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Economic Research Service  
U.S. DEPARTMENT OF AGRICULTURE

Economic  
Research  
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Economic  
Information  
Bulletin  
Number 277

August 2024

# U.S. Agricultural Exports in Southeast Asia

Ethan Sabala and Fred Gale





## Economic Research Service [www.ers.usda.gov](http://www.ers.usda.gov)

### Recommended citation format for this publication:

Sabala, E., & Gale, F. (2024). *U.S. agricultural exports in Southeast Asia* (Report No. EIB-277). U.S. Department of Agriculture, Economic Research Service.



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# U.S. Agricultural Exports in Southeast Asia

Ethan Sabala and Fred Gale

## Abstract

Southeast Asia is a promising market for agricultural exports, with its growing population of middle-class consumers, especially for exporters such as the United States. The region consists of: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Timor-Leste, and Vietnam. Top markets in the region for U.S. agricultural and food products are the Philippines, Vietnam, and Indonesia. Leading U.S. exports are soybean products, wheat, cotton, skim milk powder, and distillers' grains. U.S. agricultural exports to Southeast Asia increased from \$9.4 to \$14.2 billion from 2012 to 2022, and the U.S. share of Southeast Asia's agricultural imports was steady at just over 11 percent. China and Brazil, two of the top competitors, were the only exporters that gained market share over the period. China surpassed the United States to become the largest foreign supplier of agricultural goods to Southeast Asia, but few of China's products compete directly with U.S. products; Brazil's soybean products, cotton, poultry, and beef do compete with U.S. products. There are numerous potential reasons that U.S. competitors have gained market share, varying by commodity. They include preferential treatment through trade agreements, along with price competition, geopolitical ties, and geographic distance from Southeast Asia. Currently, the primary U.S. competitors for major agricultural commodities exported to Southeast Asia are Brazil, Australia, New Zealand, the European Union, China, India, Canada, and Argentina.

**Keywords:** Southeast Asia, trade, soybeans, cotton, wheat, dairy, U.S. agricultural trade

## Acknowledgments

The authors thank Jayson Beckman and Utpal Vasavada of USDA, Economic Research Service (ERS) for insightful comments and advice, as well as four anonymous reviewers. Thanks also to Chris Whitney, Courtney Knauth, and Angela Brees of ERS for editing and Chris Sanguinett for design.

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# U.S. Agricultural Exports in Southeast Asia

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## What is the Issue?

Southeast Asia is one of the world's most dynamic and diverse economic regions and a promising overseas market for U.S. agricultural goods. The region is growing rapidly in terms of both Gross Domestic Product (GDP) and population and is already the third-largest regional market for U.S. agricultural exports. Southeast Asia's tropical climate produces plantation crops (such as palm oil, rubber, tropical fruit, and fish), but the climate is not favorable for producing temperate regional crops grown in the United States (such as wheat, corn, soybeans, deciduous fruit like apples and berries) and dairy products. Therefore, Southeast Asia has the potential to be an important overseas market for U.S. agricultural products, as well as for some major competitors.

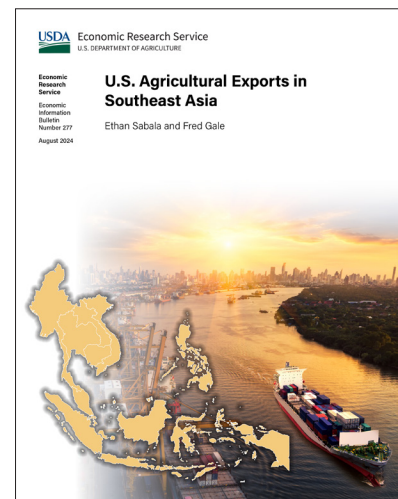
## What Did the Study Find?

Foreign suppliers of agricultural products to Southeast Asia include the following:

- The top five are China, the United States, Brazil, Australia, and the European Union.
- New Zealand, India, Canada, and Argentina are also major suppliers of agricultural products.
- Other competitors include Ukraine for wheat and Pakistan for rice.

The value of U.S. agricultural exports to Southeast Asia increased by \$4.8 billion from 2012 to 2022 despite market share falling 0.2 percentage points, from 11.4 to 11.2 percent, over the period. The European Union and Australian market shares remained steady while exports from these countries increased. Among the top five foreign agricultural suppliers to Southeast Asia, Brazil and China were the only ones to increase market share from 2012 to 2022.

Currently, the United States has only one trade agreement in the Southeast Asia region, the U.S.-Singapore Free Trade Agreement. Competing exporters have ratified trade agreements that give preferential treatment to their exports:



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- The Association of Southeast Asian Nations (ASEAN), which includes all the Southeast Asian countries except Timor-Leste, has trade agreements with Australia, New Zealand, China, and India, among others.
- While Southeast Asian countries impose tariffs ranging from 10 to 50 percent on U.S. beef products, beef products originating in Australia and New Zealand do not face these tariffs, and beef (primarily water buffalo) products from India face lower tariffs. India and Australia are the two largest exporters of beef products to Southeast Asia.
- The United States faces tariffs ranging from 5 to 7 percent when exporting wheat to the Philippines, Indonesia, Vietnam, and Myanmar. Australia, the largest competitor to U.S. wheat in the Southeast Asian market, faces no tariffs when exporting wheat to these countries.

Major U.S. agricultural exports to Southeast Asia face competition from top exporters around the world. Soybean products are the largest category of U.S. agricultural exports to Southeast Asia, and these sales face stiff competition from Latin American countries:

- In 2022, more than 90 percent of soybeans imported by Southeast Asian countries came from either the United States or Brazil.
- For soybean meal, Argentina and Brazil are the two major suppliers, with the United States the third-largest supplier and far behind in volume of exports.

The United States also faces competition for exports of other agricultural products to Southeast Asia:

- U.S. cotton and wheat compete primarily with Australian cotton and wheat, which have significantly reduced shipping costs and lower tariffs for wheat.
- U.S. beef exports to Southeast Asia tripled from 2015 to 2022 but are still far outpaced by exports from India, Australia, and Brazil. Indian and Australian beef have lower tariff rates. However, as the size of the middle class in Southeast Asia grows, demand for higher quality U.S. beef could continue to increase.
- Although corn is a major agricultural import for Southeast Asia and the second largest U.S. agricultural export overall, the United States exports little corn to the region, with Argentina and Brazil currently the two largest foreign suppliers.
- The U.S. Department of Agriculture (USDA) promotes U.S. specialty crop exports (including fruits, vegetables, and nuts) to Southeast Asia through its Regional Agricultural Promotion Program (RAPP). As of 2022, China is the largest exporter of these products to Southeast Asia.

## **How Was the Study Conducted?**

This report analyzes trade data to determine historical trends, assess the potential of increasing the role of Southeast Asia as an export market for U.S. agricultural products, and determine which countries compete effectively with the United States in the Southeast Asia region. Trade data were obtained from the USDA's Global Agricultural Trade System and from Trade Data Monitor. The data were gathered, analyzed, and synthesized by the USDA's Economic Research Service.

# U.S. Agricultural Exports in Southeast Asia

## Introduction

Southeast Asia is one of the fastest growing foreign markets for U.S. agricultural products. Sales of these products to the region increased 56.2 percent from 2012 to 2022, and it is the third largest regional market for U.S. agricultural exports (USDA, Foreign Agricultural Service (FAS), 2023a). According to the USDA, *FAS 2022 United States Agricultural Export Yearbook*, several Southeast Asian countries were among the top-ranked markets for U.S. agricultural exports in 2022: the Philippines (8th, \$4 billion in exports), Vietnam (10th, \$3.5 billion), and Indonesia (11th, \$3.3 billion).

Southeast Asia (which includes Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Timor-Leste, and Vietnam) is a diverse region with a tropical or subtropical climate, abundant natural resources, rapid economic growth, a relatively young and growing workforce, and an expanding middle class. When combined, the aggregate real Gross Domestic Product (GDP) of Southeast Asia's countries was the fourth largest in the world in 2021, behind China, the United States, and India (Central Intelligence Agency (CIA), 2023). Southeast Asia has the third-largest labor force in the world, behind only India and China, and is a large, growing market for exported goods as per capita incomes and the middle-class increase (United Nations, 2023). The nations of Southeast Asia provide a unique opportunity for the United States to diversify its agricultural exports into smaller emerging markets with great potential for growth just as the populations of China, Japan, Taiwan, and South Korea—several of the largest U.S. agricultural export destinations—are reaching a plateau or beginning to decline (United Nations, 2023).

Southeast Asia's population is projected to grow over the next 10 years (USDA, ERS, 2023), increasing by 54.8 million (8.0 percent) during 2023–2033 (table 1). Per capita GDP in Southeast Asia is projected to increase by \$3,180 (25.7 percent). Three countries (Indonesia, the Philippines, and Vietnam) count for most of the region's population and are expected to grow over the period at rates ranging from 6.8 percent for Indonesia to 15 percent for the Philippines. Each country in the region is projected to have double-digit per capita GDP growth, ranging from 13 percent in Brunei to more than 70 percent in Vietnam.



Table 1

**Southeast Asia's per capita GDP and population (2023 and projected growth by 2033)**

	Population			Per capita GDP (2015 U.S. dollars)		
	2023	Growth (2023–2033)		2023	Growth (2023–2033)	
	Persons	Persons	Percent	Dollars	Dollars	Percent
Southeast Asia	685,544,355	54,837,910	8.0	12,356.79	3,180.28	25.7
Indonesia	274,286,094	18,539,629	6.8	4,283.56	2,151.22	50.2
Philippines	115,708,905	17,596,371	15.2	3,732.22	1,483.96	39.8
Vietnam	102,544,485	8,216,079	8.0	2,968.02	2,094.55	70.6
Thailand	69,645,864	454,291	0.7	6,690.27	2,494.11	37.3
Myanmar	57,970,218	3,838,893	6.6	1,292.99	249.62	19.3
Malaysia	33,465,965	3,119,765	9.3	11,892.08	4,433.99	37.3
Cambodia	17,475,727	1,587,360	9.1	1,504.08	1,007.43	67.0
Laos	7,766,208	919,104	11.8	2,661.91	1,041.40	39.1
Singapore	6,195,455	500,101	8.1	61,570.78	13,159.73	21.4
Brunei	485,433	66,318	13.7	26,971.96	3,686.84	13.7

Note: GDP represents Gross Domestic Product, and the value is in 2015 U.S. dollars. The USDA, Economic Research Service Macroeconomic Dataset (USDA, ERS, 2023) does not include Timor-Leste.

