addition to being a large muscle cut market for U.S. product, Japan is also the leading value market (and the second largest volume market) for U.S. beef variety meat exports with value increasing 1% in 2024 to $456 million.

Volumes of imported beef in Japan peaked pre-pandemic. Since then, the market has been hindered by the devaluation of the yen and more conservative consumer spending. In general, Japanese consumers are trading down for cheaper options like chicken or choosing frozen product over chilled. In addition, Japan's high tariff on U.S. beef adds to the overall high cost of imported product and largely limits Japan's purchases to short plate, which accounted for 79% of Japan's imports of U.S. beef cuts in 2024. The spread between domestic Wagyu prices and U.S. beef continues to narrow, as Japanese consumers' real incomes continue to decline, making it difficult to pass on higher prices.

Despite a competitive market environment in 2024, U.S. beef continued to demonstrate its strong appeal in Japan, driven by sustained demand and buyer loyalty. Japan's imports of chilled beef softened slightly from recent highs, with U.S. beef maintaining a significant presence at 42% of the chilled market. Although Australia edged ahead in chilled beef volume for the first time since 2016, U.S. beef remains a preferred choice among many Japanese buyers who value its consistent quality and performance. In the frozen beef category, total imports rebounded in 2024, reflecting renewed demand. While the U.S. share of frozen imports adjusted down to 30% amid rising volumes from competitors, the overall strength of U.S. beef demand in both categories underscores the market's continued trust in U.S. products. Looking ahead, these positive indicators provide a solid foundation to regain momentum and expand U.S. presence in this important market.

Strong foodservice recovery remains a bright spot for U.S. beef exports to Japan. Japan saw record large tourism in 2024, partly driven by the weak yen, and such robust tourism is expected to continue into 2025 and 2026. Tourists today are moving outside of just Tokyo, driving demand for differentiated menus and high-quality raw materials to more regional areas of Japan that have historically been underserved by the U.S. beef industry. Traditional Japanese cuisines like yakiniku, hot pot, shabu shabu, and others that use beef quite heavily are benefitting from this new foot traffic and even izakayas are performing positively. For the first time, USMEF will directly target the tourism industry, linking hotels with local restaurants to build demand for U.S. beef.

While the U.S. beef industry faces some challenges in the Japanese market, demand for high-quality products remains strong. In 2025 and 2026, USMEF will strengthen its support for foodservice partners and intensify efforts with key retail accounts to maintain market share and ensure strong visibility on shelves. As Japanese consumers increasingly seek value, there's an exciting opportunity to further educate them on the quality and benefits of U.S. Choice grade beef—especially in retail settings. With value-conscious trends continuing amid rising prices, cost-effective retail strategies and efficient foodservice operations will be key. Encouragingly, U.S. beef continues to enjoy strong loyalty among Japanese buyers, providing a solid foundation for future growth.

- Per Capita Beef Consumption: 9.8 kg
- Total Beef Imports (not including variety meat) - all sources: 537,955 mt
- Total Beef Variety Meat (BVM) Imports - all sources: 83,778 mt
- U.S. Share of Total Beef/BVM Import Market: 36%
- Other Beef/BVM Suppliers & Market Shares: Australia 45%, Canada 7%, New Zealand 6%
- Domestic Self Sufficiency: 42%
- U.S. Beef Exports (not including variety meat): 199,426 mt
- U.S. Beef Variety Meat (BVM) Exports: 43,443 mt
- Customers for U.S. Beef Imports: Processing 5%, HRI 50%, Retail 45%

Top Imported U.S. Beef Cuts: short plate, rib cap plate, upper plate, chuck eye roll, shoulder clod, top blade muscle, chuck flap tail, top round, flat round, rib/plate finger, middle meats, boneless short rib, chuck short rib

Top Imported U.S. BVM Items: tongue, outside skirt, hanging tender, large and small intestine

Beef Noteworthy Issues include a) even with the U.S.-Japan trade agreement, Japan has the highest import duty of the main beef importing countries; and b) the Export Verification program for U.S. beef exports to Japan, which limits the opportunities for processed and value-added beef products.

MARKET STRATEGY

A) Defend U.S. beef market share by maximizing promotional support for key accounts and focusing on alternative cuts that can increase buyer profitability and still suit their needs for quality; B) Highlight the quality and marbling attributes of U.S. beef to differentiate from the competition and communicate value to buyers; C) Elevate U.S. beef's image among consumers with strategic partnerships and imaging campaigns as more Choice grade product becomes available in the marketplace; D) Identify new food and retail trends and target accounts to develop growing, untapped segments by conveying the safety, quality, and versatility of U.S. beef including variety meats; E) Capitalize on growing tourism to target new U.S. beef users across the country.

Defending Space at Retail

- The retail sector is a main avenue for U.S. beef chilled items. However, consumers today are trading down and U.S. beef's share of the meat case must be defended. The Japan Meat Information Service Center notes that beef accounted for 26.5% of spending on fresh meat in 2024, although purchase volume and frequency are declining.

- According to the Japan Meat Information Service Center, “price” was noted as the most important factor driving consumer purchases of meat in 2024. Older consumers also considered “freshness” and “place of origin / brand” key factors driving their purchasing decisions.
- Retailers are facing strong competition and are committing to “lowest cost” strategies to appeal to consumers. Defending market share among key retail accounts that move millions of pounds of U.S. beef is critical in Japan’s current export environment.
- Japanese consumers continue to show a strong preference for shopping in-person and many stop at supermarkets daily for the freshest items.
- Small packaging and single-serve items are trending at retail.
- Elevating consumers’ awareness and quality perception of Choice grade U.S. beef will be critical in 2025 and 2026 as Choice takes up a larger share of the retail case.
- Although traditionally a thin-sliced culture, promoting thick-cut beef has labor advantages for retailers and moves more volume.
- Opportunities for beef variety meat items like tongue and intestine for at-home consumption continue to emerge as consumers seek value in retail purchases.

Strategic Objective
Offer increased promotional support to the retail channel as consumers pull back on spending and trade down for less expensive items. Defend U.S. beef’s share of the meat case while highlighting the attributes of U.S. Choice grade beef to consumers. Protect market share among key retail accounts like Costco, Aeon, etc. that regularly move large volumes of U.S. beef.

Tactical Response
Develop nationwide retail campaigns with key retail accounts, increase frequency of in-store tasting demonstrations, work with retailers to promote U.S. beef on newspaper insertions, recipe cards, POS material, etc. Educate demonstrator staff on the properties and attributes of U.S. beef, particularly highlighting Choice grade beef. Educate retail meat department staff on cutting and slicing underutilized cuts such as clod, round, etc. Develop opportunities for retailers to introduce beef variety meats like marinated small intestine that offer consumers value-oriented options.

Record Large Tourism & Foodservice Recovery
- Partly driven by the weak Yen, tourism in 2024 was record large, increasing 31% from 2023 and driving demand for differentiated menus throughout Japan. Growing tourism to new regions of Japan is pushing demand for high quality outside of just Tokyo and paving the way for U.S. beef to gain traction with local customers across the country.
- High beef prices and the weakened Yen are pushing restaurant operators to consider cost-effective options like top blade, chuck flap, teres major, and brisket skirt. More training on alternative cuts is needed.
- Polarized spending patterns among consumers are fueling demand at more family restaurants or fast-food chains for less expensive options while simultaneously supporting “special occasion” dining at high-end restaurants. Tourist demand is driving up foodservice sales, even to the benefit of izakayas which are seeing a significant rebound in foot traffic.

- Traditional Japanese cuisine is trending with tourists including yakiniku, shabu shabu, and hot pot – all of which use significant amounts of beef. Yakiniku restaurants are heavy users of U.S. beef tongue, outside skirt, hanging tender, short plate, large intestine, and even some OTM product. Although traditionally a social setting, single-person yakiniku continues to trend.
- Western BBQ is growing in popularity across Japan, especially in Okinawa, although still a very niche market among foodservice operators. More education and outreach are needed to further develop this channel.
- The hotel and catering sector typically has shown high demand for OTM tenderloin and ribeye. Mountain chain tripe is also a popular OTM variety meat. Opportunities for these products are expected to increase as foodservice operators seek lower-cost raw material.
- Increases in operational kitchen expenses are driving many foodservice managers to search for ways to minimize in-house labor with more portion control, thick-cuts or further processed product. Restaurants are more willing to participate in activities if promotions are designed to minimize any in-house labor burden.
- LIVE Japan, a website geared towards tourism, sees more than 50 million website visitors per year. Featuring U.S. beef partners on this website will be a new initiative for USMEF.

Strategic Objective
Capitalize on record-large tourism and identify new potential buyers for U.S. beef located outside of Tokyo and in more regional areas of Japan. Demonstrate strong U.S. beef support for a full range of foodservice operators as the foodservice sector sees growth. Educate foodservice buyers on underutilized cuts such as clod and round cuts as well as over-thirty-month products that can be utilized to keep raw material prices low.

Tactical Response
Partner with hotels and foodservice operators to distribute POS material to inbound tourists, leading them to local restaurants using U.S. beef. Feature ads for U.S. beef partners on LIVE Japan to capture growing tourism traffic. Offer hands-on culinary trainings and cutting demonstrations to a wide variety of foodservice operators interested in a range of U.S. beef cuts appropriate for fast-casual menus to even high-end steak items. Work with foodservice partners directly to develop new menu ideas especially around cost-effective alternative cuts or variety meats. Utilize relationships with high-end steakhouse partners to elevate U.S. beef's image among consumers. To alleviate labor constraints, utilize social media and other promotional tools to advertise menus outside of the restaurant space.

Keeping an Eye on Sozai

- "Sozai" products are pre-made items that include bento boxes, rice balls, sushi, etc. It is common for consumers to purchase fresh-made sozai items daily as meal supplements or even meal replacements. There are many different sozai items in the marketplace including prepackaged goods and fresh-made items that are sold in convenience stores, supermarkets, and specialty sozai shops. USMEF will target these three sectors to tap into the sozai market.

- The sozai market is underserved by U.S. beef. Quality upgrades in bento boxes and other convenience items will drive demand for more premium raw material and create opportunities for U.S. beef.
- Many sozai items do not identify or advertise country of origin on raw material. Labelling and advertising U.S. beef in these items can elevate the image and prestige of sozai lines. Specialty sozai stores include both street stalls and modern chains. Bento box chains like Hokka Hokka Tei, Hotto Motto, and Origin Toshu are underserved by the U.S. beef industry and present opportunities to move large volumes of U.S. beef.

Strategic Objective
Develop opportunities for U.S. beef in sozai products and in new menu items at CVS, retail, and deli or bento box chains. Target sozai processors and specialty store chains to increase utilization of U.S. beef as a premium raw material, using the scale of promotional support available to displace competitor product. Demonstrate the quality message and benefit of labeling U.S. raw material origin on these products.

Tactical Response
Collaborate with CVS chains, retailers, processors and their suppliers to develop new items using a variety of U.S. beef cuts as raw material. Encourage sozai targets to identify country of origin and highlight U.S. beef attributes on packaging to elevate product image. Connect with sozai specialty store chains and entice these new targets with potential widespread promotional support.

Digital Marketing
- Consumers of all ages use social media to talk with friends, play games, shop, etc. However, Japanese consumers are showing signs of digital burn out, and are turning back to traditional media channels and in-person events or seminars.
- Consumers are increasingly and constantly integrating blogs and social media into their personal lives. Bloggers and social media “leaders” present strong advertising opportunities as Japanese consumers are more likely to trust local, recognized “celebrities”. These influencers can be incorporated into consumer events.
- Social media platforms such as Instagram and YouTube can be used to share real life stories from U.S. producers to dissolve the misperception that U.S. beef is “factory farmed”.
- Consumers look for “Instagenic” food that is interesting and visually appealing, so they can post to popular social media sites. This presents an opportunity for consumer-generated marketing content which requires little to no investment and is well-trusted by followers.

Strategic Objective
Build U.S. beef’s image on diverse social media platforms as a healthy, high-quality, and delicious center-of-the-plate option. Use social media to reach consumers to keep U.S. beef top of mind and build familiarity and trust.

Tactical Response

Leverage the expansion of social media in Japan by linking traditional promotions and activities to customized shopping sites and utilize recognizable social media leaders with a strong following to effectively expand the reach of the U.S. beef message. Partner with Japanese chef KOL's to reach consumers on social media and dispel myths that U.S. beef should not be used in traditional Japanese cuisine. Establish partnerships with appropriate culinary, grill-enthusiasts, and other influencers and include them in U.S. beef educational events. Encourage these influencers to promote American beef to consumers. Create digital content for consumer education or to highlight U.S. beef partners, like key restaurants. Help consumers find locations that carry U.S. product by linking social media content including videos, influencer pages, etc. to ecommerce or retail promotions/pages.

Other Key Initiatives

- Utilize cross-branding strategies with other well-regarded brands in Japan to bring attention to U.S. beef and develop a trustworthy reputation.
- Continue to develop U.S. beef's image as a "family-farmed" product with the Journey to American Beef campaign featuring producer videos and real-life interviews with actual U.S. producers to be used at tradeshows, retail events, and shared across social media.
- Introduce American style-BBQ with low and slow smoking techniques. Curate a network of restaurants throughout Japan featuring American BBQ and introduce new cuts of American beef (i.e. brisket) as the ideal raw material for Western style BBQ.
- Use traditional and print media to advertise U.S. beef. Strategically place ads in high traffic areas such as throughout train cars on the Tokyo metro lines.
- Create a network of "Master Chefs" from hand-selected culinary school instructors to promote the quality and diversity of U.S. beef to consumers and other culinary professionals, sometimes bringing these events to virtual platforms as needed.
- Partner with renowned magazines and newspapers targeting consumers to generate demand for U.S. beef as a healthy and priority option for aging consumers. Use these media sources to build confidence from certified nutritionists promoting U.S. beef.
- Emphasize the health and nutritional benefits of U.S. beef in a balanced, high-protein diet on consumer-oriented marketing tools to reach health-conscious and fitness-focused consumers.
- Monitor the presence and evolution of plant-based meats that are appearing in more foodservice and retail outlets as consumer interest in the environment and sustainability grows.
- Position the U.S. beef industry as community-oriented and supportive to the Japanese market by identifying opportunities to work with food banks, children's centers, schools, etc. for charitable programming.

2024 import and market share data is based on import data of Japan (from TDM), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau.

Measurable Objectives:

Measurable Objective #1
100% of targeted importers and distributors in Japan will report that they are confident in the safety and reliability of U.S. beef supplies.

Measurable Objective #2
94% of targeted importers and distributors will consistently purchase two or more U.S. beef alternative cuts.

Measurable Objective #3
86% of targeted HRI and retail accounts will consistently feature two or more U.S. beef cuts.

Measurable Objective #4
63% of targeted HRI and retail accounts will add additional U.S. beef items to the menu/in the meat case.

Measurable Objective #5
83% of targeted bento/convenience stores will offer items featuring U.S. beef.

