

Food for Thought



HOW U.S. FOOD & AGRICULTURE COMPANIES ARE NAVIGATING THE U.S.-CHINA CURRENTS

LI XIN

PRESIDENT – SUSTENTURE

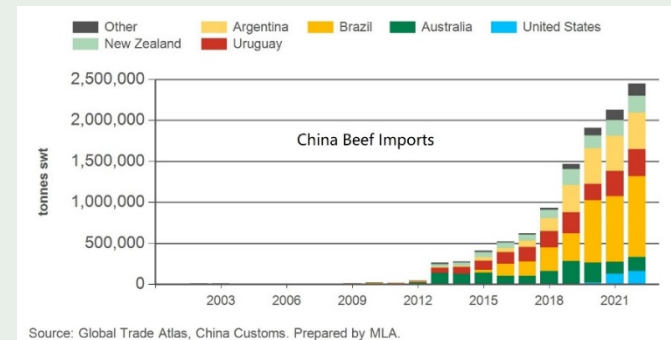
**CHAIR – FOOD, AGRICULTURE & BEVERAGE
COMMITTEE, AMCHAM SHANGHAI**

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China's "Rice Bowl" – Self Sufficiency, Diversify & De-Risk

2

- Food & Agriculture as “No. 1 Policy”: from scarcity to abundance - better food & nutrition through economic development
- Food security is social security & stability
- Self-sufficiency through biosecurity, sustainability, digitalization and productivity
- Land and natural resource constraints
- Import is important necessity, and will continue to represent an enormous market opportunity
- Sense of crisis: food safety (dairy), animal disease (ASF), climate & natural disasters, (floods & droughts), pandemic (Covid), war, supply chain interruptions, and trade wars (tariffs, docking fees etc.)
- Keep “rice bowl” in own hands, with abundant, diversified and **reliable** food supply, and **DE-RISK**. YoY % of pie adjusted



US Food & Ag Companies - Navigating the Currents

3

- US food & ag known for quality and consistency, abundance and cost competitiveness. Export to China has been important
- Trade war and reciprocal tariffs disrupt trade
- Tariff exemption diplomacy & negotiations
- Lobby to strike trade deals to benefit farmers & businesses
- Aim to reduce volatility and more predictability, for advanced planning
- Support removal of “non tariff barriers” with EU, China, ROW – harmonize standards, more export licenses granted
- Explore “alternative markets” vs “the next China is China”
- Food companies: “In Country for Country (Region/Market)”
- Continue People-to-People ties: *“all things being equal, friends do business with friends”*

Navigating the Uncharted Waters

4

- Tariff letters being sent and deals to be announced, subject to change:
- *“These Tariffs may be modified, upward or downward, depending on our relationship with your Country. You will never be disappointed with The United States of America.”*
- Negotiations on-going
- *Uncertainty is Certainty*
- Businesses must stay agile, flexible and engage proactively – “be the change you want to see”



Navigating the Longer Term – Strategic Review

5

- **Know Thy Self:** While the size of the Chinese market sometimes whet an appetite to take up everything, it's also the most competitive. Thus, it's important to determine your position as an upstream commodity exporter TO China or a down-stream consumer brand IN China. Knowing the "to be or not to be" will help you focus on your most competitive strengths, and offer a higher chance for success.
- **Know Your “Client” – the China Market:** Double-check that your value proposition is relevant to the scale of the China market, and its speed-of-change, and be prepared to adjust accordingly. What worked elsewhere and yesteryear won't guarantee your slice of the pie in the China market and into the future.
- **Corporate Social Responsibility (CSR+):** How can you contribute to improving food security, food safety, health and nutrition, and sustainability? Are you working with trade associations and industry alliances to advance these causes? What is your company's expertise? These non-commercial elements may well be the secret sauce that sets you apart from the rest.
- **Innovation:** What innovation can you bring to the China market? What can you learn from the local market that can be adapted to strengthen your China game, and ultimately improve your competitiveness in the global market?
- **Solo Act or Partnership:** Should you be doing this alone, or with a local partner? This deserves serious soul searching, especially if your branded products need local channels to reach a vast consumer base, or you are offering a systems solution requires equipment customization and process integration.

Spirit of Collaboration: American Food & Ag Pavillion at CIIE

6

- USDA & AmCham Shanghai co-organized
- 3rd year commitment, while US government budget cuts elsewhere
- US\$711 million trade deals signed at CIIE 2024
- “*Better Food & Nutrition for a Better Living*” Symposium, CIIE bureau cohosted
- MNCs, food industry associations and SMEs
- Existing players and new entrants to increase import volume
- Exhibitors may stay for FHC food show (Nov 12-14) after CIIE (5-10)



New Zealand Food & Ag Opportunities

7

- Gold standard for quality & credibility
- Unique advantages of “grass fed” and “taste pure nature”
- Southern hemisphere – complimentary seasonal & product offerings
- Capacity in excess of domestic consumption – supply abundance & price stabilizer
- Open Pacific trade route without “canals”
- Long-term and consistent pro trade policy
- Reliable supplier: *“all things being equal, friends do business with friends”*



Li Xin – Sustenture

8

- President and Co-founder of **Sustenture**, with 10+ years strategy and M&A advisory experience, focus on food & industrial sectors bridging the East and West – MNCs & SMEs
- Chair - Food, Agriculture & Beverage Committee at **AmCham Shanghai**
- 22 years **US Fortune 500** sales/marketing management experience in the United States, Canada and China
- Former China President of **Sealed Air**, and GM **Cryovac** food packaging Asia



Questions?



**“IN A COMPLEX WORLD, OPEN DIALOGUE IS
MORE IMPORTANT THAN EVER” –
CHRISTOPHER LUXON, PRIME MINISTER OF
NEW ZEALAND, JUNE 20, 2025**

**“BORDERS FREQUENTED BY TRADE SELDOM
NEED SOLDIERS” –LT. GENERAL BARTON KYLE
YOUNT, WWII**

**AMCHAM “FOOD FOR THOUGHT”
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