Source: USDA, Economic Research Service using data from Macroeconomic Dataset (USDA, ERS, 2023).

All the Southeast Asian nations except Timor-Leste are members of the Association of Southeast Asian Nations (ASEAN). ASEAN, formed in 1967, is an intergovernmental organization aimed at promoting economic and security cooperation between its member nations. As of June 2024, ASEAN had signed seven free trade agreements (FTA), including the Regional Comprehensive Economic Partnership, the largest FTA in history, covering about 30 percent of the world's GDP and population (ASEAN Secretariat, 2024).

Southeast Asia is a priority based on U.S. initiatives to expand Asia-Pacific trade ties. In May 2022, the United States launched the Indo-Pacific Economic Framework for Prosperity (IPEF), which includes seven Southeast Asian nations and seeks to advance resilience, sustainability, inclusiveness, economic growth, fairness, and competitiveness for its 14 member countries (White House, 2022). More recently, the U.S. Department of Agriculture (USDA) initiated its Regional Agricultural Promotion Program to promote U.S. agricultural products in new markets and increase market share in growing markets (USDA, 2023). Some global manufacturing industries (such as textiles and apparel) are shifting from China to Southeast Asian countries with lower production costs, contributing to that region's growth and generating demand for imported food and raw materials. Lee and Jones (2023) discussed the importance of the United States diversifying its agricultural export markets and list Southeast Asia as the number one opportunity for expansion, asserting that Southeast Asia's transition from agrarian- to service- and industry-focused economies, coupled with its quickly rising GDP, suggests the region will increasingly look to foreign suppliers to meet its domestic demand for food. This shift makes the region a promising opportunity for U.S. agricultural exporters looking to expand and diversify. Nti (2018) identified Indonesia, Malaysia, and the Philippines as potential high-growth markets but noted that there are several constraints, including policies aimed at self-sufficiency, halal-certification standards, and bilateral and regional trade agreements with U.S. competitors, that can create challenges. Nti also listed Vietnam and Thailand as promising destinations for U.S. agricultural products moving forward.<sup>1</sup>

<sup>1</sup> See also Flake (2014), Harding and Tran (2019), and USDA, FAS (2018) for more literature on the importance of Southeast Asia as an agricultural export destination for U.S. exports.

This report analyzes historical trade data to assess the chronological U.S. share of Southeast Asia’s agricultural imports and identify the major competitors to U.S. agricultural exports in the region. The research found that the United States was the largest supplier of agricultural products to Southeast Asia until 2014. Since then, 5 of the top 10 U.S. agricultural products exported to Southeast Asia have lost market share. The main U.S. competitors are Brazil, Australia, New Zealand, the European Union (EU), China, and India, but there are additional competitors for certain commodities. For example, Ukraine and Argentina are major competitors to U.S. wheat and soybean meal exports to Southeast Asia, respectively. The geographic location of the United States, on the opposite side of the globe from Southeast Asia, and the lack of U.S. free trade agreements in the region affect the competitive position of the United States relative to several major competitors. Specific examples are provided with the commodity discussions on pages 9 through 24.

### **Southeast Asian Trade Totals Compiled From Trading Partners’ Customs Data**

This report’s analysis of agricultural trade with Southeast Asia is based on customs data obtained from trading partners through the Trade Data Monitor database. For example, the authors compiled agricultural exports to Southeast Asia by summing the exports by each trading partner to each Southeast Asian country. This approach was necessary since two Southeast Asian countries (Vietnam and Laos) have not consistently reported customs statistics, so aggregate Southeast Asian import and export numbers cannot be compiled directly.

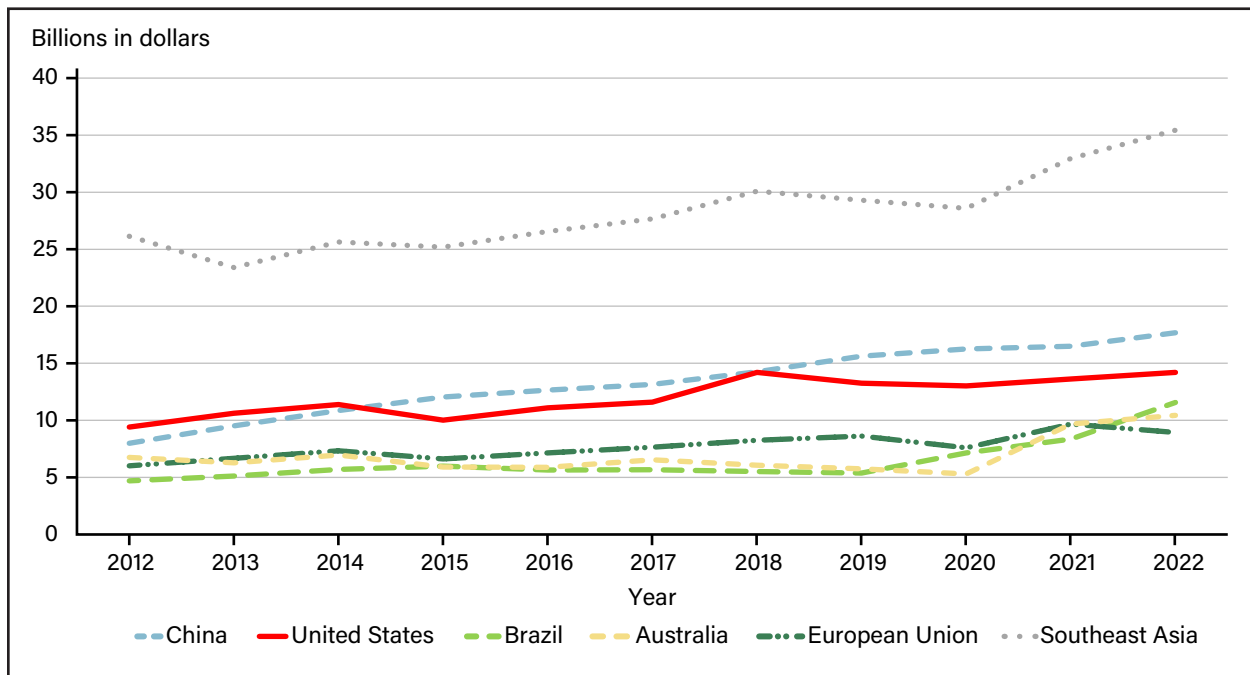
Thus, values of agricultural exports to Southeast Asia are free on board (fob) values at ports in trading partner countries. Similarly, imports from Southeast Asia are cost and freight (cnf) values when arriving at those ports.

## **Agricultural Trade in the Southeast Asia Region**

The United States was the largest foreign supplier of agricultural products<sup>2</sup> to the Southeast Asia region until 2014. China surpassed the United States as the top foreign supplier when U.S. sales dropped in 2015 (figure 1), and China has held the top spot ever since. From 2020 to 2022, Brazil and Australia had the largest growth in agricultural exports to Southeast Asia and each surpassed the European Union in 2021, becoming the third and fourth largest foreign suppliers of agricultural goods to Southeast Asia, respectively. Despite growth in the value of U.S. agricultural exports to Southeast Asia from \$9.4 billion in 2012 to \$14.2 billion in 2022, the U.S. share of Southeast Asia’s agricultural imports decreased from 11.4 percent in 2012 to 11.2 percent in 2022 (figure 2).

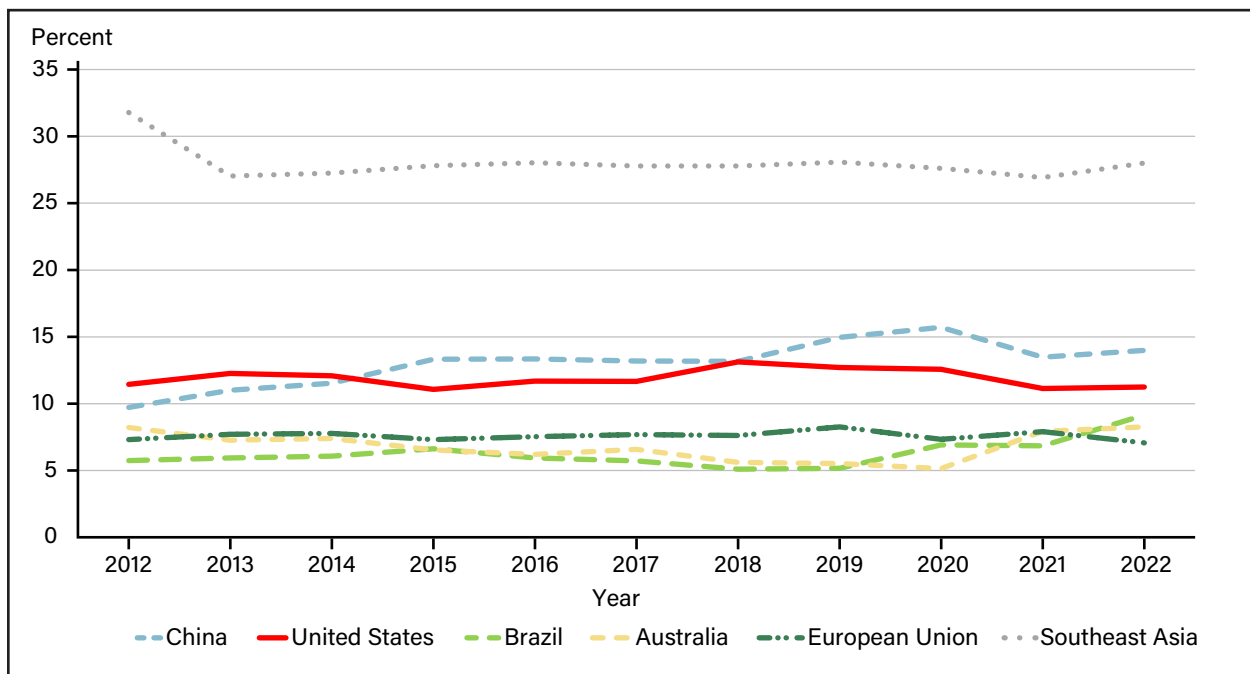
<sup>2</sup> The “WTO Ag” product aggregation within Trade Data Monitor was used for all agricultural trade statistics. This definition was created from the products included in the WTO “Agreement on Agriculture.”