Performance Efficiency Measures:

N/A for Foreign Marketing ARs

LRP Initiatives Addressed by this Tactic:

Drive Growth in Beef Exports

- Identify and address export customer needs and values
- Collaborate with targeted partners to promote U.S. beef in foreign markets
- Invest in research, marketing and education programs

Checkoff Program Committee(s): International Marketing

Tactic J | 2640-FM
South Korea

TACTIC DESCRIPTION:

MARKET ASSESMENT

U.S. beef exports to Korea in 2024 totaled 232,481 mt, down 6% from 2023. Export value increased 4% to $2.220 billion, making 2024 the fourth consecutive year export value totaled over $2 billion. Korea is the leading value market for U.S. beef globally. U.S. beef has heavily penetrated the Korean market, and the U.S. remains the top supplier of beef to Korea, accounting for close to a third of beef consumption in Korea. Korea's surging demand for U.S. beef has been driven largely by growth in the retail sector, both in modern retail venues and e-commerce platforms where demand for fresh beef and grain-fed product from consumers seeking premium foods continues to grow. Choice and Prime grade U.S. beef are prominent at retail, on ecommerce, in a wide array of restaurants, in home meal replacement or restaurant meal replacement products, and even in special meals featured in the institutional sector.

U.S. beef continues to benefit from the phase-out of Korea's import duties as the tariff rate under the Korea-U.S. Free Trade Agreement (KORUS) dropped to 2.7%% for 2025, down from 40% prior to implementation of the FTA. The tariff rate is scheduled to decline to zero by 2026. Top competitors Australia, Canada, and New Zealand also benefit from FTA's with Korea; however, the U.S. will continue to maintain a duty advantage until 2028/2029 when these competitor rates also decline to zero.

U.S. market share of total imported beef declined in 2024, dropping from 50.5% share in 2023 to 47% share in 2024 as Korea imported more frozen beef from Australia. Imports of frozen beef from all suppliers declined 11%, although Korea imported a greater share of frozen Australian beef. Similarly, imports of chilled beef from all suppliers declined in 2024 and only accounted for less than 20% of Korea's total beef imports. U.S. beef accounted for 67% of Korea's chilled beef imports in 2024, with chilled volumes increasing in the rib and short plate categories, but decreasing in the clod, chuck roll, and loin categories. Imports of Australian beef increased across the cut categories, and especially for the rib. China escalated retaliatory tariffs on U.S. beef in April, reaching as high as 147%, before the higher retaliatory tariffs were paused for 90 days. However, the more pressing issue for U.S. beef exports to China is that China has allowed the registration for most U.S. beef plants to expire in its CIFER system, meaning U.S. beef has been essentially out of the market since mid-March. The consequences of the disruption in shipments of U.S. beef to China are already being felt in this market and in April 2025 importers reported more offers of U.S. brisket, center cut back rib, and chuck eye roll.

Consumers in Korea are demonstrating polarized spending patterns, with demand for high-end dining thriving and low-cost foodservice also trending. Buffet-style family restaurants and boxed lunches are trending with consumers who still enjoy dining out but are hoping to find less expensive options. Retailers are responding to consumers' shift to more conservative spending by taking a "lowest-priced" merchandising approach, offering weekly deals and frequent discounts. Yet, to the benefit of U.S. beef, consumers still demand quality and a focus on fresh is trending among retailers and ecommerce

platforms that are competing for consumer purchases. Single-person households account for over one-third of all households in Korea with convenience remaining a priority among consumers. Today, Korea is a global leader in the home meal replacement (HMR) market with product lines featuring superb quality and remarkable product diversity. This is an ideal platform to highlight the premium quality of U.S. beef.

- Per Capita Beef Consumption: 18.3 kg
- Total Beef Imports (not including variety meat) - all sources: 462,541 mt
- Total Beef Variety Meat (BVM) Imports - all sources: 32,420 mt
- U.S. Share of Total Beef / BVM Import Market: 47%
- Other Beef/BVM Suppliers & Market Shares: Australia 45%, New Zealand 4%, Canada 3%
- Domestic Self Sufficiency: 39%
- U.S. Beef Exports (not including variety meat): 222,171 mt
- U.S. Beef Variety Meat (BVM) Exports: 10,310 mt
- U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports: 18%
- Customers for U.S. Beef Imports: Processing 15%, HRI 40%, Retail 45%

Top Imported U.S. Beef Cuts: chuck roll, chuck eye roll, top blade, chuck flap tail, outside skirt, hanging tender, short rib, chuck short rib, rib finger, shoulder clod, brisket, short plate, clod, back rib, strip loin, rib eye roll

Top Imported U.S. BVM Items: femur bone, large intestine, tendon, abomasum

Beef Noteworthy Issues include: a) Korea's ban on imports of U.S. beef from cattle over 30 months of age and selected products from cattle under 30 months of age (i.e. processed beef, small intestine, tongue, trimming, ground beef, etc.), and related restrictions on beef from imported Canadian cattle; b) Storage state labeling requirements implement on July 1, 2025, requiring the specific storage condition to be indicated on the box, or no storage statement indicated on the box (in English; the Korean label already indicates the specific storage condition in Korean). The industry has been preparing for this label change, so the risk of trade disruption should be relatively low.

MARKET STRATEGY

A) Capitalize on growing demand for premium product in both retail and foodservice sectors, leveraging the benefits of KORUS to gain market share; B) Defend U.S. beef market share by educating buyers about the quality, profitability and versatility of high-quality U.S. beef, especially chilled beef; and C) Establish loyalty to the U.S. beef industry among buyers by demonstrating superior promotional support and supply capabilities.

Premiumization Favors Imported Beef Despite Inflationary Pressures

- The U.S. remains a top supplier of beef to Korea, accounting for close to 30% of Korean consumption. Although the price premium for U.S. product over Australian beef is growing, Korean consumers are willingly paying significantly higher prices for U.S. product.
- U.S. beef will remain at a duty advantage until 2028-2029 when main competitors such as Australia, Canada, and New Zealand also reach a 0% duty. U.S export growth through 2028 will be key to long-term success and building loyal customers throughout Korea.

- Consumers in Korea find small luxuries in eating premium or high-quality foods; however, consumers are also showing polarized consumption patterns. For everyday meals, consumers are choosing ultra low-priced options, especially at retail.
- Consumers are increasingly interested in personal health and nutrition, focusing more on fresh foods. Retailers and ecommerce operators are responding by launching specific "fresh" product lines with quality guarantees, which will create more opportunities to push chilled product.
- Only around 19.5% of imported beef in Korea is chilled, compared to 37% in Japan, based on 2024 import data. Notably, the United States accounts for 67% of Korea's chilled beef imports, according to 2024 customs data. This suggests that Korean consumers recognize the premium quality of U.S. chilled beef, highlighting a strong foundation and potential for further growth in this segment.

Strategic Objective
Capitalize on the benefits of the KORUS agreement to build stronger demand for high-quality grain-fed U.S. product. Gain maximum market share by developing new demand and displacing competitor product. Protect market share as consumers turn to more "value" purchasing and prices from competitors, like domestic Hanwoo and Australian beef, drop.

Tactical Response
Continue to connect a broad group of importers/distributors and end consumers to U.S. beef suppliers through various trade sector activities that highlight the safety, quality, and taste of U.S. beef. Demonstrate that U.S. beef is an ideal product to meet growing consumer demands for quality with chilled, frozen, and high-end or branded products. Strategically bring U.S. beef into the conversation about health, nutrition, sustainability and animal welfare to elevate consumers' perception of U.S. beef, using keynote speakers, influencers, and science to educate buyers.

Convenience & Processed Product
- Single-person households are the leading household type in Korea. These consumers typically seek small, packaged goods and convenient meal options to suit spaces with limited storage. As a result, packaging trends are changing. There will be growth opportunities in sales of convenient products and small-packaged goods.
- Home meal replacement (HMR) products are popular with both single-person households and families for both chilled and frozen items. Consumers appreciate variety and diversity in HMR lines to suit differing tastes. Many products even incorporate variety meat items. · Quality standards of HMR products have grown tremendously, creating opportunities for high-quality beef to be used as a raw material and for products to differentiate with chilled beef, Prime grade beef, etc.
- Products that are difficult to prepare at home, like Korean soup called Guk or Tang, are popular HMR/RMR items.

- Upgrading the HMR experience, restaurants are partnering with processors to create branded lines of restaurant-meal-replacement, or RMR, items that appeal to customers' familiarity with certain chains and brand names. These items can be found in-stores and online.
- Labor in Korea is challenged by a rapidly aging population exiting the workforce. Sharp increases in minimum wage requirements have forced many businesses to reduce in-house labor costs via reductions in employee numbers or reduced working hours. In general, many retail and foodservice operators are seeking opportunities to reduce the workload via further processed products. Retailers are seeking more case-ready products for labor savings, and some foodservice operators utilize robots for tableside service.
- Korea has an aging population. "Care foods", or foods that are easy to eat and prepare created especially for seniors, will continue to emerge as a new channel for U.S. beef.

Strategic Objective
Identify opportunities with retailers, both on and offline, and foodservice operators to develop and introduce more processed U.S. beef products such as pre-marinated, pre-sliced, etc. to meet rapid growth in single-person households, satisfy demands from convenience-seeking families, and reduce in-house labor.

Tactical Response
Connect importers and processors to more U.S. beef suppliers and offer additional product development workshops, seminars, product showcases, etc. to drive the growth of U.S. beef as a raw material for further processing and its use in already processed products that will satisfy the convenience demands of Korean consumers, retailers, and even foodservice operators. Work with HMR, RMR, and meal kit processors to incorporate and label U.S. beef. Utilize specialty products like high-end bone-in steak and Prime-grade beef in processed products and demonstrate the benefits of advertising these features to differentiate.

Offline Retail Strategies
- Retailers are adopting "lowest price" merchandising techniques to attract customers in a highly competitive landscape with online and offline formats.
- Consumers are purchasing less at retail – U.S. beef retail buyers are pushing premium beef to keep purchase totals high. As a result, private labels are trending as retailers try to maintain a high-quality perception at a reasonable price.
- Hypermarkets are the leading destination for U.S. chilled beef in the retail sector. Although these retailers are seeing increased competition, club-membership retail formats are becoming more popular as consumers seek value-oriented options, giving them special access to coupons, deals, and products reserved for members.
- A new venue for U.S. frozen beef is emerging among the retail sector- food wholesale markets that remain below the mandatory retail store closure regulations. This is a promising channel for frozen U.S. beef ribs.

- As competition with online retail intensifies, offline retailers are strengthening their online malls and apps and using each store as a logistics base. In addition, offline retailers are trying to attract customers through store renewals such as customer experience-type stores and fresh food stores. Even convenience stores are selling fresh products.
- Small scale supermarkets are on the rise as single-person households drive demand for small packaging.

Strategic Objective
Expand U.S. beef's presence in a diverse set of retail channels including food wholesale markets and address their individual needs via trade servicing, merchandising support, promotional support, and training for staff. Defend U.S. beef market share among key hypermarket accounts amid rising U.S. beef prices.

Tactical Response
Offer retail partners increased promotional support with tasting demonstrations and, where appropriate, U.S. beef roadshows. Use product development workshops and trade seminars to demonstrate the quality, consistency, and benefits of KORUS to push U.S. beef as a raw material for private label lines. Push U.S. chilled beef to retailers as a way to differentiate from the competition with high quality product.

Ecommerce Trends & Strategies
- Competition among ecommerce platforms is intense, driving quality guarantees and improvements. For improved quality control, ecommerce platforms are launching their own private brands and are choosing more high-quality products to elevate their reputations among consumers.
- Ecommerce platforms are offering diverse and unique membership benefits to their loyal customers- for example, Naver is offering Netflix to all members to improve customer loyalty.
- Fresh foods sales on ecommerce platforms continue to show growth.
- Chinese-owned platforms like AliExpress and Temu are tapping into the Korean ecommerce market. AliExpress and Temu are not only recruiting a wide range of Korean ecommerce sellers but are also making efforts to secure local logistics centers as part of their aggressive market expansion strategies.
- Ecommerce platforms carry thousands of SKU's. To keep U.S. product top-of-mind, banner ads and livestreaming tools are used to draw in consumers. These initiatives generally have high returns on investment where a small fee for a banner ad typically returns large sales.
- Business to business ecommerce platforms are expanding in Korea, allowing foodservice operators and small retailers the opportunity to purchase product box by box.
- Importers are able to sell direct to consumers via Naver Smartstore, reducing the layers of distribution channels. Naver aims to improve delivery speed through large-scale investments in logistics infrastructure, including the use of third-party logistics.

- M-commerce (mobile commerce) gift giving is becoming increasingly important in Korea. Buyers can have product, including chilled meat, shipped to a recipient who enters their address and delivery information. Holiday gifting of meat sets is becoming more popular alongside the small luxury trend.
- Banks and financial apps are actively expanding into the ecommerce space. Banking apps such as Toss Banking are building their own ecommerce ecosystems. Financial platforms like OKCashbag and Shinhan Pay are also enhancing their reward benefits to promote ecommerce products and attract consumer attention.

Strategic Objective
Expand U.S. beef's presence with leading ecommerce platforms and mobile commerce apps with increased promotional support to keep U.S. product top of mind.

Tactical Response
Identify new and diverse ecommerce platforms capable of promoting U.S. beef and help launch new "ecommerce-friendly" products to increase available SKUs such as meal kits, vacuum-skin-packaged products, portion-controlled products, and private labeled products, etc. Utilize livestreaming, banner ads, KOL endorsements, etc. as appropriate to draw in consumer traffic. Offer training to ecommerce platform staff to familiarize these buyers with U.S. beef attributes.

Foodservice Trends Favoring Beef

- Polarized dining with strong demand for both the cheapest meals and highest-end is still trending.
- High-end all-you-can-eat restaurants remain popular with consumers. Premium hotel buffets in the $130-$200 per person price range are trending. Meanwhile, low-priced buffet restaurants are also popular with an increasing number of outlets opening.
- Beef-centric authentic Gogigui (Korean-style BBQ), beef noodles, Chinese-style hot pot and American BBQ outlets are rapidly developing, creating more market opportunity for alternative cuts.
- Both regular franchise burger and premium burger restaurants are continuously showing strong growth.
- Delivery transactions were forecasted to be record high in 2024. Similar to ecommerce, delivery platforms are seeing intense competition with some platforms offering free delivery and other perks to members. U.S. Beef "Delivery Week" promotions with top platforms like Coupang Eats continue to perform well.
- Institutions are the least penetrated HRI sector but are a potential venue to move volumes of secondary beef cuts such as short plate, chuck roll, shoulder clod, etc. Institutional catering is becoming more popular as employers seek ways to retain employees. Quality improvements in these meals are opening opportunities for U.S. beef.
- Restaurants have diversified revenue by tapping into meal kit, restaurant-meal-replacement (RMR), and other carryout convenience items.
- Labor shortages are forcing restaurant operators to reduce in-house capacity, change hours, utilize kiosks and serving robots, etc.

Strategic Objective

Target a variety of foodservice subsectors which demand high-quality, value-priced items, and promote alternative cuts that can be consistently supplied including chilled product. Offer superior promotional support to loyal foodservice outlets. Target suppliers of the institutional sector and introduce U.S. beef to their downstream customers.

Tactical Response

Work with targeted HRI operators and suppliers on using higher grades of U.S. beef along with alternative cuts (e.g. hanging tender, chuck flap tail, chuck eye roll, shoulder clod, etc.) and new culinary styles to displace the competition and gain market share. Support U.S. beef users with trainings, promotions, advertisements, menu ideas, social media engagement, etc. to keep U.S. beef on menus. Further develop and expand the annual "restaurant week" promotions by including more outlets, expanding to ecommerce/delivery, etc. Participate in institutional sector food shows and other events to introduce institutional buyers to U.S. beef and demonstrate the promotional benefits of partnering with the U.S. beef industry. Collaborate with restaurants to launch special U.S. beef menus for the institutional sector.