Figure 1  
**Southeast Asia's agricultural imports, internal and top five foreign suppliers (2012–2022)**



Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

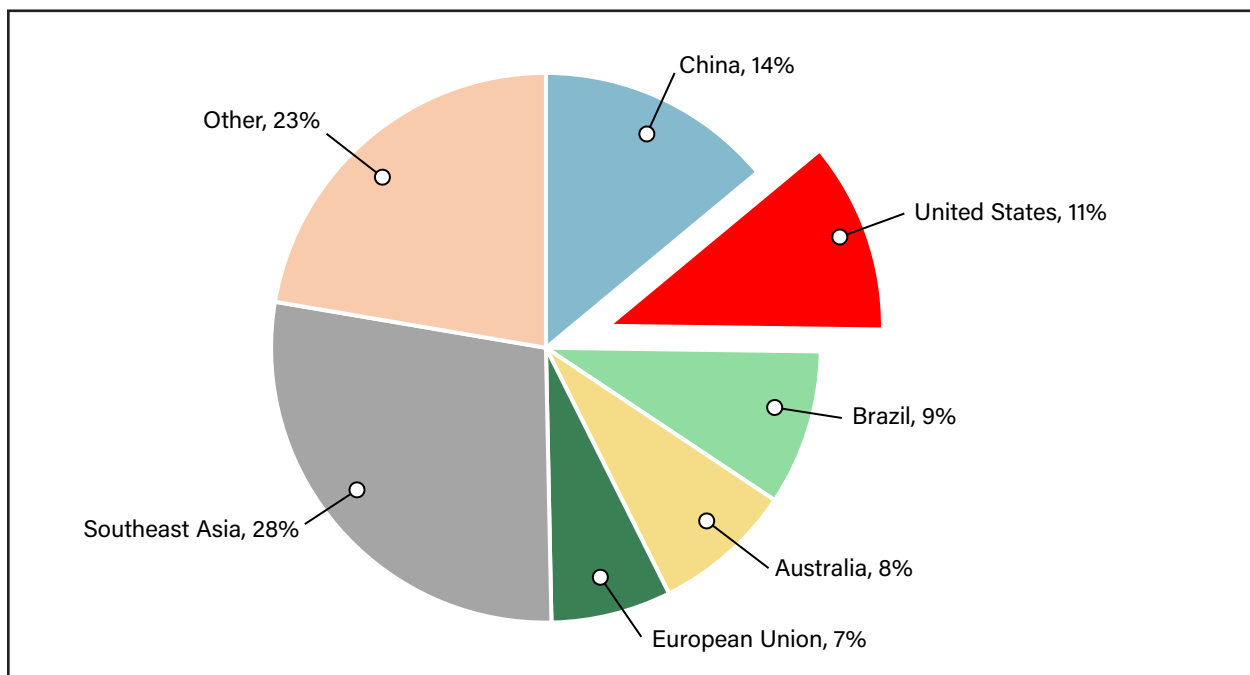
Figure 2  
**Share of Southeast Asia's agricultural imports, internal and top five foreign suppliers (2012–2022)**



Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

The United States, with 11.2 percent of Southeast Asia’s agricultural imports, and its four chief competitors from outside the region—China (14.0 percent), Brazil (9.1 percent), Australia (8.3 percent), and the European Union (7.1 percent)—together accounted for about half of Southeast Asia’s total agricultural imports in 2022 (figure 3). There was also significant trade in agricultural products within the region. Southeast Asian countries, several of them major agricultural exporters, accounted for 28.0 percent of the region’s agricultural imports. Most intraregional trade does not compete directly with U.S. products. Malaysia and Indonesia supply palm oil to their neighbors, Thailand supplies sugar, nonalcoholic beverages, and animal feed, Singapore supplies food ingredients and other processed foods, and several Southeast Asian countries trade in specialty cigarettes and tobacco products. Brazil and Australia were both behind the United States in 2022 but could each surpass the United States if they continue the growth displayed from 2020 through the last few years (figure 2). From 2019 to 2022, Brazil’s share of Southeast Asia’s agricultural imports increased from 5.2 to 9.1 percent, and Australia’s share increased from 5.5 to 8.3 percent. The U.S. share of Southeast Asia’s agricultural imports fell from 12.6 to 11.2 percent over the same period.

Figure 3  
**Southeast Asia’s agricultural imports, by supplier (2022)**



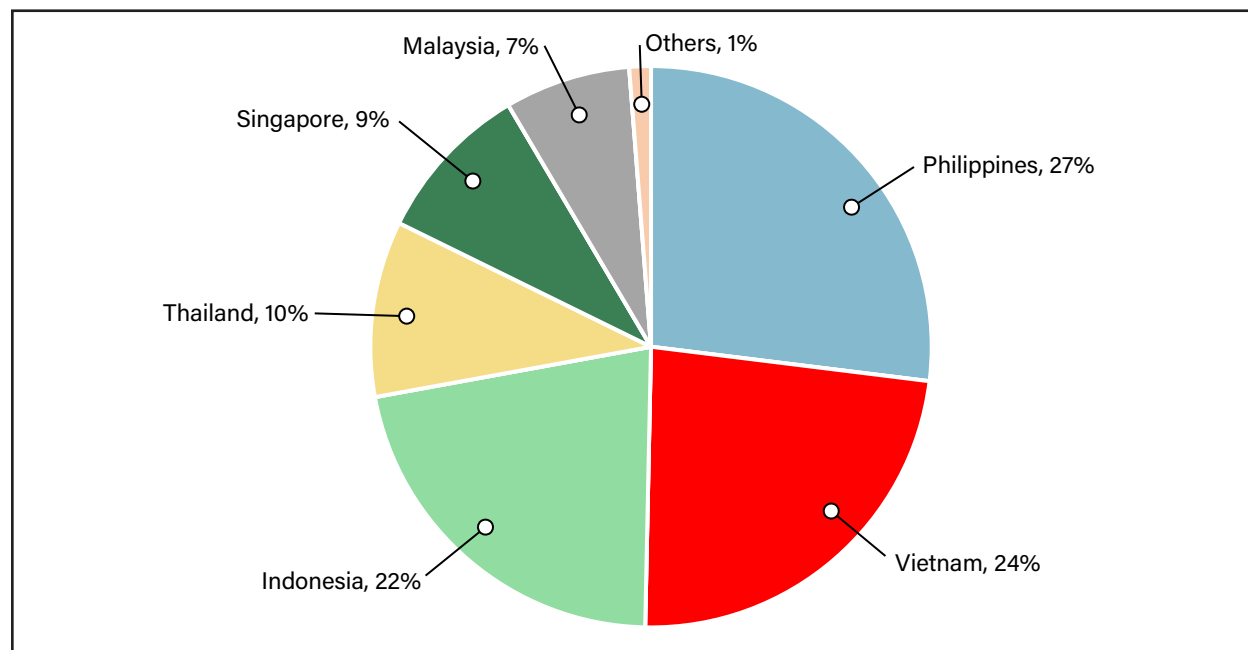
Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

The Philippines was the largest Southeast Asian export market for U.S. agricultural products in 2022, with sales of \$4.1 billion (figure 4). U.S. agricultural exports to the Philippines were the fastest growing in Southeast Asia from 2019 to 2022, and the country became the largest destination for U.S. agricultural products in the region in 2022. Vietnam was the second-largest market for U.S. agricultural products in the Southeast Asia region in 2022. U.S. agricultural exports to Vietnam surged in 2018, declined in 2019–20, and grew marginally to reach \$3.5 billion in 2022. Exports to Indonesia grew during 2015–18 and in 2022, reaching \$3.3 billion in 2022. Exports to Thailand peaked in 2018 at \$2.1 billion and fell to \$1.5 billion in 2022. Growth in exports to Singapore was the most consistent over time, reaching \$1.4 billion in 2022. Exports to Malaysia reached a peak of \$1.2 billion in 2019 and totaled \$1.1 billion in 2022. Agricultural sales to Cambodia, Myanmar, Laos, Brunei, and Timor-Leste peaked at a combined \$250 million in 2019 and fell to \$190 million in 2022. U.S.

agricultural exports to Southeast Asian nations surged in 2018, reflecting a diversion of trade due to high retaliatory tariffs that China imposed on several U.S. agricultural products that year.<sup>3</sup>

Figure 4

**U.S. agricultural exports to Southeast Asia in 2022, by percent per country**

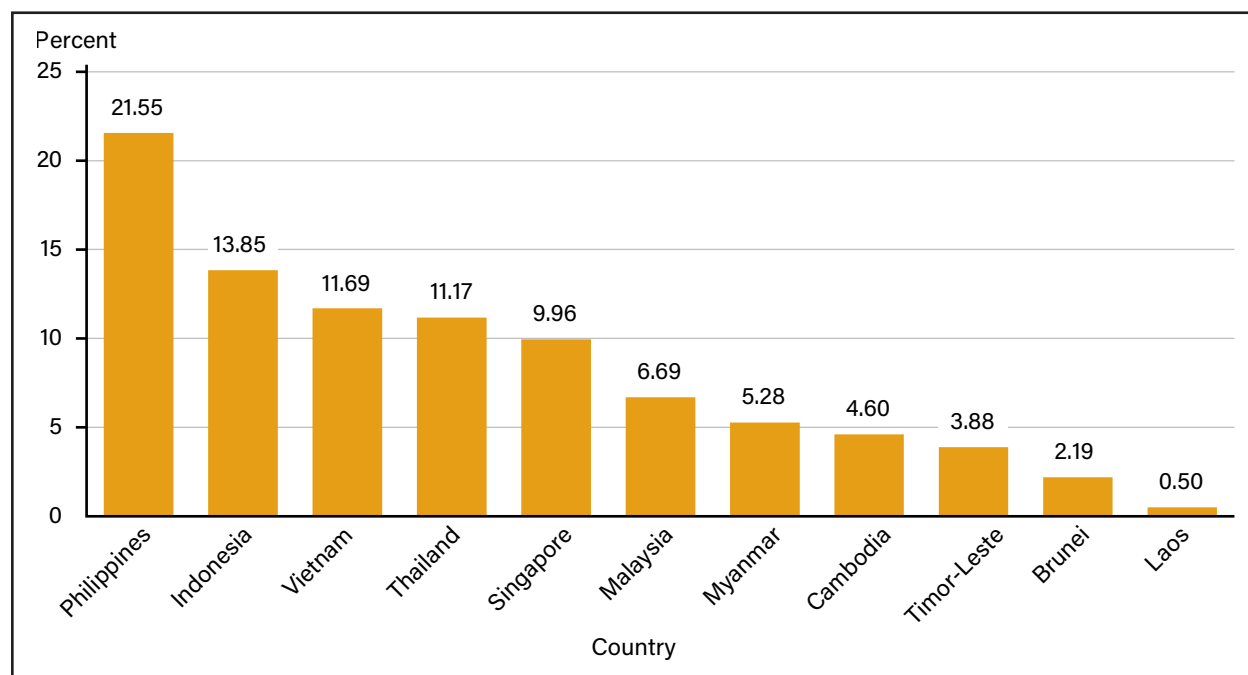


Source: USDA, Economic Research Service calculations using data from USDA, Foreign Agriculture Service, Global Agricultural Trade System.

U.S. market share varied widely across Southeast Asian countries, from a 21.5-percent average from 2020 to 2022 in the Philippines to 0.5 percent for Laos (figure 5). The United States was a major supplier of agricultural products to Indonesia, Vietnam, Thailand, and Singapore—supplying more than 10 percent of each country’s imports, on average, from 2020 to 2022. The U.S. share of imports was steady across that time frame for most countries, varying only a percent or two from 2020 to 2022, but it increased noticeably for Timor-Leste (from 1.5 percent in 2020 to 5.5 percent in 2022) and fell for Myanmar (from 7.8 percent in 2020 to 3.3 percent in 2022).

<sup>3</sup> The analysis below indicates that items that are also exported to China (soybeans, cotton, and corn) had a surge of exports to Southeast Asia in 2018.

Figure 5

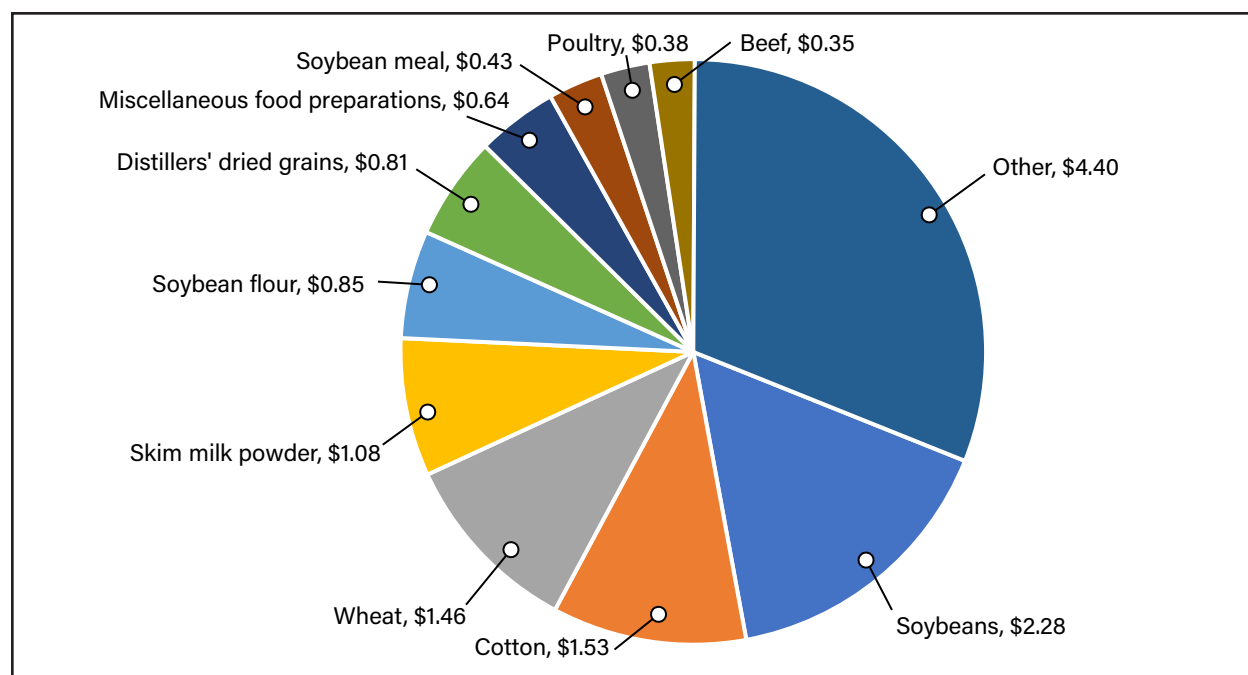
**Average U.S. market share of Southeast Asia's agricultural imports, by country (2020–22)**

Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

## Overview of Products Exported to Southeast Asia

The largest U.S. agricultural export group to Southeast Asia was soybeans and their derivatives. Soybeans alone were the top U.S. export to the region, valued at \$2.28 billion in 2022. Also in the top 10 were soybean flour used in food products and soybean meal used in animal feed, valued at \$850 million and \$430 million, respectively (figure 6). The second and third largest U.S. agricultural exports to Southeast Asia were cotton and wheat, with 2022 exports valued at \$1.53 and \$1.46 billion, respectively. Skim milk powder was just ahead of soybean flour as the fourth largest commodity that Southeast Asia imported from the United States in 2022. U.S. exports of skim milk powder to Southeast Asia were valued at \$1.08 billion in 2022. The sixth and seventh largest U.S. exports to Southeast Asia in 2022 were distillers' dried grains with solubles (DDGS) and miscellaneous food preparations, valued at \$810 and \$640 million, respectively. Rounding out the top 10 were U.S. poultry and beef products, with 2022 exports valued at \$380 and \$350 million, respectively. Numerous other products, including corn gluten meal and other animal feed preparations, whey products, cheese, fuel ethanol, almonds, pistachios, apples, grapes, citrus fruit, tobacco, and frozen potatoes, comprised an additional \$4.4 billion.

Figure 6

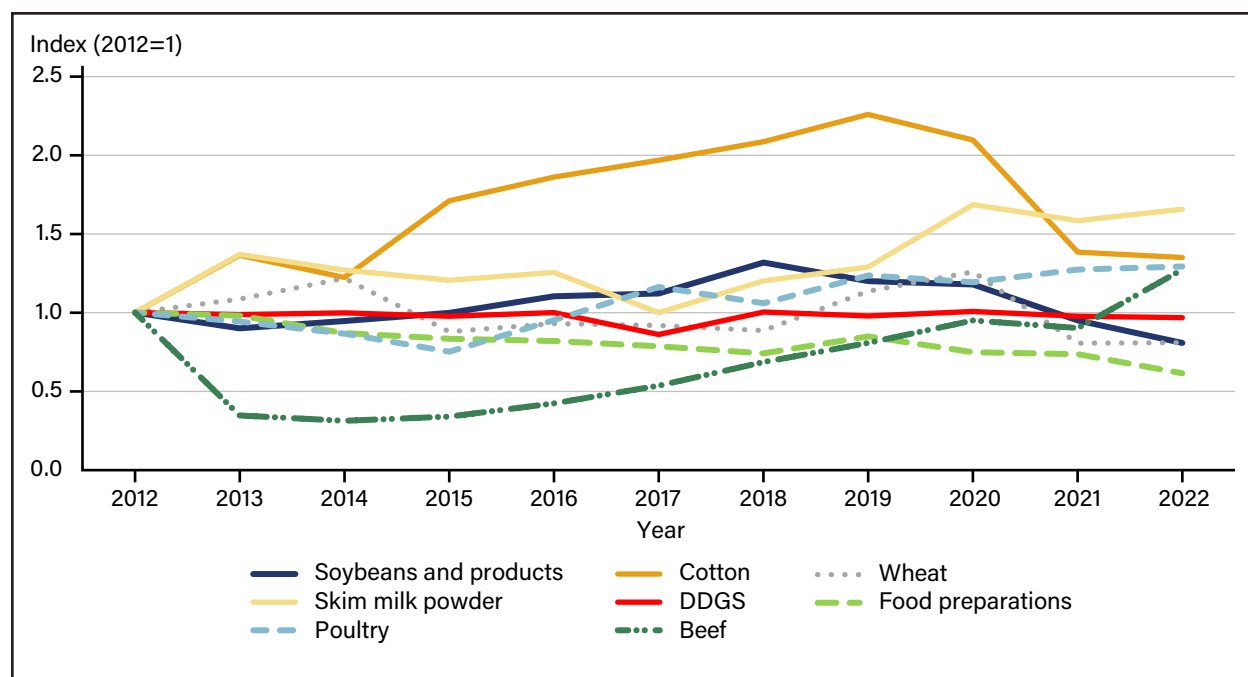
**U.S. agricultural exports to Southeast Asia in 2022, billion dollars**

Source: USDA, Economic Research calculations using data from Trade Data Monitor.

The analysis below compares the relative loss/gain in U.S. market share for some of the major commodities imported by Southeast Asia. Using the year 2012 as an index, figure 7 shows that there has been a loss in U.S. market share for several of the top 10 commodities that the United States exports to Southeast Asia. The share of U.S. soybeans and products (a category that combined soybeans, soybean flour, and soybean meal) fell by nearly 6 percentage points, from 30.3 percent in 2012 to 24.5 percent in 2022. Over the same period, the U.S. wheat market share fell from 22.2 to 18.0 percent, food preparations fell from 17.1 to 10.5 percent, and DDGS fell from 97.6 to 94.5. U.S. exports of DDGS to Southeast Asia were negligible until the emergence of the ethanol market in the early 2000s. The U.S. share of Southeast Asia's DDGS imports remained above 90 percent in most years after 2004 since few other countries produce fuel ethanol from grain on a large scale.