Social Media

- YouTube and Instagram are the most popular social media platforms in Korea. YouTube's influence among consumers of all generations is growing.
- Instagram has emerged as one of the most used social media apps in Korea as consumers enjoy the short-form video service 'Reels' that is unique to this platform. Consumption of short form contents is increasing in all ages.
- Consumers are seeking more information via longer YouTube videos that offer specific knowledge and in-depth reviews.
- Korean consumers of all age groups are utilizing social media platforms and engaging with influencers or micro influencers. Over 90% of the population is active on social media.
- Food-related blogs, forums, and networks are heavily utilized by Korean consumers who follow and trust SNS "celebrities" more than traditional thought leaders.
- Social media platforms, now combined with ecommerce and promoted with the help of influencers, have become a substantial outlet to move product. Foreign companies are utilizing influencers as brand ambassadors to establish a sense of trust and familiarity among consumers.
- Millennials and Gen Z are demonstrating an interest in quality over brand names. Key words used on social media like "sustainability", "ethical", and "premium" are trending with these consumers.

Strategic Objective

Use traditional and online media to educate buyers and consumers on the quality, safety and value of U.S. grain-fed beef, particularly U.S. chilled beef. Provide accurate information and create positive awareness on U.S. meat production.

Tactical Response

Conduct consumer activities highlighting the overall eating enjoyment of U.S. beef, leveraging social media forums with traditional promotions and activities. Develop a positive image for U.S. beef with SNS celebrities or popular YouTubers to further gain consumer trust and loyalty. Feature U.S. producers on social media for industry endorsement and to create a sense of authenticity while highlighting the ethical and sustainable production practices used by the U.S. beef industry. Develop and create additional video content to meet consumers' increasing desire for media-rich and text-light information, for use in both SNS and traditional communications. Link social media channels to retail, HRI, or ecommerce promotions to rack their impact on sales and foot traffic, if possible.

Other Key Initiatives

- Promote the use of underutilized cuts that offer both quality and value, compared to domestic beef and other imported product.
- Capitalize on opportunities for utilization of cuts that align well with rapidly increasing camping and outdoor trends.
- Utilize popular virtual cooking platforms to teach consumers via cooking classes, reaching consumers both in Seoul and outside of the city.
- Promote U.S. beef as a good source of nutrients to health-conscious consumers, active seniors, weight watchers, etc., calling upon nutritionists, opinion leaders, and gourmet chefs to convey the quality and health benefits of consuming U.S. red meat.
- Promote U.S. beef as a key component to trendy specialty health diets, like the ketogenic diet, to reach health-conscious consumers with increased protein consumption.
- Provide training to high-end restaurants and retailers on the handling, cooking and merchandising of specialty products such as dry-aged beef.
- Monitor the presence and messaging of alternative meat options.
- Position the U.S. beef industry as philanthropic by identifying opportunities to work with donation centers, hospitals, distribution centers, cold storage facilities, etc.

2024 import and market share data is based on import data of Korea (from TDM), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau.

Measurable Objectives:

Measurable Objective #1
Targeted importers will report that 96% of their total imported beef will be U.S. product.

Measurable Objective #2
70% of targeted Korean BBQ, steak & grill, salad bar (buffet), burger/BBQ, and other Asian HRI accounts will feature a new U.S. beef item on their menus**.**

Measurable Objective #3
77% of targeted hotel/banquet accounts will feature U.S. beef on their menus.

*Note, increase in target accounts

Measurable Objective #4
75% of targeted institution accounts will express an interest in U.S. beef.

*Note, increase in target accounts

Measurable Objective #5
27% of targeted restaurants will feature U.S. beef in their restaurant meal replacement (RMR) menus/product lines.

Performance Efficiency Measures:

N/A for Foreign Marketing ARs

LRP Initiatives Addressed by this Tactic:

Drive Growth in Beef Exports

- Identify and address export customer needs and values
- Collaborate with targeted partners to promote U.S. beef in foreign markets
- Invest in research, marketing and education programs

Checkoff Program Committee(s): International Marketing

Tactic K | 2640-FM
Mexico

TACTIC DESCRIPTION:

MARKET ASSESMENT

In 2024, U.S. beef and variety meat exports to Mexico totaled 232,448 mt, up 10% year-over-year and the highest since 2019. Export value totaled $1.345 billion, up 13% year-over-year. U.S. beef unit export prices for Mexico averaged up 8% year-over-year in 2024 and were up 52% from 2019. Export volume for beef cuts was up 7% from 2023 and was the largest since 2019. Beef variety meat exports were the largest since 2016 and totaled 124,000 mt, up 10% from 2023, including growth in top categories: tripe (+6%), lips (+34%), hearts (+1%), livers (+16%) & other (+30%); intestines were down 7% and sweetbreads down 52%. Mexico is the largest volume destination for U.S. beef variety meat exports. Mexico remains the largest market for U.S. beef chuck and round exports, with shoulder clods and gooseneck rounds as top items.

Brazilian beef was a strong competitor in 2024, quickly surpassing Nicaragua and Canada, and becoming the second largest supplier to Mexico, especially for lean, affordable beef and as duties were waived through 2024. This trend has continued through 2025. Based on PIERS data, Brazil's market share increased to 28% in January – April 2025, up from 12% for January – April 2024. Mexico has suspended import duties on meat and poultry products from all suppliers since May 2022, and this policy was again extended through 2025. This means that Brazilian beef is entering Mexico duty free compared to the 25% rate for frozen beef if the duty suspension was not in place. While Brazil has quickly taken significant market share as a lower cost option, it does not have the same texture or marbling as U.S. beef. Buyers in Mexico have found it does not offer a significant cost advantage over U.S. beef because it needs to be injected to reach the same levels of tenderness and palatability. Most of the Brazilian beef coming into Mexico is comprised of rounds and targeted to price sensitive consumers, so it does not compete directly with high quality U.S. beef. Additionally, prices for Brazilian product have been increasing, so the price gap between Brazilian and U.S. product is narrowing, creating opportunities for U.S. beef as well as other competitors.

The Mexican peso devalued following the presidential election in early June 2024. From June through December 2024, the peso averaged 19.4 compared to 16.9 in January - May. The devaluation of the peso, back toward early 2022 levels, did not slow Mexico's beef imports as they were the largest since 2008, even with the entrance of Brazil as the second largest supplier, capturing 14% import share, after gaining access in late 2023. Continued economic growth, foodservice demand and tight domestic beef supplies underpinned the continued growth in Mexico's imports of U.S. beef in 2024. Mexico's beef exports were down 12% to 255,000 mt, with less to the U.S. and Japan. Mexico's cattle prices averaged up 1% in 2024 to a record $151/cwt and kept increasing in January and February 2025. U.S. imports of Mexican feeder cattle were steady in 2024 at 1.25 mil head, even as APHIS suspended imports on Nov. 23 following Mexico's finding of New World Screwworm. APHIS reopened to some imports of Mexican feeder cattle (two ports, with controls) in late January 2025. Feeder cattle imports from Mexico were again suspended in May 2025 with APHIS saying imports should be resumed at some point before the

end of the year. Feeder cattle imports from Mexico accounted for 4% of U.S. slaughter in 2024. Tourism to Mexico continued to rise in 2024 with more than 45,000,000 visitors, a 7% increase over 2023. Tourist spending is also increasing – in 2019, each tourist spent an average of $1,001 USD, but in 2024 this spending rose to $1,166 USD. There is also an increase in U.S. citizens living in Mexico. The U.S. State Department reported in February 2025 that more than 1.6 million U.S. citizens reside in Mexico, more than a 70% increase from 2019. Many of these tourists are also changing the way they travel; while all-inclusive resorts remain popular, more tourists are basing their travels around tailor-made experiences, such as gastronomy and wine-centered trips. This is informing USMEF's strategy to increase partnerships within the HRI sector through U.S. beef and wine pairing activities and mobile food truck sampling events in resort areas throughout the country, such as Los Cabos, Puerto Vallarta, and gastronomy hubs like San Miguel de Allende.

- Per Capita Consumption: 16.9 kg
- Total Beef Imports (not including variety meat) - all sources: 211,789 mt
- Total Beef Variety Meat (BVM) Imports - all sources **: 105,204 mt
- U.S. Share of Total Beef/BVM Import Market: 61%
- Other Beef/BVM Suppliers & Market Shares: Brazil 14%, Nicaragua 9%, Canada 9%
- Domestic Self Sufficiency: 103%
- U.S. Beef Exports (not including variety meat): 108,478 mt
- U.S. Beef Varity Meat (BVM) Exports *: 124,010 mt
- U.S. Beef/BVM Total as a % of Total U.S. Beef/BVM Exports: 18%
- Customers for U.S. Beef Imports: Processing 50%, HRI 10%, Retail 40%

Top Imported U.S. Beef Cuts: clod, goose neck, inside round, boneless chuck, outside round, inside skirt, knuckle

Top Imported U.S. BVM Items: tripe, outside skirt, liver, oxtail, tongue, lips, intestines

Beef Noteworthy Issues include a) High turnover and lack of training regarding import regulations among border officials causing container delays and other import delays.

MARKET STRATEGY

A) Partner with key importer, foodservice, and distribution buyers to position U.S. beef in restaurant and tourism reopening activities; B) Capitalize on USMEF's established relationships with the trade to defend market share by demonstrating to HRI and retail decision makers and their customers the consistency and superior quality of U.S. beef; C) Support the shift towards digital channels of distribution, such as ecommerce and app-based delivery services, catalyzed by the changes to commerce brought on by the coronavirus pandemic; D) Build demand with a new set of buyers by demonstrating the unique attributes and profit potential of U.S. beef, and how to effectively handle and merchandise a wide range of products, particularly undervalued cuts from the round such as the knuckle.

Market Diversification

- Retail exists in many forms throughout Mexico, ranging from the traditional wet markets to modern supermarkets. As a result, a variety of cuts should be made available to meet Mexican retail demand according to consumer demographics.
- Across sectors, U.S. beef is known mainly for high-end/high-cost cuts, which limits the perceived culinary applications.
- Mexico does not require Country of Origin identification at retail. As a result, U.S. beef may be mingled with domestic or other imported product, confusing consumers as they do not get consistent quality. Retailers should be encouraged to differentiate product at the meat case to capitalize on profit potential.
- Issues with reliable supply and rising prices due to inflation have forced buyers to diversify beef imports, leading to an import quota for countries like Brazil and Argentina that do not have an FTA, as well as negotiation of trade agreements with U.S. competitors. Brazil is expanding their presence worldwide, though it is unclear how long term their relationship with Mexico will be.
- Brazil has quickly become the number two supplier of U.S. beef to Mexico, and market share increased to 28% in January-April 2025, up from 12% for January-April 2024 (PIERS).
- Nicaragua is a growing competitor in the region with the majority of volume processed and imported by Sukarne. Sukarne is also bringing in a significant amount of the Brazilian beef available in the market.
- Developing diverse market segments for U.S. beef for a broad range of products is important to reaching new buyers, meeting consumer needs, and defending market share.

Strategic Objective

Focus on developing new cuts, new uses and new clients, while implementing programs in an expanded range of market sectors to highlight new and more affordable items with superior quality, possibly including top sirloin, flank steak, chuck tender, knuckle, inside round, outside round and variety meats and continue to demonstrate the profit potential, stability and safety of the U.S. beef supply.

Tactical Response

Train importers, HRI, and retail staff to ensure a wide selection of U.S. beef items appropriate for a price-conscious market are properly presented, promoted, merchandised and origin-identified to develop and cement loyalty among store customers. Leverage a growing online channel to increase engagement with a wider range of market segments and increase direct-to-consumer communication.

Medium-sized Importers & Processors

- Beyond the large importers/processors in Mexico, there are hundreds of smaller firms that either do not source, or could source more, U.S. product.
- Many newer players do not have experience with U.S. beef and lack knowledge about the unique product attributes and specs.

- The availability of U.S. beef in metropolitan areas is significant; however, in other regions of Mexico, which typically tend to have more price-conscious customers, availability and awareness among buyers is much lower.
- Processors are demonstrating strong interest in new processed product development.

Strategic Objective
Continue to broaden trade education programs in more regions to develop new segments, increase the number of committed U.S. beef buyers, facilitate purchasing efforts, and support the processing sector with seminars, workshops and other trainings for quality product development.

Tactical Response
Provide customized support such as training seminars, handling and merchandising assistance, product positioning advice, development workshops, and buyer-seller linkages, to a diverse set of U.S. beef buyers, and expand these activities into new regions where knowledge of U.S. beef is limited.

High-end & Specialty Retail

- Global demand and strength in U.S. beef pricing have made U.S. beef an unaffordable product for price-sensitive consumers.
- While older and low-income households still purchase meat at wet markets, a considerable shift into shopping at supermarkets, meat boutiques, and via online channels is occurring in urban areas.
- Large retailers, such as Walmart and Costco, are investing additional resources into Mexico, presenting an opportunity for growth of U.S. beef.
- Meat boutiques are finding success selling high-quality U.S. beef on weekends, especially to men who enjoy grilling, and are looking to increase sales during the workweek with value-added products such as marinated cuts for easily prepared meals.
- Enhanced meats and water-added products are common at the retail level, keeping prices artificially low for consumers; however, labeling is not required in Mexico.

Strategic Objective
Differentiate U.S. beef based on quality grading and consistency of the product. Educate retailers on the profit potential of various grades of U.S. beef and increase shelf space at selected retail outlets to displace domestic and other competing product.

Tactical Response
Intensify training and promotions with high-end retailers whose customers seek out quality products and are less price sensitive. Incentivize retailers to correctly identify U.S. beef in the meat case.

Strengthening Foodservice Sector

- Tourism is growing steadily with more than 45,000,000 visitors to the country in 2024 (up 7% from 2023), increasing the importance for expanding the opportunities for the HRI sector in Mexico's tourist hubs.
- Tourists increasingly demand tailor-made experiences, and gastronomy and wine-centered tourism currently accounts for 30% of travel in Mexico. There is also an increase in short trips (long weekends).
- Domestic tourism expanded during the pandemic to eco-tourism and rural tourist destinations. While many people have returned to the highly developed resort destinations post-COVID, incremental growth remains in rural-based tourism.
- Ghost kitchen concepts remain as a niche foodservice trend in Mexico, reaching across a wide variety of cuisine types. Though the delivery fees lead to prices 20-30% higher than traditional restaurant meals, these concepts are still favored by some younger consumers for their convenience.
- The all-inclusive formats of an increasing number of resorts will continue to drive the push for affordability.
- Chefs do not realize how alternative cuts compare on cost, flavor, and cooking styles, while also providing a consistently enjoyable eating experience.
- With beef prices high, restaurants are looking for ways to keep input costs, and thus meal prices, at a competitive level as middle-class consumers are eating out less often due to shrinking disposable incomes.

Strategic Objective

Increase engagement with restaurants to improve culinary applications to maximize profitability with the use of alternative cuts such as baseball cuts, Denver steaks, etc.; develop new users of alternative cuts in HRI segments that move large volumes of meat; and train foodservice operators on U.S. beef attributes, specifications, and promotional/merchandising techniques to draw in even the price sensitive customers.