U.S. cotton, skim milk powder, poultry, and beef exports to Southeast Asia gained market share. The U.S. cotton share increased from 23.3 percent in 2012 to 31.4 percent in 2022 (figure 7). The U.S. cotton share grew rapidly from 2014 to 2019, peaking at 52.6 percent before falling to 31.4 percent in 2022. The share of U.S. skim milk powder grew from 24.5 percent of Southeast Asia's imports in 2012 to 40.5 percent in 2022. U.S. poultry products held a 16.1 percent share of Southeast Asia's imports in 2012, fell slightly through 2015, and then grew to 20.9 percent by 2022. The share of Southeast Asia's beef imports that originated in the United States was 8.2 percent in 2012. This share fell dramatically in 2013 to only 2.8 percent but then grew steadily over the next 8 years, reaching 10.4 percent in 2022.

Figure 7

**Index of U.S. shares of Southeast Asian imports, by commodity (2012–2022)**

DDGS = Distillers' dried grains with solubles.

Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

## Competition for Major U.S. Agricultural Exports to Southeast Asia

### Soybeans and Soybean Products

Three of the largest U.S. agricultural product exports to Southeast Asia were soybeans and soybean flour and meal, but they faced keen competition from Latin American products. More than half of U.S. soybeans exported to Southeast Asia went to Indonesia, with imports of more than 2 million metric tons in 2022 (figure 8). U.S. exports of soybeans to Vietnam that year totaled 670,000 metric tons, with Malaysia (437,000 metric tons) and Thailand (399,000 metric tons) representing other major markets (figure 8). U.S. exports of soybeans to Southeast Asia declined after reaching a peak of 6.3 million metric tons in 2018 and fell to 3.7 million metric tons in 2022.

Southeast Asian countries have relatively low most-favored nation (MFN)<sup>4</sup> tariffs on soybeans (World Trade Organization (WTO), 2023). Prasertsri (2023) noted that Thailand was the only country with a high tariff rate, with a 20-percent in-quota rate for imports up to 10,922 metric tons and an 80-percent out-of-quota rate for World Trade Organization member countries. However, according to Prasertsri, the Government of Thailand always allows unlimited imports of soybeans duty-free from World Trade Organization member countries due to insufficient domestic production. Thus, soybean exports to Thailand are effectively duty free.

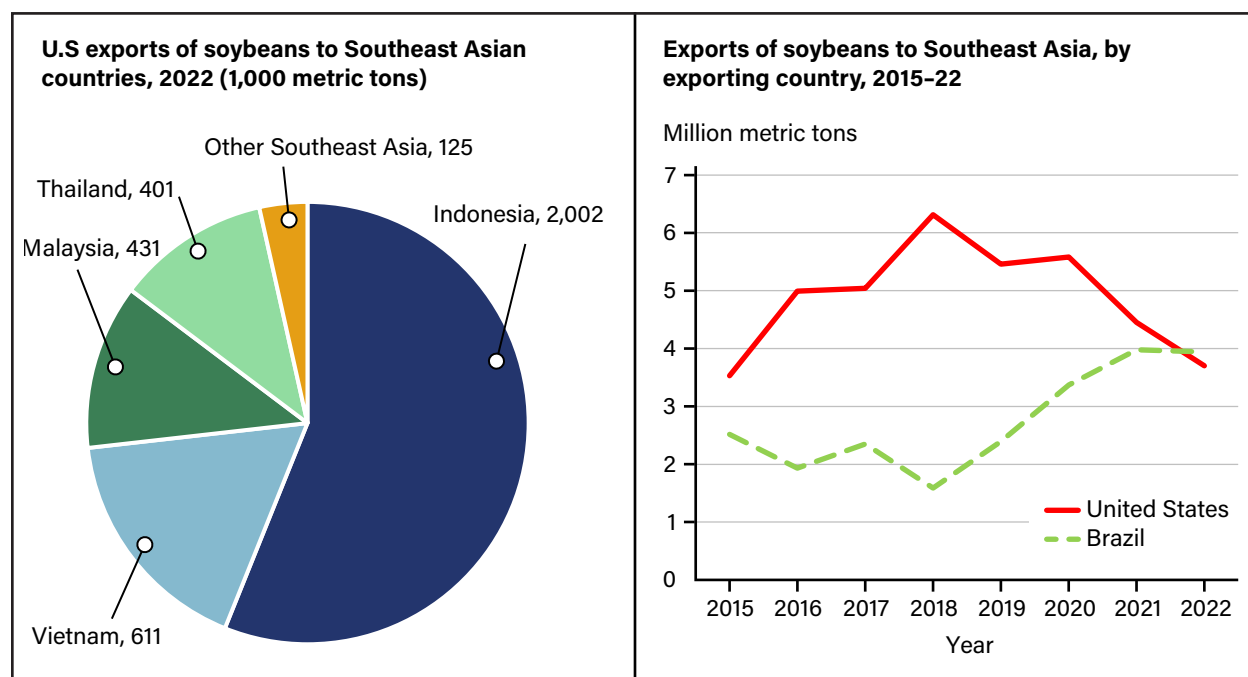
Brazil was the only major competitor to U.S. soybean exports in the Southeast Asian market. Brazilian soybean exports to Southeast Asia grew from 1.6 million metric tons to 3.9 million metric tons from 2018 to 2022. Brazil's abundant land and warm climate facilitated rapid expansion of soybeans and multiple cropping

<sup>4</sup> Most-favored nation tariff rates are applied to all World Trade Organization member countries.



of soybeans with corn. Brazilian output exceeds that of the United States and is projected to expand even further. Valdes et al. (2023) found that the low costs of land and use of custom farming services in Brazil offset higher farm chemical costs to make Brazilian soybeans cost-competitive with U.S. soybeans. That study also found that improvements in transport infrastructure facilitated exports from Brazil's interior Mato Grosso region. Weakness of Brazil's currency against the U.S. dollar also favors competitiveness of Brazilian exports. Figure 8 shows that U.S. soybean exports to Southeast Asia peaked during 2018 and Brazilian exports dipped. The surge in U.S. soybean sales to China may be the mirror image of China's shift in purchases from the United States to Brazil due to U.S.-China trade tensions that year (Gale, Valdes, & Ash, 2019). The third largest foreign supplier of soybeans to Southeast Asia was Canada, but Canadian volume was far behind the United States and Brazil, with exports of 469,000 metric tons in 2022.

Figure 8  
**Summary of soybean exports to Southeast Asia**

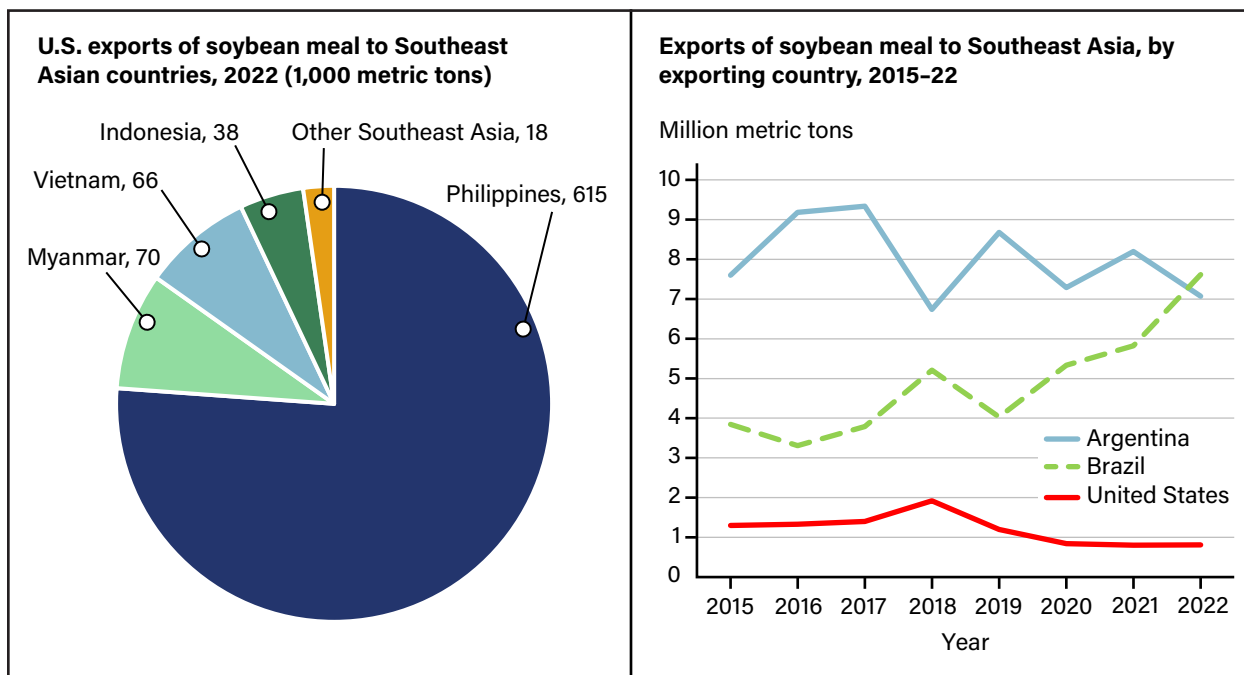


Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

About three-fourths of U.S. soybean meal exports to Southeast Asia went to the Philippines, which imported 615,000 metric tons in 2022 (figure 9). Other soybean meal markets were Myanmar (70,000 metric tons), Vietnam (66,000 metric tons), and Indonesia (38,000 metric tons). Smaller amounts of soybean meal were exported to Malaysia, Cambodia, Thailand, and Singapore. Soybean meal exports by the United States and its competitors face the same low tariffs in Southeast Asia (WTO, 2023). Southeast Asia's most favored nation tariff rates for soybean meal are very low, ranging from 0 to 5 percent. Thailand has a 119-percent tariff, but a tariff-rate quota allows imports up to 230,559 metric tons with an in-quota rate of 2 percent (Prasertsri, 2022). The chief competitors for U.S. soybean meal sales were Argentina and Brazil. U.S. soybean meal exports to Southeast Asia were considerably lower than those of Argentina and Brazil, falling from their peak of over 1.9 million metric tons in 2018 to 808,000 metric tons in 2022 (figure 9). Argentina was the top soybean meal exporter to Southeast Asia until Brazil's rising exports surpassed Argentina's in 2022, with both countries exporting over 7 million metric tons.

Figure 9

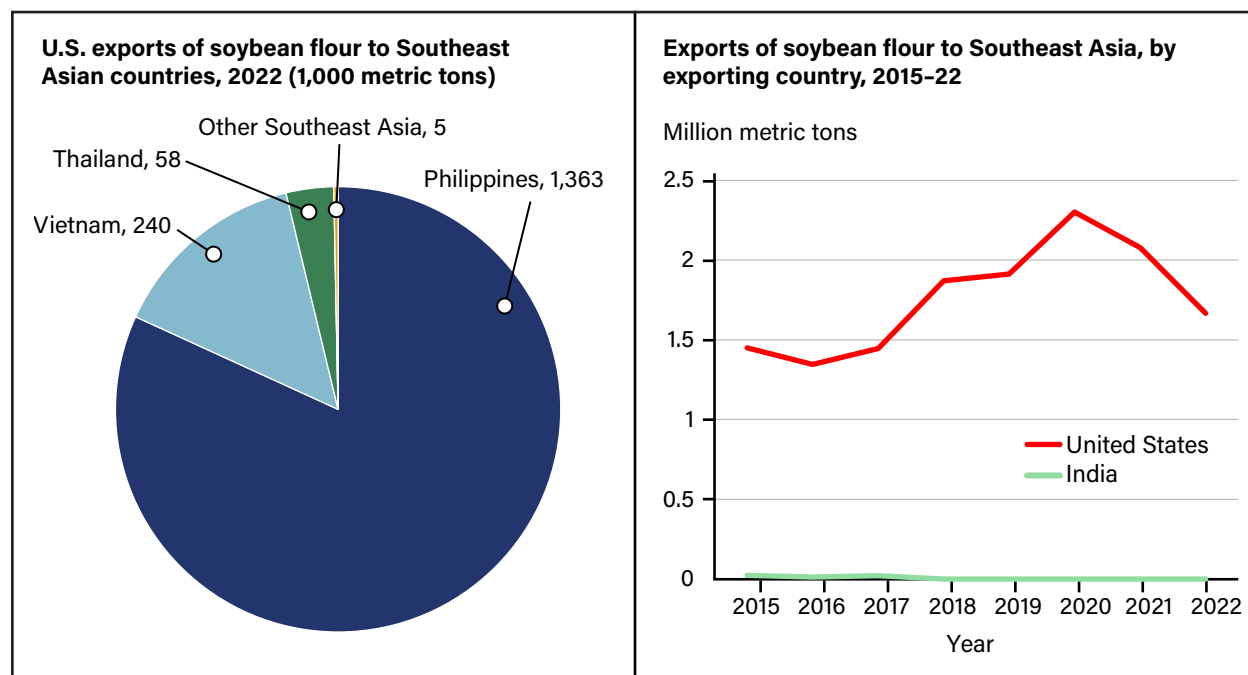
**Summary of soybean meal exports to Southeast Asia**



Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

The United States provided almost all Southeast Asia’s foreign supply of soybean flour. From 2015 to 2022, the next largest foreign supplier was India, which exports far less flour to Southeast Asia than the United States (figure 10). As with soybean meal, soybean flour imported into Southeast Asia faces low import tariffs (WTO, 2023). A large majority of U.S. soybean flour exports to Southeast Asia were imported by the Philippines, which imported 1.4 million metric tons of soybean flour from the United States in 2022 (figure 10). Nearly all the remaining U.S. soybean flour exports in 2022 were to Vietnam (240,000 metric tons) and Thailand (58,000 metric tons).

Figure 10  
**Summary of soybean flour exports to Southeast Asia**

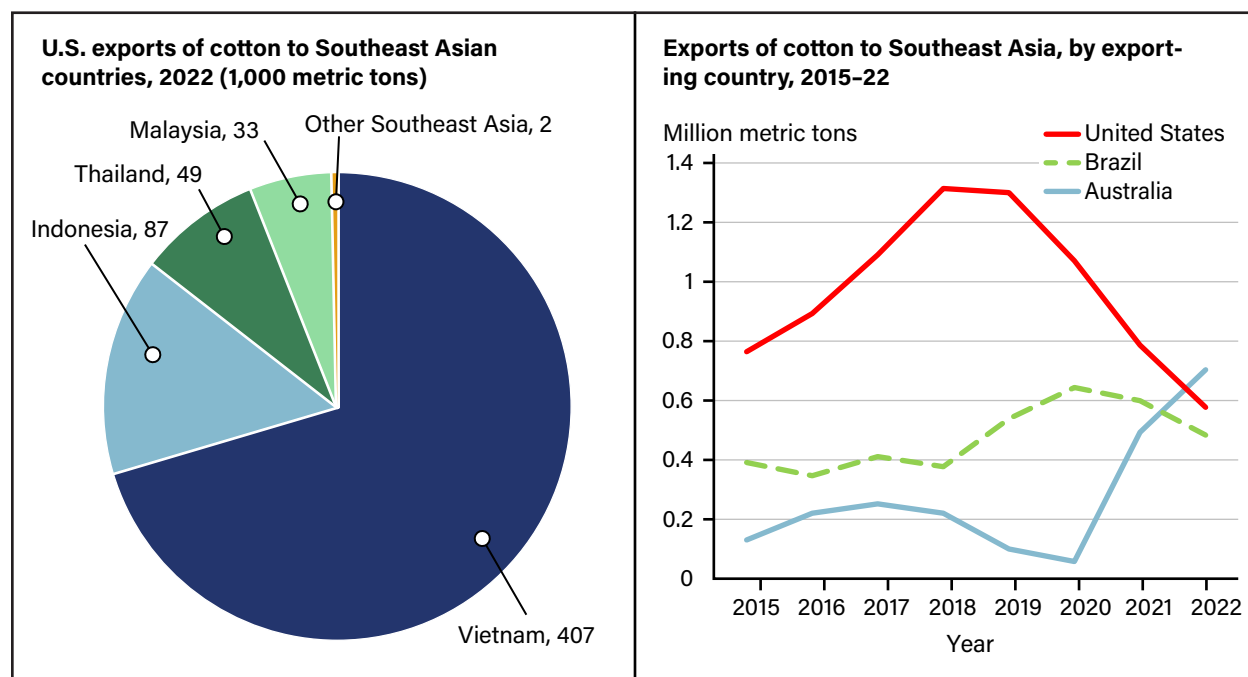


Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

## Cotton

The primary Southeast Asian market for U.S. cotton was Vietnam, whose imports of 407,000 metric tons of cotton in 2022 (figure 11) were more than 70 percent of the cotton the United States exported to Southeast Asia in that year. Vietnam's large textile industry is the reason for its majority share of U.S. cotton exports to Southeast Asia. U.S. cotton exports to the region have declined since peaking in 2018 at 1.3 million metric tons. Only Myanmar and the Philippines impose tariffs on cotton imports, at 5 and 1 percent, respectively (WTO, 2023). Since these are two of the smallest cotton importers in the region, cotton imported into Southeast Asia is effectively duty free. Australia, the United States, and Brazil were the main competitors for Southeast Asia's cotton imports. In most years since 2015, the largest supplier of cotton to Southeast Asia has been the United States, but Australia surpassed both Brazil and the United States in 2022 to become the top exporter after 2 years of rapid growth (figure 11). (Australia's rapid growth in cotton exports is discussed with figure 13.) In some years, India had also exported large volumes of cotton to Southeast Asia.

Figure 11  
**Summary of cotton exports to Southeast Asia**

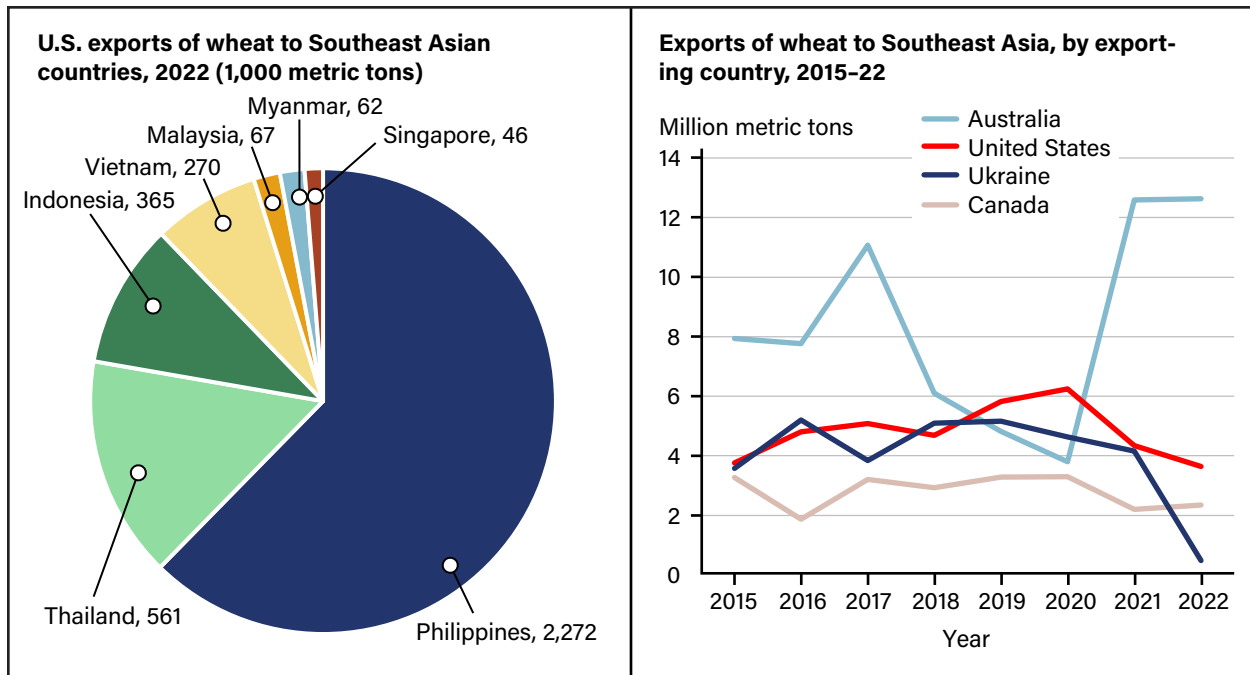


Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

## Wheat

By far the largest market for U.S. wheat in Southeast Asia was the Philippines, importing 2.3 million metric tons in 2022, more than 62 percent of the wheat the United States exported to the region (figure 12). Other top markets were Thailand (561,201 metric tons), Indonesia (365,197 metric tons), and Vietnam (270,000 metric tons). Australia and Canada were the two major exporters competing with the United States for Southeast Asia’s wheat import market. The United States faces import tariffs ranging from 5 to 7 percent when exporting wheat to the Philippines, Indonesia, Vietnam, and Myanmar (WTO, 2023). Australia does not face these tariffs in exporting wheat to Southeast Asia, which—even though the tariffs are somewhat low—adds to Australia’s geographic advantage relative to the United States. Ukraine was also a top exporter of wheat to Southeast Asia until its wheat production and exports were hampered by the Russian military invasion in 2022. A tripling of Australian exports from 3.8 million metric tons in 2020 to 12.6 million metric tons in 2022 coincided with falling exports by the United States and other major suppliers and helped replace the region’s lost imports from Ukraine.