Tactical Response

Demonstrate to chefs with seminars, hands-on workshops, and promotions, the use and cost benefit of value cuts such as those from bottom sirloin (tri-tip, flap, bottom butt), as well as top sirloin (coulotte) and chuck tender to keep costs low. Leverage technology such as virtual reality to more cost effectively reach a broader number of buyers with virtual cutting demonstrations.

Consumer Level

- The "Buy Local" trend is increasingly relevant to consumers looking to support local economies and increase the authenticity of their dining experience.
- Noticeably more foodie bloggers are gaining influence among consumers. Social media is influencing creativity of menus and plate presentation (Instagramability).

- Tourists are increasingly turning to social media for help planning their vacations. Platforms like Instagram, TikTok and YouTube are go-to sources of information on hotels, restaurants, food reviews, and travel itineraries.
- Consumers still need training on quality grading and proper cooking techniques for high quality beef.
- BBQ and grilling techniques are becoming increasingly popular, presenting an ideal opportunity to push U.S. red meats for the "All-American" eating experience.
- While convenience continues to be a driver in consumption, the convenience store sector largely lacks high-quality protein options for consumers.

Strategic Objective
Work with importers, distributors, and retailers to engage more consumers with U.S. beef, U.S. cooking styles, and demonstrate the U.S. beef industry's commitment to serving the Mexican market and fulfill consumer preferences and trends.

Tactical Response
Expand the reach of USMEF's grilling seminars to train both importers and expanding segments of consumers on a range of proper grilling techniques for high quality U.S. beef. Continue to develop a network of social media influencers to amplify messaging of U.S. beef to Mexican consumers that are increasingly online. Leverage the "Buy Local" trend by creating alliances with producer groups of non-meat commodity items. Work with processors to develop high-quality protein snacks to be sold in convenience stores.

Other Key Initiatives
- Capitalize on convenience-driven trends contributing to increases in the at-home meal delivery sector by partnering with online-based meal delivery services, such as Cornershop.
- Engage importers and distributors as well as their customers with mobile seminars utilizing the U.S. Beef Truck to highlight under-utilized cuts as well as variety meats. Expand the geographical footprint of these seminars outside of main metropolitan areas such as Mexico City and Monterrey.
- Expand promotional activities into new regions of the country to reach new buyers and consumers and increase demand for high-quality U.S. product.
- Utilize technologies such as Augmented Reality to engage consumers and provide them with innovative and interactive ways to learn more about U.S. beef.
- Develop and cultivate partnerships with influential culinary key opinion leaders through U.S. beef-centered activities that are designed to build knowledge and awareness of the unique attributes of U.S. beef while reaching large numbers of consumers.
- Leverage brand associations with trending kitchen appliances such as automated pressure cookers and air fryers to highlight both the convenience and health benefits of U.S. beef.
- Showcase U.S. beef variety meats in front of hundreds of buyers at Mexico City's huge Central de Abasto market, and similar markets in Monterrey, Guadalajara and Aguascalientes.

- Implement a web-based educational platform to train more customers along the supply chain about U.S. beef.
- Develop and implement an annual product showcase event for the region to bring buyers and suppliers together.
- Engage directly with consumers at the retail channel to provide them with both culinary information as well as nutritional information directly at the meat counter.
- Increase the quality of U.S. beef merchandising at the meat counter, through POS support and retailer incentives and competitions.
- Leverage the growing competition in the family-style restaurant segment by promoting U.S. beef as a major point of differentiation among the top chains.
- Push for western-style cuisine such as BBQ and burgers via chef workshops and consumer activities to create the ideal culinary environment for U.S. beef.
- Further penetrate the regional supermarket and specialty store segment which has not consistently purchased U.S. beef.
- Integrate a cohesive and comprehensive digital marketing strategy. Continue to grow social media presence on Facebook, Instagram, etc. to engage and educate the chef community, trade and consumers by partnering with and educating social media influencers.

2024 import and market share data is based on reported exports to Mexico (from TDM) for all suppliers except Nicaragua, which is based on PIERS import data for Mexico due to ongoing issues with Mexico's import data and a last of export reporting from Nicaragua. U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau and includes tripe (which is not included in the TDM data).

Measurable Objectives:

Measurable Objective #1
86% of importers/distributors/processors actively promote a range of U.S. beef cuts, including value cuts, highlighting the products' quality attributes.

Measurable Objective #2
71% of restaurant chains actively feature/promote U.S. beef, including value cuts, to their customers.

Measurable Objective #3
71% of restaurant/hotel groups increase sales of U.S. beef by at least 10%, compared to the previous year, during USMEF promotions.

Measurable Objective #4
85% of retailers consistently incorporate suggested merchandising methods to promote U.S. beef to their customers.

Measurable Objective #5
85% of retailers increase sales of U.S. beef by at least 10% (compared to the previous year) during USMEF promotions.

Performance Efficiency Measures:

N/A for Foreign Marketing ARs

LRP Initiatives Addressed by this Tactic:

Drive Growth in Beef Exports

- Identify and address export customer needs and values
- Collaborate with targeted partners to promote U.S. beef in foreign markets
- Invest in research, marketing and education programs

Checkoff Program Committee(s): International Marketing

Tactic L | 2640-FM
Middle East

TACTIC DESCRIPTION:

MARKET ASSESMENT

The GCC foodservice market is projected to grow from $54.72 billion in 2024 to $98.04 billion by 2029, reflecting a robust compound annual growth rate (CAGR) of 12.37%. This expansion is fueled by high dining frequency—approximately 40% of the population dines out weekly—as well as increased tourism and rising food expenditures. Saudi Arabia leads the region, followed by the UAE and Kuwait. Notably, Dubai alone had over 13,000 eateries by 2022.

According to a study conducted by the Imarc Group (2024), the GCC meat import market is set for strong growth, with total volume expected to rise from 5.18 million tons in 2024 to 6.80 million tons by 2033 (including beef, lamb, poultry, and pork). This 3.07% CAGR (2025–2033) is driven by rising demand for halal-certified and premium meat products, population growth, and expansion in the hospitality and tourism sectors. In parallel, the broader food market is forecast to generate $130.93 billion in revenue by 2025, with a projected annual growth rate of 4.67% through 2030—reflecting increasing consumer interest in high-quality food options across the region.

Egypt remains the top global destination for U.S. beef liver exports. However, exports have experienced a long-term decline due to three main factors: the pandemic, currency devaluation and liquidity challenges in 2023, and rising demand in other markets without halal or shelf-life restrictions. In 2023, U.S. beef liver exports to Egypt fell 33% to 30,595 mt, with market share dropping from 69% to 59%. In 2024, volumes rebounded by 19% to 38,411 mt, supported by regulatory reforms that improved conditions for U.S. exporters. Notably, Egypt formalized a 12-month shelf-life policy for frozen beef and buffalo liver from the slaughter date. As a result, U.S. market share is expected to stabilize and rebound somewhat over the medium-term.

Egypt's expanding foodservice sector also offers new opportunities for U.S. beef muscle cuts. While 2024 volumes remained modest at 269 mt, Q1 2025 exports were already 152 mt, the fasted pace since 2014 and valued at $1.39 million. The total foodservice market is projected to grow from $7.91 billion in 2023 to $18.14 billion by 2029. Urbanization, improved trade logistics, and mega-city developments such as Ras El-Hekma and New El-Alamein are expected to boost tourism and food demand. There is also a need for greater education on U.S. beef attributes—such as the importance of marbling and the value of underutilized cuts—which can support broader market development across the Middle East.
The UAE remains the top regional market for U.S. beef muscle cuts, receiving 4,442 mt in 2024—a modest 2% decline from the prior year. This performance is notable given a near-total halt in trade during Q4 2024 due to halal certification issues. Without the disruption, exports would have increased as January – September exports were up 37% from the 2023 pace. The UAE also serves as a key re-export hub, supplying U.S. beef to markets including the Maldives, Mauritius, Seychelles, Pakistan, and parts of the CIS. This makes the UAE a critical platform for expanding U.S. beef's regional reach.
U.S. beef exports to Kuwait and Qatar also surged in 2024, with year-over-year growth of 83% and 62%,

respectively. Meanwhile, Iraq continues to show long-term potential. After reaching 427 mt in 2023—a 400% increase from the previous year and valued at over $4 million—exports in 2024 totaled 274 mt, signaling sustained demand and a solid foundation for further growth.

Despite these opportunities, U.S. beef exporters face ongoing market access challenges in the Middle East. These include feed-related restrictions for cattle in Saudi Arabia, non-scientific shelf-life limits for frozen livers in Egypt, and volatility in halal regulations across the GCC. Geopolitical instability, such as the Israel-Palestine conflict, has led to heightened anti-American sentiment and promotional difficulties in some markets, particularly Jordan. However, consumers in Saudi Arabia, Kuwait, Qatar, Egypt, and the UAE appear less affected by these tensions.
Overall, U.S. beef and beef variety meat exports to the region reached 52,337 mt in 2024—up 19% in volume—with export value increasing 12% to just over $230 million.

Egypt

- Per Capita Beef Consumption: 6.7 kg
- Total Beef Imports - All Sources: 266,797 mt
- Total BVM Imports - All Sources 83,860 mt
- U.S. Share of Total Beef Import Market: <1%
- Other Beef Suppliers and Market Shares: India 72%, Brazil 26%, South Africa 1%
- U.S. Share of Total BVM Import Market: 46%
- Other Beef Suppliers and Market Shares: India 18%, Brazil 16%, Australia 9%
- Domestic Self Sufficiency: 62%
- U.S. Beef Exports: 268 mt
- U.S. BVM Exports: 38,411 mt
- Exports as a % of Total U.S. Beef Exports: <1%
- Exports as a Total of U.S. BVM Exports: 13%
- Customers for U.S. Beef Imports: Processing 10%, HRI 85%, Retail 5%
- Customers for U.S. BVM Imports: Processing 2%, HRI 28%, Retail 70%

United Arab Emirates

- Per Capita Beef Consumption: 29 kg
- Total Beef Imports - All Sources: 295,722 mt
- Total BVM Imports - All Sources 9,227 mt
- U.S. Share of Total Beef Import Market: 1.5%
- Other Beef Suppliers and Market Shares: Brazil 44%, India 30%, Pakistan 15%
- U.S. Share of Total BVM Import Market: <1%
- Other Beef Suppliers and Market Shares: EU-27 31 (Netherlands 24%, Belgium 5%), Brazil 30%, Australia 20%
- Domestic Self Sufficiency: 6%
- U.S. Beef Exports: 4,436 mt
- U.S. BVM Exports: 6 mt
- Exports as a % of Total U.S. Beef Exports: <1%
- Exports as a Total of U.S. BVM Exports: <1%

- Customers for U.S. Beef Imports: Processing 4%, HRI 76%, Retail 20%
- Customers for U.S. BVM Imports: Processing 0%, HRI 10%, Retail 90%

Top Imported U.S. Beef Cuts: Brisket, short ribs, chuck cuts, tenderloin, rib-eye, striploin, T-bone, flat iron, round cuts, tri-tip, outside skirt, flank, bone-in ribs, back ribs, hanger steak, ground beef (both high-quality graded beef, and standard cuts derived from cattle 30 months of age or older)

Top Imported U.S. BVM Items: liver, heart, kidney

Beef Noteworthy Issues include a) In Egypt, lack of clarity and transparency on authorization of Halal Certifying Bodies (HCBs); b) in Saudi Arabia, feed restrictions for cattle supplying beef exported to Saudi Arabia; c) region-wide Halal certification regulations and requirements which may be open to different interpretations by halal accrediting bodies that could serve as a threat to impact beef exports to the region.

MARKET STRATEGY

A) Advance market growth by showcasing the range of available U.S. beef and variety meats, establishing the U.S. product as the top choice among new target buyers across all sectors; B) Safeguard our market presence by reassuring buyers about the sustainability of the U.S. supply chain, the rigor of U.S. safety inspections, the credibility of our halal certification, and the premium value inherent in U.S. beef; C) Outperform competitors by enlightening stakeholders about the versatility and profitability of U.S. beef alternative cuts or value-added products, particularly tailored for high-end foodservice establishments seeking cost-effectiveness without compromising quality; D) Persistently replace competitor offerings, especially for underutilized cuts, to boost profitability throughout the entire carcass; E) Enhance the proportion of muscle cuts in our exported product mix destined for Egypt.

Foodservice Expansion

- The Egyptian foodservice market is estimated at $9.04 billion in 2024 and projected to reach $18.14 billion by 2029, with a CAGR of 14.94%; quick-service restaurants dominate this growth, having increased by 33.54% from 2020 to 2024.
- Demand for Halal products is rising, necessitating their promotion in menus and marketing as it influences consumer choices significantly.
- The UAE foodservice market is expected to reach $9.6 billion in 2024, growing at a CAGR of 18% to $50.35 billion by 2034.
- Saudi Arabia's foodservice market is projected to grow from $24.19 billion in 2022 to $46.84 billion by 2030.
- Dubai has approximately 13,000 cafes and restaurants, the highest in the MENA region.
- Saudi Arabia’s Vision 2030 aims to increase cafes to 1,000 per million people, up from the current 258.
- The GCC eCommerce market is forecasted to reach $29.20 billion in 2024, with a projected annual growth rate of 9.93% to $46.88 billion by 2029.

- High-end restaurants are focusing on cost-efficiency and taste, sparking interest in alternative beef cuts.
- There is a knowledge gap regarding the usage and cooking applications of underutilized U.S. beef cuts and the significance of internal marbling in grading.
- Cloud kitchens are the fastest-growing segment in the GCC foodservice market, with a CAGR of 15.86% from 2023 to 2029, particularly in Saudi Arabia (15.86%), Kuwait (8.50%), and Qatar (6.20%), with Egypt also experiencing rapid growth at 14.84%.
- Mobile food trucks are growing in popularity across Egypt and the UAE, recovering from a decline in Egypt by serving traditional U.S. beef items like liver sandwiches and burgers, while thriving in the UAE as part of a vibrant culinary scene that features burgers, tacos, Arabic wraps, and brisket sandwiches. Dedicated parking spots in Sharjah, Dubai, and Abu Dhabi have further supported the sector's growth.
- Casual dining and fast-food chains thrive in the region, catering to a growing youth population, with Western chains expanding in major metropolitan areas.
- Egypt's fast-food industry is booming due to urbanization and a rising middle class, contributing to the growth of modern dining options.
- Egyptians spend over 30% of their income on food, with dining out being popular during family gatherings and special occasions.
- Shawarma restaurants, family-style eateries, and catering services are primary consumers of Select and Commercial grade beef.
- Jordan, Egypt, Lebanon, and GCC countries are rapidly expanding their foodservice sectors, with more local and U.S. QSR franchises emerging.
- There is a shift towards alternative U.S. beef cuts in Jordan, Lebanon, Egypt, Kuwait, Saudi Arabia, and Qatar, driven by economic downturn and new culinary concepts and trends in such as wraps, tacos, sliders and grab-and-go options.
- Culinary schools and cooking academies are proliferating in the region, with a growing interest in e-commerce among HRI buyers; Egypt's e-commerce market is expected to grow from $9.05 billion in 2024 to $18.04 billion by 2029.
- While vegetarianism and veganism are on the rise in the Middle East, meat remains integral to culinary culture, with increasing awareness of beef's nutritional benefits through USMEF training and various influencers.