Figure 12  
**Summary of wheat exports to Southeast Asia**

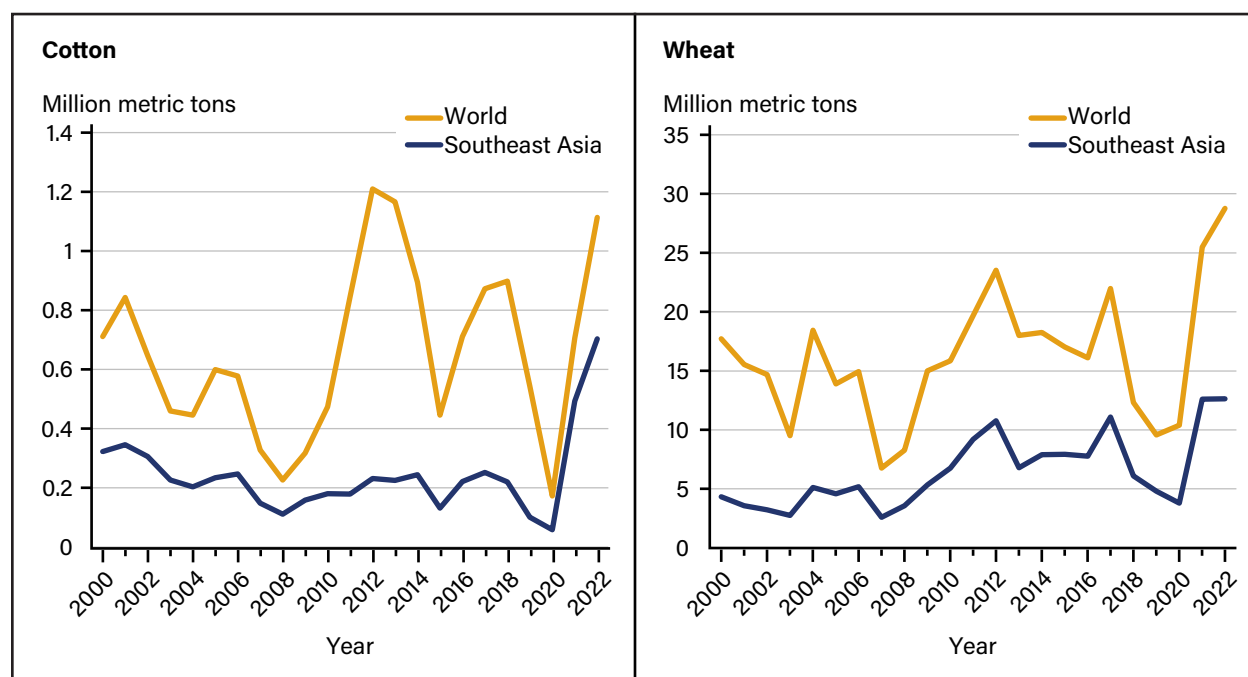


Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

Though Australia’s production and exports of cotton and wheat have increased since 2020, there has been a proportionately greater increase in its exports of these commodities to Southeast Asia (figure 13). For instance, Australia’s total cotton exports to the world increased by 840 percent from 2020 to 2022, but the country’s cotton exports to Southeast Asia increased by 1,651 percent (or more than 16 times) from 2020 to 2022. Though Australia has several free trade agreements in the area, its large, sudden increases in cotton and wheat exports to Southeast Asia do not correspond with any changes to tariffs. Australia had a significant drought in 2019 that drastically reduced its production and exports but both rebounded in 2021 and 2022. Australia’s spike in cotton exports to Southeast Asia in 2021 and 2022 was related to an import ban imposed by China (Australia’s leading cotton importer in 2019) on Australian cotton in 2020, following Australia’s push for an investigation into the origins of the Coronavirus (COVID-19) (Sullivan, 2020). This Chinese import ban led Australia to divert cotton exports away from China to Southeast Asia, which is the reason for the spike in cotton exports to that region in 2021 and 2022. Australian wheat was not targeted by Chinese sanctions.

Figure 13

**Australia's cotton and wheat exports to Southeast Asia and the world, total (2000-22)**

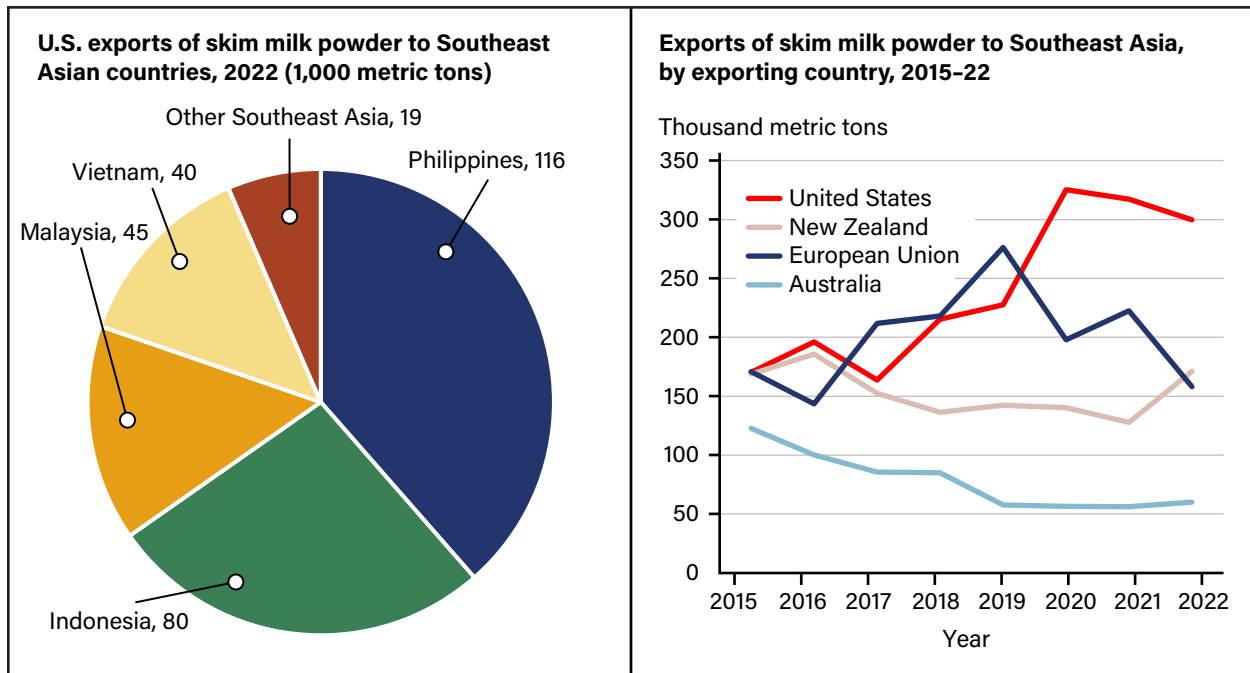


Source: USDA, Economic Research Service, calculations using data from Trade Data Monitor.

### Skim Milk Powder

In 2022, the largest Southeast Asian importer of U.S. skim milk powder was the Philippines, with 116,000 metric tons of imports (figure 14). Other leading markets were Indonesia (importing 80,000 metric tons), Malaysia (45,000 metric tons), and Vietnam (40,000 metric tons). Thailand, Singapore, Myanmar, and Cambodia accounted for the final 19,000 metric tons of skim milk powder the United States exported to the region in 2022. Top competitors to U.S. skim milk products in Southeast Asia were the European Union, New Zealand, and Australia. New Zealand and Australia face lower tariff rates than the United States in the Philippines, Indonesia, and Vietnam (WTO, 2023), three of the largest importers of U.S. skim milk powder. However, these tariffs range from 0.2 to 5 percent, so it is a relatively small price advantage. The top supplier from 2017 through 2019 was the European Union, but the United States took the top spot in 2020 and has since separated itself from other competitors. In 2022, the United States supplied 41.9 percent of Southeast Asia's imports of skim milk powder (300,000 metric tons), followed by New Zealand with 23.9 percent (171,000 metric tons), the European Union with 22.1 percent (158,000 metric tons), and Australia with 8.4 percent (60,000 metric tons).