Strategic Objective

Educate importers and distributors about available alternative cuts and appropriate culinary applications. Build U.S. beef's image by focusing on U.S. beef production, internal marbling characteristics that differentiate U.S. product from competitor product. Emphasize technical know-how on repackaging of chilled beef and U.S. beef halal certification requirements.

Tactical Response

Provide hands-on sales, culinary trainings on menu planning and preparation for various cuts, ranging from ribeye, striploin and tenderloin, to heel, shank, top round, brisket and chuck roll, etc. to meet all

foodservice requisites, and aggressively pursue the growing HRI sector for new growth opportunities. Give technical training on repackaging and proper labeling of chilled beef to increase shelf life after removing from vacuum pack.

Retail Sector Growth

- Liver sales also occur through retail outlets, where livers are now sliced and offered in trays to cater to smaller family sizes and provide cost-effective protein options.
- The retail sector is poised for steady growth, driven by a growing multi-ethnic consumer base, higher income levels, increased tourism, and a rising expatriate population.
- Hypermarkets in large shopping centers, like Carrefour, Lulu, Tamimi Markets, Hypermax, and Spinneys, continue to dominate the market. Additionally, the emergence of convenience stores, community malls, and smaller-format stores allows consumers to shop locally, while most hypermarkets now offer online shopping and delivery services for added convenience.
- Modern retail is expanding rapidly in newly developed areas of Egypt, Saudi Arabia and the UAE, meeting consumer demands for convenience, ambiance, and a wider range of affordable products.
- Gourmet meat boutiques and upscale butcheries are targeting educated, affluent shoppers in Lebanon, Jordan, Egypt, Saudi Arabia, Oman, and the UAE, with a growing presence in Saudi residential areas, creating opportunities for U.S. chilled beef products.
- Distributors are cautious about promoting new muscle cuts to retailers due to a lack of marketing, butchering, and merchandising expertise. Consumer awareness of U.S. beef attributes such as marbling, safety, versatility, and Halal capabilities remains limited.
- Convenience items like fresh pre-packaged, ready-to-eat, and portable items are on the rise, particularly in large-format retailers like Spinneys Lebanon and Cozmo Jordan, while Egypt's Gourmet Stores are boosting demand for chilled U.S. portion cuts and locally repackaged steaks.
- The increasing popularity of meal ingredient boxes, ready-to-eat meals, grab-and-go options, and deli sandwiches is shaping the region's food and beverage packaging and dining trends.
- The growing use of social media and the internet has prompted retailers to embrace digital channels, resulting in strong growth in e-commerce sales, especially in the UAE, Saudi Arabia, Egypt, Jordan, and Lebanon.
- E-commerce continues to expand, driven by its convenience and significant investments from retailers and third parties. To ensure diversity across various sales channels, refining online assortments and marketing tools is considered essential.
- Consumer willingness to order meat online is gradually increasing, particularly in the UAE, Saudi Arabia, and Egypt where there is high demand for convenience and efficiency. However, online meat purchases still lag behind grocery e-commerce. Frozen meals are also gaining popularity in response to the growing need for convenience.

Strategic Objective

Educate retailers and their suppliers on proper handling, butchering, repackaging, and merchandising of U.S. beef, and support in-store promotions with a goal of consistent, year-round sales of chilled and value-added items.

Tactical Response

Deliver training sessions to retail personnel, instructing them in the skills of cutting, trimming, and repackaging, and organize demonstrations to highlight alternative cuts like top sirloin butt, chuck roll, brisket, flank, flat iron, short ribs, heel, shank, and striploin for store customers. Emphasize the premium quality, Halal certification, and versatility of various U.S. beef cuts. Provide technical training to distributors and retailers on repackaging techniques and correct labeling procedures to extend shelf life once the beef is removed from vacuum-sealed bags.

Expanding Tourism Sector

- The booming tourism and high demand for new dining concepts are driving rapid growth in the HRI sector, fueled by an increasing expatriate population seeking international cuisine.
- In 2023, the UAE tourism sector employed 809,300 people and contributed 220 billion dirhams to the GDP, representing 12%. The market is projected to grow annually by 3.93% from 2024 to 2029.
- Dubai's culinary scene has gained recognition, winning titles like World's Best Culinary Destination and Middle East's Best Culinary Destination at the 2022 World Culinary Awards.
- Saudi Arabia experienced a 73% rise in international tourist arrivals in the first seven months of 2024.
- The GCC's tourism workforce is expected to more than double from 2020 to 2030, driven by ongoing investments in tourism infrastructure and appeal.
- Saudi Arabia is emerging as a premier venue for major sporting events, including football, boxing, the Dakar Rally, Formula 1, and Formula E.
- Despite reporting 2.79 million tourists in the first half of 2024, up from 2.49 million last year, Jordan's tourism industry faces challenges due to the Israel-Gaza conflict, with tourism spending dropping by 5% to $3.28 billion.
- The hospitality sector contributes 19.8% to Jordan's GDP, maintaining an average of 20% over the past decade, demonstrating resilience amid regional challenges.
- In the first half of 2024, Egypt welcomed 7.1 million tourists, who spent $6.6 billion and stayed 70.2 million nights, compared to 67.6 million nights and $6.3 billion in 2023.
- Supported by government initiatives, the WTTC forecasts significant growth for Egypt's tourism sector by 2034, projecting a GDP contribution increase to 9.6% and nearly 4 million jobs created.
- Egypt has a well-developed economic strategy to boost tourism and promote sustainable growth by 2030, aiming to double annual visitors from 15 million to 30 million and increase hotel capacity to 430,000 rooms. The sector currently contributes approximately $12 billion to the economy, with over 25,000 new hotel rooms expected by the end of 2024.
- Egypt's growing appeal as a tourist destination is reflected in a 16% increase in international visitors in 2024 and ambitious hotel expansion plans. Hilton plans to open more than 25 new hotels, tripling its presence to over 40 properties, including the arrival of its luxury Signia brand in 2025—marking the second Signia development outside the U.S., following Signia by Hilton Amman in Jordan.

Strategic Objective

Position U.S. beef in diverse culinary experiences, while expanding cooperation in response to growing tourism in the GCC countries as well as Jordan and Egypt. Emphasize U.S. beef's potential to compliment sector development. Leverage hotel industry growth and address currency challenges through a focus on cost effective cuts, Position U.S. beef as the preferred high-quality and high-value choice for tourists and expatriates in the region.

Tactical Response

Organize culinary workshops and consumer-focused programs to educate buyers on the versatility of U.S. beef in the region's diverse cuisine. Develop informative online content and collaborate with local chef associations and importers.

Other Key Initiatives

- Collaborate with importers and distributors to enhance awareness of U.S. beef in the face of rising competition from countries like Brazil, India, Paraguay, South Africa, Argentina, Uruguay, Canada, Colombia, and Russia, along with Australia's intensified promotional efforts for chilled beef.
- Educate and upskill sales teams, butchers, and meat counter staff at major retailers about U.S. beef attributes, quality, and packaging innovations.
- Foster close partnerships with Saudi and Egyptian importers and retailers, encouraging the reintroduction of U.S. beef in their regular offerings while providing continuous support to existing buyers.
- Support emerging distribution channels, especially online platforms created by established U.S. beef importers targeting consumers directly.
- Engage in culinary events, including chef gatherings and culinary competitions, to boost awareness of U.S. beef, targeting high-ranked chefs, junior chefs, importers, foodservice operators, and decision-makers. Also, participate in new food concepts in Saudi Arabia and Egypt, focusing on the foodservice sector.
- Expand foodservice training to include catering and culinary schools, as well as new restaurants and hotels, emphasizing beef cutting techniques, cooking instruction, and profitability analysis with various U.S. beef cuts. Conduct educational workshops for chefs, including one-on-one sessions with steakhouses and hotels.
- Establish a culinary art capacity-building program in Jordan and Egypt, gathering experienced and young chefs to enhance their skills in U.S. beef cutting techniques and culinary innovations.
- Offer Junior Chefs' Tutorials to youth chef groups, educating them on U.S. beef production practices, marbling, grading, safety standards, and product consistency.
- Implement Butchering Master Classes and Butcher Training Workshops to improve butchers' understanding of U.S. beef technical information, cutting techniques, and handling, enabling better communication with consumers, retailers, and foodservice workers.
- Promote U.S. beef through "American Beef Nights" at top steakhouses and restaurants, showcasing unique cuts to chefs and consumers.

- Participate in international trade shows like Gulfood Dubai, HACE Egypt, Food Africa Egypt, and regional events like HORECA; in addition to annual events such as Jordan Food Festival in Amman and the Culinary Expo in GCC to increase exposure and reach potential buyers from Trade and HRI sectors as well as end users.
- Conduct live cooking and tasting sessions at key retail locations, using professional chefs to explain U.S. beef's attributes and cooking applications. Expand these events to busy malls with a U.S. beef retail show for maximum exposure.
- Target housewives with Art of Cooking Classes, teaching them how to prepare and cook different U.S. beef cuts optimally.
- Enhance women's cooking classes with TV cooking shows during seasonal events such as Ramadan, providing daily U.S. beef recipe ideas for family gatherings, social occasions and Iftar meals.
- Collaborate with influencers, celebrity chefs, and nutritionists to educate end consumers about the versatility of U.S. beef cuts in local recipes.
- Amplify USMEF's story, showcase our leadership, and connect meaningfully with stakeholders in the foodservice sector via unique podcast series planned and organized in collaboration with Egyptian Chefs Association.
- Optimize USMEF's Middle East Facebook and Instagram pages and update Arabic/English website, promoting U.S. beef products and engaging the audience through contests and competitions.
- Enhance the USMEF recipe app "U.S. Beef ME" by adding innovative recipes from renowned regional chefs and expanding its reach.
- Leverage local chefs' expertise to create appealing recipes with new U.S. beef cuts entering the market and promote these dishes on social media platforms.
- Support U.S. beef suppliers who are USMEF members in their regional promotional activities.
- Foster regular engagement with local distributors of U.S. beef through seminars, hands-on training, master classes, and competitions.
- Work closely with importers to develop major reexport and growing markets.

*2024 import and market share data is based on reported exports to Egypt and the UAE (from TDM), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau. Totals for UAE include significant volumes of product that end up being re-exported from Dubai (but there is no full data available on exact quantities). Iran was the largest re-export destination in 2024. *UAE beef per capita estimates are rough estimates from USMEF that subtract out re-exports based on rough assumptions.*

Measurable Objectives:

Measurable Objective #1
80% of targeted importers/distributors will report having a favorable attitude toward U.S. beef/BVM and are more willing to purchase it based on information provided by USMEF.

Measurable Objective #2
73% of targeted fine dining and casual family-style restaurants/chains will hold a U.S. beef promotion or use menu promotional materials provided by USMEF.

Measurable Objective #3
100% of targeted retail chains will report having a favorable attitude toward U.S. beef/BVM and are knowledgeable of its quality based on information provided by USMEF.

Measurable Objective #4
83% of targeted retail chains will identify origin of U.S. beef/bvm and actively participate in USMEF promotions.

*Note, increase in target accounts

Measurable Objective #5
80% of targeted media outlets will report favorably on U.S. beef and incorporate recommended key message points.

Performance Efficiency Measures:

N/A for Foreign Marketing ARs

LRP Initiatives Addressed by this Tactic:

Drive Growth in Beef Exports

- Identify and address export customer needs and values
- Collaborate with targeted partners to promote U.S. beef in foreign markets
- Invest in research, marketing and education programs

Checkoff Program Committee(s): International Marketing

TACTIC DESCRIPTION:

MARKET ASSESMENT

U.S. beef and variety meat exports to South America (not including Colombia) increased by 8% in 2024 to 15,785 mt, valued at $90.2 million, up 10%. The region is a major importer of beef variety meats, particularly beef livers, and Peru is the largest importer of beef variety meats in South America with over 30,000 mt of imports from all suppliers in 2024. In 2024, U.S. beef variety meat exports to Peru totaled 6,817 mt, up 12% from 2023 but below 2020/2021 levels. U.S. beef variety meat exports to Peru were valued at $13.3 million, up 21% from 2023. Peru was third largest market for U.S. beef liver exports after Egypt and Canada at 5,692 mt in 2024, up 17% from 2023 and the highest since 2021. Peru was the 5th largest market for U.S. frozen beef tripe exports at 367 mt in 2024, up 156% from 2023 and also the highest since 2021. Peru is one of the five largest liver importers in the world, and the U.S. is the main supplier of livers to Peru. U.S. market share increased from 76% in 2023 to 82% in 2024, while Canada's share dropped from 22% to 13%. The other main supplier is Argentina, with 5% market share in 2024. Argentina is the leading supplier of beef tripe to the market followed by Uruguay, and the South American suppliers also export notable volumes of hearts as well as lungs and sweetbreads to Peru. Chile's beef variety meat imports totaled 3,551 mt in 2024, and the U.S. was the top supplier at 2,064 mt (58% market share). Beef livers are the top item from the U.S., accounting for the majority of the volume. The U.S. had 84% market share of frozen beef liver exports to Chile in 2023, and Canada was the other beef liver supplier. Chile was the fifth largest market for U.S. beef liver exports in 2024 (after Egypt, Canada, Peru, and Mexico). In 2025, USMEF will focus on positioning U.S. beef liver as a cost effective, nutrient dense ingredient for foodservice, including the institutional sector.

In South America, diverse demographic factors are creating opportunities for U.S. beef across both primal and subprimal cuts, as well as variety meats. In countries like Peru, Ecuador, Brazil, Chile and Uruguay, segments of the population are willing to pay premium prices for high-quality and branded beef. In Brazil, particularly, a significant demographic of 51 million people (out of 211 million) presents a niche opportunity for U.S. beef, driven by a larger affluent population segment and a robust demand for premium products. There is also a rising interest in beef variety meats throughout the region, notably sweetbreads in Brazil, Uruguay, and Argentina, and cap off hearts in Chile and Peru. These trends are creating lucrative opportunities to export substantial quantities of U.S. product, which tend to be undervalued domestically. Moreover, the growing interest in other beef variety meats, such as neck bones and femur bones (in Chile, pending additional market access approvals), signals potential for future exports of U.S. beef.

Chile's imports are dominated by regional suppliers with logistical advantages in serving the market, but the U.S. is an important supplier of chilled chuck rolls for modern retail (a premium item for grilling). The modern grocery sector accounts for 63% of all grocery sales in the country. Walmart and Cencosud are the two largest modern grocery chains, and they accounted for the majority of U.S. imports in the market. U.S. chilled beef exports to Chile rebounded by 5% in 2024 to 1,568 mt in 2024 which was below

2,550 mt in 2022. Chile has the highest per capita income in South America, and per capita protein consumption is high. Per capita beef consumption increased by 3% in 2024 to 27.3 kg carcass weight, which was the third highest annual consumption. The record was over 30 kg in 2021.

Peruvian distribution facilities and cold storages are mostly located in Lima, but expansion into secondary cities is key for future growth in U.S. variety meats and muscle cuts. USMEF has been increasing the focus on secondary cities since 2019, including in the rainforest area of Tarapoto and Pucallpa. China and Saudi Arabia are making significant investments in mining, energy, agriculture and infrastructure in the country, which is leading to increased port capacity and connectivity. Beef liver will continue to be an important source of affordable, nutritious protein in the market, and traditional markets are the key sales channel for U.S. livers. Traditional markets still account for 70% of animal protein sales in Peru as consumers prefer the accessibility and the perception of lower prices in wet markets, and there are over 1,100 wet markets in Lima alone. USMEF has been meeting with wet market store operators and providing nutritional information on beef livers, with a focus on the importance for childhood development and strengthening the elderly. Nearly 7,000 brochures on nutrition were distributed to customers from May – September 2024. USMEF has also been working to introduce a "power burger", made of U.S. beef liver and U.S. pork, in the form of an affordable burger patty, chubs, and meatballs, packed with protein, ideal to treat prevalent childhood anemia in the country. USMEF workshopped the burger during its Processing Seminar at UNL in 2024 and then worked with a well-known chef to create a burger recipe that was presented to processors in Peru. As of early 2025, the liver burger is in the initial stages of being rolled out in the market.

Peru

- Per Capita Consumption: 6.2 kg *
- Total Beef Imports (not including variety meat) - all sources: 7,698 mt
- Total Beef Variety Meat (BVM) Imports - all sources **: 21,738 mt
- U.S. Share of Total Beef/BVM Import Market: 26%
- Other Beef/BVM Suppliers & Market Shares: Argentina 29%, Brazil 25%, Paraguay 6%
- Domestic Self Sufficiency: 95%*
- U.S. Beef Exports (not including variety meat): 1,330 mt
- U.S. Beef Varity Meat (BVM) Exports *: 6,817 mt
- U.S. Beef/BVM Total as a % of Total U.S. Beef/BVM Exports: 1%
- Customers for U.S. Beef Imports: Processing 0%, HRI 25%, Retail 75%

Chile

- Per Capita Consumption: 28.9 kg
- Total Beef Imports (not including variety meat) - all sources: 267,585 mt
- Total Beef Variety Meat (BVM) Imports - all sources **: 3,551 mt
- U.S. Share of Total Beef/BVM Import Market: 2%
- Other Beef/BVM Suppliers & Market Shares: Brazil 47%, Paraguay 39%, Argentina 8%
- Domestic Self Sufficiency: 35%
- U.S. Beef Exports (not including variety meat): 3,457 mt
- U.S. Beef Varity Meat (BVM) Exports *: 2,537 mt

- U.S. Beef/BVM Total as a % of Total U.S. Beef/BVM Exports: <1%
- Customers for U.S. Beef Imports: Processing 0%, HRI 10%, Retail 90%

Top Imported U.S. Beef Cuts: Chuck roll, outside skirt, beef shank, picanha, short ribs, ribeye, striploin, tri-tip

Top Imported U.S. BVM Items: liver, beef feet, unfulfilled demand exists for sweetbreads and hearts

Beef Noteworthy Issues include a) Brazil's onerous label registration process for beef products and zero tolerance for Salmonella spp.; b) Ecuador's nontransparent import licensing process and plant registration process, and Annex 2 regulations that have taken the U.S. out of the market; c) Onerous product and plant registration requirements in Uruguay and Argentina (also includes label registration); d) No official offal access for Paraguay and unclear registration requirements; and e) No beef access for Venezuela and Bolivia.

MARKET STRATEGY

Build loyalty to U.S. beef cuts, identifying importers, processors and retailers willing to keep a permanent presence of U.S. beef items in their portfolio. USMEF will work with them to develop new products/presentations relevant for their target audience and contribute to the development of HRI accounts matching the customers' needs with U.S. supply. Continue to develop the market by communicating the quality, consistency and profit potential of U.S. beef across sectors, and by introducing U.S. beef value cuts and variety meats to buyers. Work with importers, distributors, and retailers to educate them on how to properly merchandise and market U.S. beef to consumers with little knowledge of the unique attributes of U.S. product.

Developing Markets

- Some consumers in Peru, Ecuador, Brazil and Chile are willing to pay higher prices for high-quality beef, and interest is growing in other markets. In Brazil, the demographic representing a real opportunity for U.S. beef cuts amounts to 51 million people (out of a total of 211 million), slightly higher than Peru and Chile combined, thanks to a larger segment of the population earning higher incomes and driven by high demand for premium product.
- Opportunities exist for both primal and subprimal cuts of beef and variety meat due to the variable demographics in this diverse market.
- Growing interest in BVM, especially sweetbreads in Argentina and Uruguay and hearts in Chile and Peru, are presenting strong opportunities to move volumes of U.S. BVM products. However, due to labor issues on the U.S. supply side, as well as issues with the product registration process, a lack of supply for the South American market prohibits promotion of sweetbreads and hearts.
- Although there is increased interest from Brazil, Brazil's labeling and registration requirements lack clarity, causing U.S. suppliers to turn to other less difficult markets. In addition, a lower U.S. beef supply reduces the availability of cuts like picanhas that are popular in the Brazilian market.

- Competition from Argentina, Uruguay and Brazil is growing as the quality from these competitor beef suppliers is improving, both in terms of product quality and product presentation.
- WOAH granted Brazil FMD-free without vaccination status at the May 2025 general session. Prior to the May announcement, Brazil only had this status for one zone including the southern states of Paraná, Santa Catarina and Rio Grande do Sul, and the other included the states of Acre, Rondônia, and parts of Amazonas and Mato Grosso. However, U.S. beef is differentiated from Brazilian beef, so USMEF does not anticipate a direct impact on demand for U.S. beef in the international markets.
- Improving, yet underdeveloped, infrastructure in intermediate cities challenge the distribution channel.
- Despite recent high U.S. beef prices and unfavorable exchange rates, the consumer preference of U.S. product has remained relatively strong.

Strategic Objective
Educate buyers on the quality and profit potential of U.S. beef, including value cuts and other more affordable options, and demonstrate effective merchandising of unfamiliar cuts and products. Focus on encouraging smaller and improved retail ready presentations as well as value-added products.

Tactical Response
Encourage the adoption of U.S. beef items that can be differentiated by their quality attributes from similar items from other origins. Provide training for the HRI and retail sectors on different presentations and new applications for those cuts such as the brisket, knuckle, flap meat or heel to expand presence of U.S. beef with a more affordable price. Still, there are inconsistencies regarding regulatory procedures that need to be confirmed by both the U.S. and Brazilian governments. Advise importers on different applications for the same cut and retailers on different presentations in order to expand the target audience and increase options for consumers.

Retail Development
- Retail ranges from wet markets, which are still prevalent throughout the region, to modern supermarkets and high-end meat boutiques.
- While mainly sold in wet markets, beef variety meats can also be found in modern retail.
- The growing middle class is spending more on premium food items, including imported beef.
- “Asado Americano”, the localized term for U.S. chuck roll, is used by suppliers of beef from other countries to capitalize on the perception of quality and flavor that the term carries.
- With high meat prices, some consumers are looking to purchase smaller quantities at more affordable prices; however, high-quality beef is still a luxury item for consumers.
- New staff in purchasing roles in supermarkets need more education and comprehension of the meat supply chain in general, as well as the U.S. meat industry.
- Retail giants are slowly integrating convenience-driven concepts into their retail models, such as ecommerce services and features as well as drive-through grocery departments for added convenience.

- Informal ecommerce channels based on social media platforms are increasingly popular, and are growing at a faster rate than the official delivery channels and apps from retailers.
- In Peru, new butcher shops and specialized meat stores are opening, which complement the growing penetration of modern retail stores. Though volume is still relatively low, these new sales outlets require supplier attention.

Strategic Objective
Work with retailers to identify the U.S. origin and promote U.S. beef cuts by improving product labels and maintaining product rotation to increase consumer confidence. Work with importers and distributors and specifically butcher shops and small retail chains, to provide category management training, cold chain audits and marketing program planning.

Tactical Response
Educate retail buyers (supermarkets and wet markets) on the attributes of U.S. beef to increase the number of cuts offered, and promote alternative cuts for price-conscious consumers with recipe development, in-store tastings, etc. Ensure proper handling and highlight the profit potential of portion-control packaging and origin identification.

Favorable Access
- Brazil reopened to U.S. beef in 2016 after a 13-year absence; However, challenges with unclear access regulations have delayed shipments. U.S. livers, picanha, and tri-tip are in high demand, but opportunities for more cuts may exist with premium retail outlets, especially if regulatory issues (such as the requirement for two establishment numbers on packaging) can be clarified.
- U.S. beef now has expanded access to Argentina and Uruguay.
- In mid-September 2023, Ecuador suspended U.S. meat imports until plants have been registered under the Annex 2 requirement. Ecuador Annex 2 requirements have essentially closed the market for U.S. red meats.

Strategic Objective
Further build the image and visibility for U.S. beef among buyers who may be price-sensitive and need to be educated on the premium quality of U.S. beef.

Tactical Response
Provide training on U.S. production, and quality and provide promotional support to help expand sales of new U.S. beef items entering these emerging markets.

Other Key Initiatives
- Position U.S. beef muscle cuts in settings that promote U.S. beef as a premium protein item associated with health and active lifestyles among segments of consumers that would be likely buyers.
- Encouraging South American importers to add steps in their processing lines to be able to meet the needs of different market segments.

- Demonstrate to importers and purveyors how to use the latest available technologies, including procedures to freeze and thaw meats, to preserve quality and food safety.
- Facilitate sales by conducting activities that directly bring buyers together with U.S. suppliers, especially medium/small suppliers interested in growing exports to South America, such as the USMEF Latin American Product Showcase.
- Present U.S. beef as a profitable item, educating buyers on affordable and available cuts that can replace local beef in traditional dishes, while enhancing flavor.
- Increase buyer awareness about U.S. beef variety meats and lower-cost alternative cuts and how to fabricate, package and promote them to increase sales.
- Strengthen the foodservice channel in Chile and other markets by working with newly identified trade partners (importers/distributors), including those outside of major metropolitan areas, to conduct joint educational and promotional activities.
- Use interactive merchandising and culinary education to drive sales in high-end foodservice, focusing on higher-graded and branded U.S. beef.
- Work with the HRI sector to promote U.S. burgers and smaller-sized beef portions as a way to maintain volume sales and eating quality experience with affordable products.
- Coordinate promotions with HRI and retail partners to raise the visibility and image of U.S. beef. Introduce foodservice to novel cooking techniques, such as BBQ, to increase the ways of preparing U.S. beef and help to promote U.S. beef's image.
- Expand activities into secondary cities, namely in Peru, with stable cold chain infrastructure in key markets throughout the region.
- Position U.S. beef liver through national promotions as a dietary solution to address nutritional challenges within the region, in particular widespread anemia.
- Conduct barbeque workshops targeting foodservice professionals as well as high-end consumers to promote high-quality U.S. beef and the versatility of available cuts.

*2024 import and market share data is based on import data of Peru and Chile (from TDM), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau. 2024 Chile import data has been edited to adjust for data errors in imports from Paraguay. * USDA/FAS stopped reporting estimates/forecasts for Peru in 2020, so the 2024 numbers for Peru are USMEF estimates. ** Historical discrepancy between import data and reported exports of beef variety meat to Chile.*

Measurable Objectives:

Measurable Objective #1
80% of targeted importers/distributors will consistently source U.S. beef.

Measurable Objective #2
80% of targeted HRI outlets/chains will regularly use U.S. beef.

Measurable Objective #3
100% of targeted retailers will identify the origin of U.S. beef.

Measurable Objective #4
100% of targeted retailers will actively promote the attributes of U.S. beef to their customers.

Performance Efficiency Measures:

N/A for Foreign Marketing ARs

LRP Initiatives Addressed by this Tactic:

Drive Growth in Beef Exports

- Identify and address export customer needs and values
- Collaborate with targeted partners to promote U.S. beef in foreign markets
- Invest in research, marketing and education programs

Checkoff Program Committee(s): International Marketing

Tactic N | 2640-FM
Taiwan

TACTIC DESCRIPTION:

MARKET ASSESMENT

Taiwan relies significantly on beef imports due to its limited domestic production and surging demand for beef. In 2024, per capita beef consumption was steady with the previous year's record at 9.1 kg at carcass weight, which was up 11% from 2019 and up 47% from 2013. At its peak in 2023, consumption had risen 47% compared to 2013 and 11% compared to 2019 – reflective of growing demand for beef as a center-of-the-plate protein. USMEF has put significant effort into driving long-term demand for beef, capitalizing this growth to develop new opportunities. 2024 U.S. beef and variety meat exports to Taiwan increased to 62,503 mt, up 4% from 2023. Value increased 13% to $709 million. Unit export value of beef cuts increased by 9% in 2024, and volumes increased even with those sharply higher prices, signaling strong demand.

In 2024, the U.S. became the largest supplier of frozen beef to Taiwan, with exports reaching 38,138 metric tons. This milestone allowed the U.S. to surpass Paraguay—despite its duty-free access—as the leading source of frozen beef to Taiwan. Taiwan's temporary tariff reduction to NT$5/kg, in effect from December 1, 2021 through September 2025, benefits both the U.S. and Australia (this policy has been continually updated since 2021, usually in three-month increments). While Paraguayan beef is primarily used in lower-end foodservice channels, its recent growth and the displacement of Australian product is noteworthy. This trend could intensify competition between the U.S. and Australia as Australia seeks to enhance its brand image and market positioning. Nevertheless, U.S. beef continues to dominate the premium segment with grain-fed product. While demand has been reduced in the short-term, the long-term outlook is positive as demand from consumers in Taiwan shift towards more premium products.

In 2024, Taiwan's imports of chilled beef from all suppliers declined by just 1%, while imports from the United States fell 6% to 21,983 metric tons. Despite the decrease, the U.S. still holds a dominant 71% share of Taiwan's chilled beef market—down from a peak of 80.5% in 2021, when imports of chilled U.S. beef reached record levels. U.S. chilled beef continues to command 70–80% of the retail chilled beef segment, with strong demand expected to persist as retailers maintain their focus on fresh food sales. Consumers today are faced with rising menu prices at foodservice, forcing many consumers to reduce the number of times they eat out each week and instead shop for fresh products or ready-to-heat (RTH) products at grocery stores. Both ready-to-heat and home meal replacement products are gaining popularity with consumers. In addition to price factors, consumers appreciate the convenience factor in RTH product lines and often add their favorite fresh products to these dishes at home. The retail landscape is evolving to include a more diverse range of formats. For example, additional fees tacked on to HMR products by restaurants and retailers is changing the way these products are distributed in the market- importers today are selling directly to consumers to maintain profitability and keep costs low. Consumers now have more channels to buy both fresh and processed beef. Cooperating with importers to sell fresh meat or RTH products directly to consumers is an opportunity to expand potential business opportunities. USMEF uses this direct channel to also sell alternative cuts and branded beef.

The U.S. continues to dominate Taiwan's grain-fed beef market, supplying 89% of total grain-fed imports in 2024. While Australia has made gains in this category—with exports rising 59% to 6,464 metric tons, accounting for roughly a quarter of its total beef exports to Taiwan—the U.S. remains the clear leader. Taiwan's appetite for high-quality, grain-fed beef has been steadily increasing, driven by consumer demand for healthier and more "wholesome" food options and aligning with the broader premiumization trend seen across Asia. However, economic pressures have made consumers more price-sensitive, prompting shifts in purchasing behavior. In response, alternative beef cuts have played a key role in sustaining demand. These value-oriented options have helped maintain profitability for U.S. beef buyers. Despite price sensitivity, Taiwanese importers remain highly competitive buyers, consistently paying among the highest global prices for U.S. beef as they vie with major Asian markets for in-demand cuts. In 2024, USMEF focused on promoting the outside round flat and the knuckle. Consumer response, particularly in the foodservice sector, was strong—especially among younger diners, who preferred the leaner outside round flat over traditional short rib. This cut also presents a promising opportunity to displace Australian chuck rolls. Looking ahead to 2025, USMEF plans to introduce U.S. ground beef (produced with whole U.S. muscle cuts) into the market—not only for classic burgers but also in patty formats tailored to Taiwanese food culture, using cuts like the knuckle and short plate for in-country grinding.

- Per Capita Beef Consumption: 9.1 kg
- Total Beef Imports (not including variety meat) - all sources: 146,250 mt
- Total Beef Variety Meat (BVM) Imports- all sources: 9,656 mt
- U.S. Share of Total Beef / BVM Import Market: 39%
- Other Beef / BVM Suppliers & Market Shares: Paraguay 23%, Australia 22%, New Zealand 11%
- Domestic Self Sufficiency: 4%
- U.S. Beef Exports (not including variety meat): 62,446 mt
- U.S. Beef Variety Meat (BVM) Exports: 57 mt
- U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports: 5%
- Customers for U.S. Beef Imports: Processing 3%, HRI 57%, Retail 40%

Top Imported U.S. Beef Cuts: finger meat, short plate, chuck roll, shank, boneless short ribs, top blade, chuck flap tail, outside round flat, chuck short ribs, boneless ribeye

Top Imported U.S. BVM Items: tendon

Beef Noteworthy Issues include a) bans on the importation of ground beef, trimming and certain offal (including trade-prohibitive permitting and inspections).

MARKET STRATEGY

A) Drive demand for high-valued U.S. chilled beef, capitalizing on the current trends of buyer preferences for fresh and high-quality product; B) Displace competitor products by offering appropriate cut alternatives and preparation techniques suitable for a wide range of U.S. beef products, including frozen; C) Maintain loyalty among key buyers to defend market share, and develop new customers by demonstrating the variety, profitability, and superior quality of U.S. beef, emphasizing first and foremost the safety in U.S. product; and D) Promote the image of the U.S. beef industry with facts regarding

sustainability management and food security to combat any misconceptions around the impact of the livestock industry on the environment.

Shifts in Competition, but Growing Consumption of Beef

- Per capita consumption of beef is growing in Taiwan, although is still relatively low compared to other wealthy markets in the world. There is untapped potential for beef as a main protein choice.
- Young consumers in Taiwan are more willing to accept new products. Educating consumers on U.S. beef production and new products available in the market (i.e. alternative cuts) will improve U.S. beef's visibility and image compared to other proteins.
- Paraguay is a significant supplier of frozen beef, entering the market duty free. Top items imported from Paraguay include shank, rib fingers, top blade, chuck tender, knuckle, and chuck eye roll.
- Australia is putting more focus on grain-fed exports to Taiwan as competition with Paraguay heightens. Utilization of U.S. beef alternative cuts, both chilled and frozen, is an effective strategy to reduce the risk of U.S. beef price increases on more popular items. In 2026, USMEF will be focused on promoting a wide variety of alternative cut options as supply challenges may limit availability.
- Although there is not access for imported ground beef from the U.S., interest in ground beef is driving some buyers to grind alternative cuts in-market, allowing them to still taut the quality of using U.S.

Strategic Objective: Capitalize on growing interest in high quality beef as a protein option to all buyers and consumers demonstrating the value and versatility in U.S. beef alternative cuts. Continue to link U.S. suppliers with new and existing buyers, showcasing a wide variety of U.S. beef options including muscle cuts, variety meats, OTM products, and even processed product. Educate importers' staff on U.S. beef production, product availability, processing capabilities, etc.

Tactical Response: Identify opportunities for U.S. product to displace competitor cuts. Develop promotional programs, POS material, and social media content to increase buyer exposure to U.S. beef, pushing safety and quality messaging about U.S. product. Collaborate with U.S. packers to identify new alternative cuts appropriate for the market, introducing HRI and retail buyers to these options. Work with U.S. packers to capitalize on opportunities to quickly move certain cuts using specialized initiatives targeting importers, distributors, foodservice operators and retailers. Host seminars and educational programs for new employees and staff for importers who may be unfamiliar with U.S. beef production and available products in the market.

Diverse Dining Culture

- Culinary influences from Japan, Korea, and China are widespread throughout Taiwan, many of them favoring beef consumption. Hotpot, yakiniku, BBQ, and the Japanese burger steak are all trending.

- Similar to other markets in Asia, demand for high-end dining and high-end steakhouses remains steady. These top-tier foodservice buyers are, in general, very loyal to U.S. beef. Many foodservice buyers continue to purchase Prime grade U.S. beef and reduce costs with alternative cuts.
- New restaurants are happy to try U.S. beef alternative cuts to reduce costs and differentiate; however, long-term players are more reluctant to change their menus.
- Foodservice operators are passing on the additional costs associated with changing labor laws, higher raw material prices, and labor shortages to consumers. As a result, these buyers are eager to incorporate less expensive cuts that still reflect the quality consumers are demanding. Middle-tier restaurants are seeking less expensive raw materials and are more likely to switch to competitor product based on price.
- Chained foodservice is taking a larger share of total foodservice sales. These companies are focusing on expansion to capture renewed demand. Many are opting to focus on cost-effective menus as consumers are still demonstrating conservative spending patterns. Quality remains a top concern for foodservice operators as the HRI sector is heavily saturated.
- Over-thirty-month products have potential with lower-end or middle-end restaurants seeking cost-effective raw material. Items like OTM ribeye, tenderloin, chuck eye roll, bone-in short ribs, chuck tender, short plate, knuckle, top blade muscle, chuck flap tail, rib fingers, and shank could easily be added to menus, although more education is needed among foodservice buyers and chefs. More grain-fed OTM product is showing up in Taiwan, mainly from USA.
- To diversify revenue channels, restaurants are working directly with processors to develop restaurant meal replacement (RMR) products for distribution through retail channels. These convenient products are becoming more popular among Taiwanese consumers that can make these meals at home without losing out on the quality of a professional kitchen.
- Experiential dining is popular in Taiwan, where dining out is considered a fun social event. Cross-branding and pop-up menus are becoming more popular among consumers seeking a “different” experience.
- Taiwan is becoming a hot travel destination for tourists needing halal-friendly menus and retail sections.
- USMEF’s Diamond Plus Precious Program is a well-regarded differentiator tool among foodservice operators seeking ways to acknowledge quality. The Diamond Plus Precious Program offers participants key marketing tools and customized trainings to help operators stay abreast of beef trends.

Strategic Objective: Target the HRI sector to find and develop suitable outlets for a range of cuts that coincide with consumer eating trends that are ideal for a wide variety of cooking styles, including various types of cuisines like BBQ, yakiniku, steak, burgers, and beef bowl. Heighten promotional efforts in the wake of rising expenses for foodservice operators.

Tactical Response: Introduce and educate importers and buyers to new cooking applications for alternative cuts to leverage the diverse dining culture in Taiwan, including OTM product. Identify key market players to further penetrate the HMR/RMR sectors. Identify emerging foodservice trends and support HRI operators with promotions and evolving consumer events or pop-up menus to further boost sales. Utilize gourmet identifiers, such as the Diamond Plus Precious Program, to help foodservice operators differentiate from the competition.

Evolving Retail

- A larger share of U.S. beef is ending up at retail. USMEF estimates that in 2024 40% of U.S. beef moved through retail channels compared to only 20% in 2012.
- Integrated online and offline retail channels are becoming an important strategy to remain relevant. Consumers appreciate the ability to see products in-person before purchasing, but many find themselves still shopping for those same items online.
- Heavy competition is pushing some retailers to incorporate more U.S. beef on to their shelves as a way to differentiate. In addition, processed beef products like ready meals continue to gain popularity with consumers, and retailers are demonstrating a strong interest in pursuing more of these products.
- Meat boutiques are a trendy retail venue for high-quality imported product and often feature imported beef from the U.S., Australia, and New Zealand.
- The convenience store sector is growing rapidly with 7-Eleven, FamilyMart, and Hi-Life, planning aggressive expansion in the next few years. Convenience stores are offering their own private labels and are seeking ways to differentiate not only amongst themselves but also to compete with supermarkets.
- Cross-branding and collaborations between retailers and foodservice operators seeking to create “exclusive” or “pop-up” products and stores can capture demand from consumers wanting new experiences. Retailers are upgrading, incorporating premium options, and even combining concepts for an original experience.
- Vacuum-skin-packaged (VSP) items extend shelf life and allow retailers to add higher-priced items like tenderloin and ribeye to their shelves. Australian VSP products have been available in the market for years, but U.S. beef options are relatively new. Importers are recognizing the potential in these products and are investing in the equipment to offer VSP raw material, cooked/marinated meat, etc. to retailers.
- Consumers prefer VSP products for easy storage, improved shelf-life, better packaging, and perceived quality. However, due to the color difference between VSP items and tray-packaged beef, consumers still need to be educated on quality characteristics.
- To avoid additional fees and expenses, importers are seeking ways to sell U.S. beef directly to consumers.

Strategic Objective: Identify opportunities for U.S. beef to further integrate the retail sector in convenience stores, supermarkets, meat boutiques, online, and via processed product. Displace competitor product and capture new demand with processed/convenience items. Encourage processors to highlight U.S. origin on products with U.S. beef raw material. Build retailer confidence in U.S. beef, especially for chilled items and alternative cuts, for long-term use.

Tactical Response: Support traditional supermarkets, convenience stores, and meat boutiques with promotions, recipe cards, tasting demonstrations and educational material to launch new alternative cuts and highlight U.S. origin where appropriate. Announce promotions through social media channels, allowing more consumers to follow U.S. beef promotions and focus on the availability of U.S. product. Target processors interested in new product development using U.S. beef alternative cuts as a raw material, offer processors promotional support as an incentive to use U.S.

Consumer Marketing:

- Taiwan is a highly competitive market and consumer marketing is critical for downstream beef buyers. USMEF puts a significant effort into image-building campaigns for U.S. beef like premium brand positioning, sustainability messaging, etc.
- More consumers are seeking fresh/healthy convenience items, though food safety is a growing concern in general among consumers. Improving and maintaining consumer trust through public platforms is a priority.
- Unique consumer activities like pop-up events and festivals keep consumers engaged with U.S. beef.
- Consumers in Taiwan are heavy users of social media sites such as Facebook, YouTube, Instagram, or LINE and rely on these platforms to share information and keep up on current trends. A growing number of young consumers are following TikTok and Threads.
- Local SNS “celebrities” and bloggers have a lot of influence over consumers’ purchasing patterns as reviews are perceived as honest and credible.
- Consumers are taking more notice of environmental sustainability. Social media platforms are an ideal venue to engage with consumers and highlight the sustainable production practices backing U.S. beef.

Strategic Objective: Use image-building campaigns and efforts to keep U.S. beef top of mind and build consumer trust. Use social media to educate buyers on U.S. beef production safety, using unified messages to create a favorable image among consumers. Use social media tools to help consumers find USMEF Taiwan and build familiarity and trust with USMEF.

Tactical Response: Participate in consumer festivals and events to highlight U.S. beef quality, production, and sustainability. Create content to heighten visibility for U.S. beef and educate on U.S. beef nutrition, safety, and quality, including videos to be shared on social media platforms while collaborating with foodservice and retail partners to highlight specific promotions. Cooperate with restaurants using U.S. beef to develop video advertisements designed for Facebook, YouTube, etc. to increase consumer traffic and enhance restaurant loyalty to U.S. beef. Utilize other digital platforms to reach consumers, including

online cooking class material targeting young consumers with growing purchasing potential. Teach U.S. beef buyers how to best utilize digital marketing tools to reach consumers and partner with KOLs to share key information about promotions, product quality, safety, and production.

Other Key Initiatives

- Continually analyze the market to identify gaps in supply within desired price ranges, and position specific cuts of U.S. beef, including chilled beef, to take advantage of these opportunities.
- Educate the foodservice sector on dry-aging for cuts beyond striploin and ribeye.
- Broaden awareness of U.S. niche beef items, including natural/organic, branded and breed-specific products.
- Target younger chefs and consumers through events and social media to promote venues/menus featuring U.S. beef and use PR activities to highlight Taiwanese consumers accepting and enjoying U.S. beef.
- Monitor the presence and growth of plant-based protein options in retail and foodservice.
- Counter misconceptions about the environmental impact of the livestock industry with targeted messages about the role of the U.S. beef production system in sustainability and global food security.

2024 import and market share data is based on import data of Taiwan (from Trade Data Monitor), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau.

Measurable Objectives:

Measurable Objective #1
84% of targeted trade accounts will report that they have a favorable attitude toward U.S. beef based on information provided by USMEF.

Measurable Objective #2
84% of targeted trade accounts will have a willingness to purchase additional U.S. beef items.

Measurable Objective #3
66% of targeted restaurants will actively participate in and contribute to USMEF beef promotions.

Measurable Objective #4
69% of targeted retailers will stock or promote an additional alternative U.S. beef cut.

Measurable Objective #5
100% of targeted retailers will actively promote the attributes of U.S. beef to their customers.

Performance Efficiency Measures:

N/A for Foreign Marketing ARs

LRP Initiatives Addressed by this Tactic:

Drive Growth in Beef Exports

- Identify and address export customer needs and values
- Collaborate with targeted partners to promote U.S. beef in foreign markets
- Invest in research, marketing and education programs

Checkoff Program Committee(s): International Marketing

Supplemental Information for This AR

1. **Please explain significant changes from the FY25 approved AR.**
   The current Authorization Request reflects strategic adjustments made in response to evolving global market conditions, supply dynamics, and emerging opportunities for U.S. beef exports.

   One key distinction is the emphasis placed on addressing current market access challenges in China, specifically the non-renewal of plant registrations in the CIFER system. These developments have disrupted trade flows, particularly for certain cuts traditionally destined for the Chinese market. As a result, in-market promotional efforts under this Authorization Request will focus on supporting the cut mix typically exported to China by expanding demand in alternative markets. It is important to note that the situation in China remains highly fluid and may shift by the time funding is awarded. Accordingly, USMEF is taking a flexible, adaptive approach to this issue and will adjust programming as market access conditions evolve.

   Additionally, this request builds on USMEF's long-term strategic commitment to market diversification. The current Authorization Request continues to invest in markets with strong medium- and long-term growth potential, while also maintaining our position and promotional support in key established markets. This approach ensures that U.S. beef remains competitive and resilient amid fluctuating global demand and trade dynamics.

   A further area of expanded emphasis in this proposal is the opportunity presented by the resurgence in global tourism. With travel activity rebounding sharply in markets such as Japan, Europe, and the Middle East, foodservice sectors in these regions are experiencing renewed growth. The current Authorization Request includes enhanced efforts to capitalize on this trend by promoting U.S. beef through foodservice channels that are increasingly influenced by international visitors seeking high-quality dining experiences.

   This Authorization Request also places greater focus on value-added opportunities with processors and partners marketing further-processed U.S. beef products. As U.S. beef supply tightens and prices remain elevated due to lower U.S. production and intensified competition from other suppliers such as Brazil and Australia, it is increasingly important to pursue strategies that maximize value and differentiate U.S. beef in the marketplace. Taken together, these shifts represent a

thoughtful, data-driven evolution in USMEF's global market development approach—one that is both responsive to near-term challenges and grounded in long-term strategic priorities.

2. **List any proposed vendors/agencies that will be used to complete the work in this AR.**
   USMEF's international offices present new contracts annually. These vendors are selected based on in-market needs and projects, performance in strict bidding review, the quality of materials produced, previous experience working with USMEF, target audience, and other factors. Each subcontractor is cross-referenced against the System for Award Management (SAM) Registration for legitimacy and references. Due to USMEF's contract bidding policy that is in compliance with USDA requirements and nature of international work, in-market subcontractors are pursued and selected on an as-needed basis.

3. **Will all work with vendors/agencies be competitively bid? If no, please provide a brief description as to why.**
   Per USMEF's vendor selection process, contracts greater than $35,000 must be competitively bid every three years. Selection is based on qualifications and reasonableness for cost. Contracts under $35,000 do not need to be competitively bid, but documentation demonstrating reasonableness for cost must be collected. However, under specific circumstances, a contract over $35,000 may not be competitively bid and is deemed a "sole source" if the contract is targeting a specific audience or addressing a very specific in-market need that is unlikely to be met by another vendor.

4. **Has this AR built upon past work or projects that have been previously funded by the BPOC? If yes, please provide a detailed list and background information on the project and contractor(s) involved.**
   As USMEF's marketing strategies are designed for long-term global market development, the FY26 Authorization Request builds on the strategies and tactics outlined in the FY25 AR and previous years. While these strategies evolve in response to changing market conditions, they remain rooted in trade servicing, training, education, and promotional efforts.

   For decades, USMEF has actively promoted U.S. beef in international markets. Recent changes in market access have shifted opportunities, encouraging USMEF to strengthen its focus on export diversification. U.S. beef export markets vary widely in their level of development—some are in the early stages, requiring foundational work in trade and supply chain development, while others are mature and well-equipped to handle chilled U.S. beef. As global consumer preferences continue to shift toward premium quality and convenience, USMEF's programs are adapting accordingly. In many cases, this means evolving from a primary focus on trade servicing and capacity building to a more consumer-driven and promotional approach.

   USMEF values its long-standing partnership with the Operating Committee and remains committed to advancing the U.S. beef industry in global markets.

5. **If applicable, explain how this AR can be extended by state beef councils or other contractors.** State Beef Councils may independently collaborate with USMEF to expand upon projects that are aligned with the strategic objectives outlined in this AR. USMEF works closely with interested State Beef Councils to support initiatives with the approval of local Boards, and shares information and program success via various reports and featured articles in the USMEF Export Newsline. In addition, State Beef Councils may be invited to participate in USMEF-sponsored trade missions to specific target markets for industry producers to observe and learn hands-on the impact of USMEF's on-ground international marketing initiatives. USMEF is appreciative of local State Beef Council support and invites all producers to anticipate and learn ore about the international distribution of U.S. product.

Detailed Budget Summary

The tables in the following three sections report program budget information from the following funding sources:

1. National Beef Checkoff Funding
2. Other Funding such as:
    - Federation of State Beef Councils (FSBC) Funds
    - Individual Qualified State Beef Council (QSBC) Funds
    - Government Funds (e.g., Market Access Program, Foreign Market Development)
    - Grain/Oilseed Funds (e.g., National Corn Growers Association, American Soybean Association)
    - Corporate Funds (e.g., tech and pharma companies)
    - Other

Definitions

National Beef Checkoff Funding is divided into:

- **Direct Costs:** These are expenses directly associated with executing program activities, including advertising, promotional materials, consulting fees, travel, and other project-specific costs.
- **Implementation:** These are the expenses that provide the process and infrastructure needed to put program activities into action, including overhead allocations and staff compensation (i.e. salaries and benefits).

Section 1 – FY26 Funding Requested by Tactic

FY26 National Beef Checkoff Funding Requested by Tactic

The following table outlines the requested amount of National Beef Checkoff funding for each tactic and the committee(s) that has been selected to score it/them.

National Beef Checkoff Funding by Tactic					
Committee Name	**Tactic**	**Tactic Name**	**Direct Costs**	**Implementation**	**Total**
International Marketing	Tactic A	Africa	$153,000.00	$57,000.00	**$210,000.00**
International Marketing	Tactic B	ASEAN	$190,000.00	$70,000.00	**$260,000.00**
International Marketing	Tactic C	Caribbean	$110,000.00	$41,000.00	**$151,000.00**
International Marketing	Tactic D	Central America	$234,000.00	$86,000.00	**$320,000.00**
International Marketing	Tactic E	China / Hong Kong	$496,000.00	$183,000.00	**$679,000.00**
International Marketing	Tactic F	Commonwealth of Independent States	$87,500.00	$32,000.00	**$119,500.00**
International Marketing	Tactic G	Colombia	$80,600.00	$30,000.00	**$110,600.00**
International Marketing	Tactic H	Europe	$282,000.00	$104,000.00	**$386,000.00**
International Marketing	Tactic I	Japan	$1,643,600.00	$608,400.00	**$2,252,000.00**
International Marketing	Tactic J	South Korea	$767,200.00	$283,800.00	**$1,051,000.00**
International Marketing	Tactic K	Mexico	$764,200.00	$282,800.00	**$1,047,000.00**
International Marketing	Tactic L	Middle East	$423,000.00	$157,000.00	**$580,000.00**
International Marketing	Tactic M	South American	$120,900.00	$45,000.00	**$165,900.00**
International Marketing	Tactic N	Taiwan	$415,000.00	$153,000.00	**$568,000.00**
		Total	**$5,767,000.00**	**$2,133,000.00**	**$7,900,000.00**

FY26 Other Funding Requested by Tactic

The following table reports the amount of anticipated Other Funding that would be applied to each tactic. This information is for reference only and demonstrates external collaboration as delineated in the 2021-2025 Beef Industry Long Range Plan.

Funding Sources Requested by Tactic *(Informational Only)*			
Funding Source	**Tactic**	**Tactic Name**	**Total**
Government Funds	Tactic A	Africa	**$403,881.00**
Grain/Oilseed Funds	Tactic A	Africa	**$44,500.00**
QSBC Funds	Tactic A	Africa	**$35,800.00**
Government Funds	Tactic B	ASEAN	**$362,468.00**
Grain/Oilseed Funds	Tactic B	ASEAN	**$10,600.00**
Government Funds	Tactic C	Caribbean	**$175,573.00**
Grain/Oilseed Funds	Tactic C	Caribbean	**$11,600.00**

Funding Sources Requested by Tactic *(Informational Only)*			
QSBC Funds	Tactic C	Caribbean	**$45,000.00**
Government Funds	Tactic D	Central America	**$237,736.00**
Grain/Oilseed Funds	Tactic D	Central America	**$52,000.00**
QSBC Funds	Tactic D	Central America	**$79,391.00**
Government Funds	Tactic E	China / Hong Kong	**$503,020.00**
Grain/Oilseed Funds	Tactic E	China / Hong Kong	**$49,900.00**
QSBC Funds	Tactic E	China / Hong Kong	**$90,000.00**
Government Funds	Tactic F	Commonwealth of Independent States	**$144,532.00**
Grain/Oilseed Funds	Tactic F	Commonwealth of Independent States	**$5,500.00**
QSBC Funds	Tactic F	Commonwealth of Independent States	**$59,000.00**
Government Funds	Tactic G	Colombia	**$286,076.00**
Grain/Oilseed Funds	Tactic G	Colombia	**$56,300.00**
QSBC Funds	Tactic G	Colombia	**$25,000.00**
Government Funds	Tactic H	Europe	**$508,821.00**
Grain/Oilseed Funds	Tactic H	Europe	**$46,665.00**
QSBC Funds	Tactic H	Europe	**$158,900.00**
Government Funds	Tactic I	Japan	**$999,501.00**
Grain/Oilseed Funds	Tactic I	Japan	**$942,211.00**
QSBC Funds	Tactic I	Japan	**$1,309,173.00**
Government Funds	Tactic J	South Korea	**$945,451.00**
Grain/Oilseed Funds	Tactic J	South Korea	**$758,725.00**
QSBC Funds	Tactic J	South Korea	**$902,700.00**
Government Funds	Tactic K	Mexico	**$521,158.00**
Grain/Oilseed Funds	Tactic K	Mexico	**$78,300.00**
QSBC Funds	Tactic K	Mexico	**$181,900.00**
Government Funds	Tactic L	Middle East	**$467,922.00**
Grain/Oilseed Funds	Tactic L	Middle East	**$28,000.00**
QSBC Funds	Tactic L	Middle East	**$60,000.00**
Government Funds	Tactic M	South America	**$230,395.00**
Grain/Oilseed Funds	Tactic M	South America	**$7,050.00**
QSBC Funds	Tactic M	South America	**$59,479.00**
Government Funds	Tactic N	Taiwan	**$359,644.00**
Grain/Oilseed Funds	Tactic N	Taiwan	**$61,550.00**
QSBC Funds	Tactic N	Taiwan	**$230,900.00**
		Total	**$11,536,322.00**

Section 1 - Additional Funding Comments:

Use the space below to provide any additional details about the FY26 National Beef Checkoff or Other Funding amounts requested, along with any anticipated third-party contributions* for this AR.

** Specify the type of third-party contributions, such as support from external organizations or in-kind goods and services (e.g., equipment, supplies, volunteer time, consulting), and their estimated value (individual or cumulative).*

Annually, USMEF submits an application to USDA for core Market Access Program (MAP) funding. These government funds are used strictly for international office operations, international programs, and Denver programs (no funds from USDA are used in domestic operations). As part of this application process, USDA evaluates the dollars USMEF is able to match to the MAP award with industry contributions. This criteria leads to the higher the percentage match, the better chances of receiving government support. Through contributions from the Cattlemen's Beef Board, Qualified State Beef Councils, grain industries, and pork industry, USMEF is able to match government funding 100%, making a significant impact on USDA's funding allocations.

USMEF tracks third-party in-country contributions (TPC) that support its international programs. These contributions may include cost-sharing for promotions, participation in USMEF trade teams, seminars, and other events. Contributions are categorized as either **hard costs**, which are documented with receipts, or **soft costs**, which may include partner-provided discounts, estimated self-funded expenses, or the estimated value of time invested by seminar participants. As part of its commitment to shared investment and program sustainability, USMEF requires international partners to contribute to promotional activities.

For the 2024 fiscal year, USMEF reported $5,908,601 in beef TPC. Nearly 70% of that value were hard costs. October 2024 through April 2025, USMEF has thus far reported $3,503,423 in beef TPC.

Section 2 – Summary of FY25 AR Budgets and Expenses

Classification:

This AR expands upon previously funded program work from last year. While CBB will enter information into the FY25 National Beef Checkoff Funding table, we (the contractor) will report corresponding details in the FY25 Other Funding table.

FY25 National Beef Checkoff Funding

This table reports the amount of awarded and expended National Beef Checkoff funding for this Authorization Request in FY25.

FY25 National Beef Checkoff Funding *Note: The Cattlemen's Beef Board completed the fields in this table.*			
	AR# 2540-FM		
	Direct Costs	**Implementation**	**Total**
Funds Awarded	$5,840,000.00	$2,160,000.00	$8,000,000.00
Actual Expenses *(October 1, 2024 - June 30, 2025)*	$1,393,450.03	$1,097,200.00	$2,490,650.03

FY25 Other Funding

The following table reports the amount of committed and expended Other Funding for the FY25 AR. This funding information is for informational purposes only and demonstrates external collaboration as delineated in the 2021-2025 Beef Industry Long Range Plan.

FY25 Other Funding *(Informational Only)*			
	AR# 2540-FM		
	Other Funding Source	**Funds Committed**	**Funds Expended** *(October 1, 2024 –June 30, 2025)*
A	Government Funds	$8,104,749.00	$6,763,991.00
B	QSBC Funds	$3,319,155.00	$1,264,565.00
C	Grain/Oilseed Funds	$1,506,372.00	$829,373.00

Section 2 – Additional Funding Comments:

Use the space below if you wish to provide additional comments/information on the historical National Beef Checkoff or Other Funding budget and expense summaries, as well as details on third-party contributions* that supported these ARs.

** Specify the type of third-party contributions, such as support from external organizations or in-kind goods and services (e.g., equipment, supplies, volunteer time, consulting), and their estimated value (individual or cumulative).*

N/A

Section 3 – Historical Summary of AR Budgets and Expenses

Classification:	This AR expands upon previously funded program work from the past two years or more. While CBB will enter information into the National Beef Checkoff Funding Summary table, we (the contractor) will report information in the Other Funding Summary table.

National Beef Checkoff Funding – Historical Summary

The following table reports the amount of awarded and expended National Beef Checkoff funding for the FY22, FY23, and FY24 ARs.

National Beef Checkoff Funding - Historical Summary *Note: The Cattlemen's Beef Board completed the fields in this table.*				
		FY24 **AR# 2440-FM**	**FY23** **AR# 2340-FM**	**FY22** **AR# 2240-FM**
AR Period[1]	*Start Date:*	*Oct. 1, 2023*	*Oct. 1, 2022*	*Oct. 1, 2021*
	End Date:	*Sep. 30, 2024*	*Sep. 30, 2023*	*Sep. 30, 2022*
Funds Awarded		$8,150,000.00	$8,200,000.00	$8,400,000.00
Actual Expenses[2]		$8,147,332.76	$8,198,266.16	$8,396,839.29

[1]For multiyear ARs, the "End Date" reflects the date that the AR is scheduled to be completed.
[2]If the AR "End Date" has not occurred, actual expenses will be reflective of the following time period: AR Start Date - June 30, 2025.

Other Funding - Historical Summary

The following table reports the amount of Other Funding expenditures for the FY22, FY23, and FY24 ARs. The funding information in this table is for informational purposes only and demonstrates external collaboration as delineated in the 2021-2025 Beef Industry Long Range Plan.

Other Funding – Historical Summary *(Informational Only)*						
	FY24 **AR# 2440-FM**		**FY23** **AR# 2340-FM**		**FY22** **AR# 2240-FM**	
	Other Funding Source	**Total Expenditures**	**Other Funding Source**	**Total Expenditures**	**Other Funding Source**	**Total Expenditures**
A	Government Funds	$5,188,034.00	Government Funds	$8,578,452.00	Government Funds	$8,643,000.00
	Grain/Oilseed Funds	$2,082,824.00	Grain/Oilseed Funds	$1,544,795.00	Grain/Oilseed Funds	$1,607,000.00
	QSBC Funds	$3,222,615.00	QSBC Funds	$3,660,550.00	QSBC Funds	$3,782,000.00

Section 3 - Additional Funding Comments:

Use the space below if you wish to provide additional comments/information on the historical National Beef Checkoff or Other Funding budget and expense summaries, as well as details on third-party contributions* that supported these ARs.

** Specify the type of third-party contributions, such as support from external organizations or in-kind goods and services (e.g., equipment, supplies, volunteer time, consulting), and their estimated value (individual or cumulative).*

N/A