Figure 14  
**Summary of skim milk powder exports to Southeast Asia**



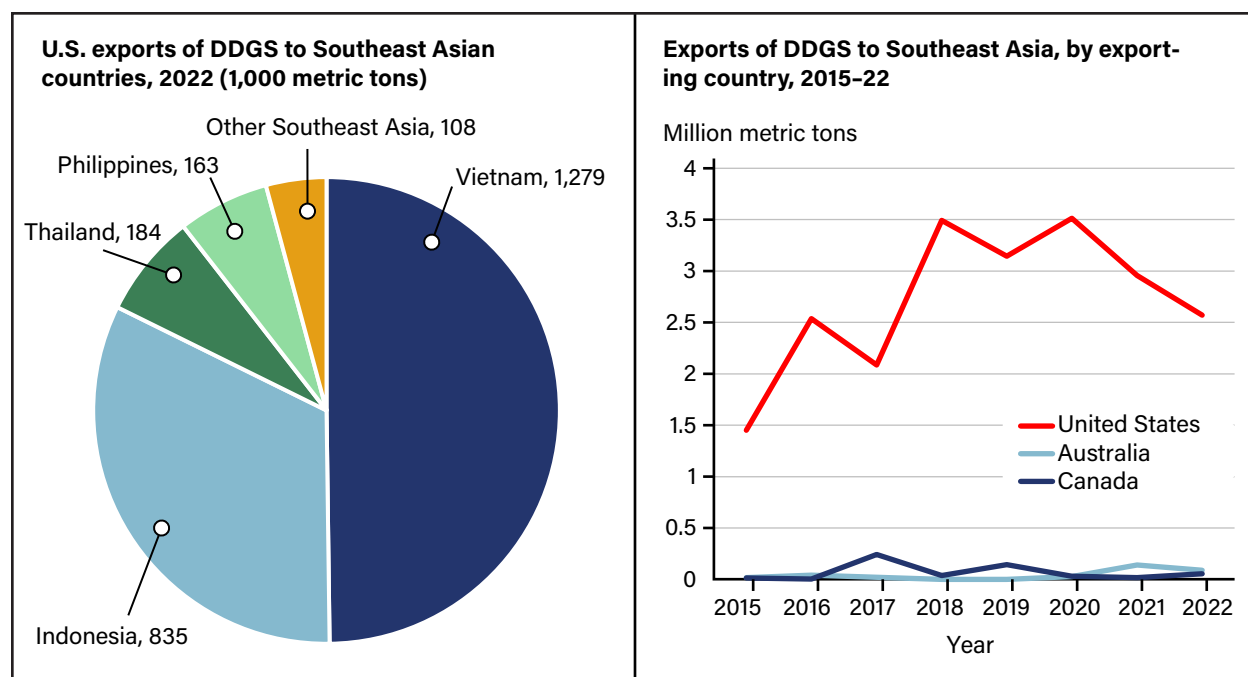
Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

### Distillers' Dried Grains with Solubles (DDGS)

Almost half of the DDGS exported from the United States to Southeast Asia in 2022 went to Vietnam, which imported 1.3 million metric tons (figure 15). The second largest importer in the region was Indonesia (835,000 metric tons), followed by Thailand and the Philippines (184,000 and 163,000 metric tons, respectively). Less than 5 percent of U.S. DDGS exports were to the remaining Southeast Asian nations in 2022. The United States was the dominant DDGS supplier to the region, shipping more than 94 percent of total DDGS imports every year since 2018. Despite facing tariff rates of 1, 5, and 9 percent in the Philippines, Indonesia, and Thailand (WTO, 2023), respectively, the United States exported almost 2.6 million metric tons of DDGS to Southeast Asia in 2022 (figure 15). Australia faces no tariffs when exporting DDGS to Southeast Asia, and it was the second largest exporter in 2022 with 87,000 metric tons, followed by Canada with 55,000 metric tons.

Figure 15

**Summary of distillers' dried grains with solubles (DDGS) exports to Southeast Asia**



Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

## Food Preparations

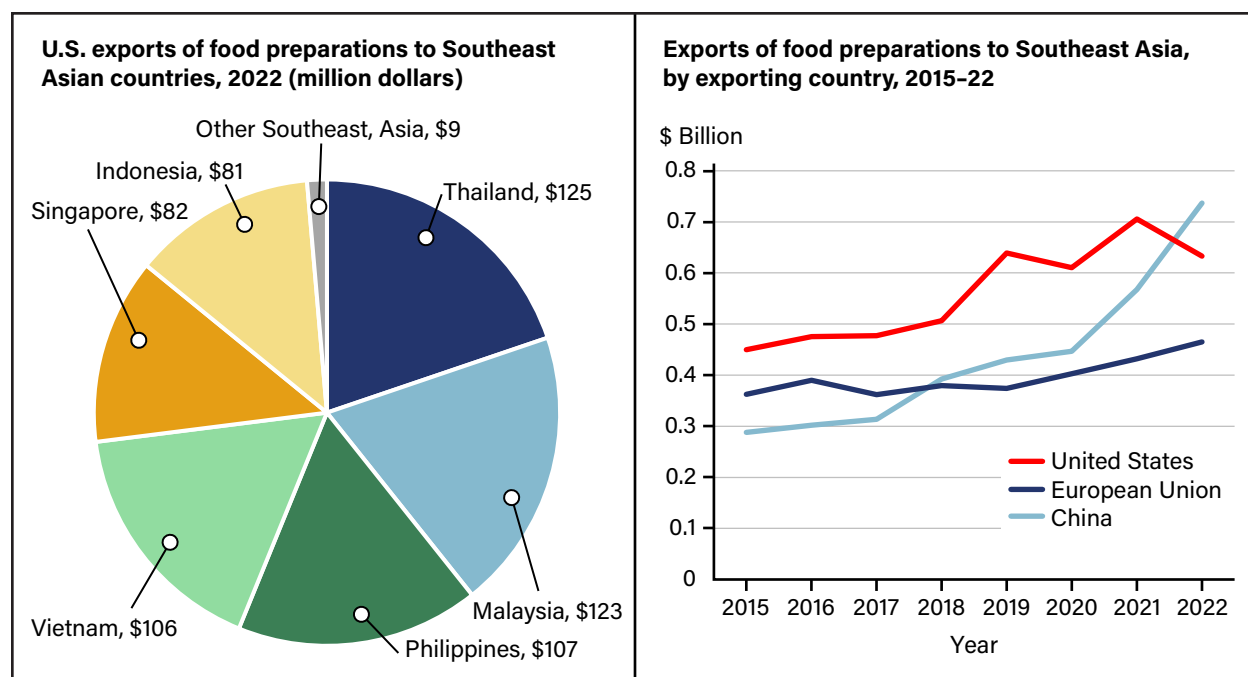
Almost 99 percent of U.S. exports of food preparations to Southeast Asia were imported by just six of the region's countries in 2022, with those exports distributed somewhat evenly among the countries. This category includes a wide variety of items used in food processing industries and restaurants, such as nondairy creamer, coconut milk, bean curd, concentrates used to make beverages, sauces, condiments, ice cream, flavored or colored syrups, nutritional supplements, yeast extracts, gelatins, and many items not identifiable from customs data. Thailand, the top importer in the region, imported 19.8 percent of U.S. food preparation exports to the region, while Indonesia was the sixth largest importer at 12.7 percent (figure 16). Malaysia, the Philippines, Vietnam, and Singapore imported 19.5, 16.9, 16.8, and 12.9 percent of total U.S. food preparation exports to Southeast Asia in 2022, respectively.<sup>5</sup> About half of Southeast Asia's trade in food preparations was conducted among Southeast Asian countries. Food preparations coming from outside the region were exported predominantly by China (\$737 million, 12.7 percent of trade), the United States (\$633 million, 10.9 percent), and the European Union (\$465 million, 8 percent) in 2022 (figure 16). China's exports are the fastest growing, more than doubling in the last 7 years, which led to the United States losing its spot as top foreign supplier in 2022.

<sup>5</sup> Note that food preparation exports were measured by value in U.S. dollars, since the grouping contains an aggregate of heterogeneous products whose export volumes were measured using a variety of units. Additionally, tariff rates were not analyzed due to the large grouping of heterogeneous products.



Figure 16

**Summary of food preparations exports to Southeast Asia**

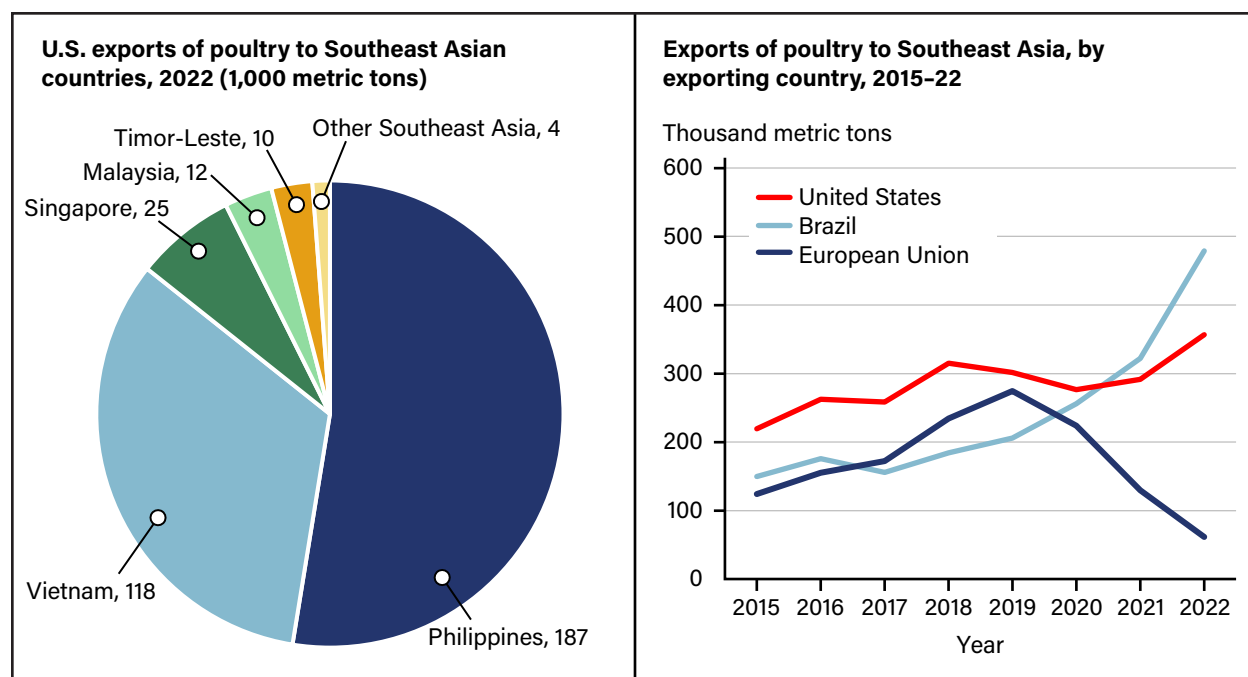


Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

**Poultry**

More than half of 2022 U.S. poultry exports to Southeast Asia were to the Philippines (187,000 metric tons) (figure 17). The second-largest market in the region was Vietnam, with 118,000 metric tons. Other significant markets were Singapore (25,000 metric tons), Malaysia (12,000 metric tons), and Timor-Leste (10,000 metric tons). Southeast Asia heavily restricts imports of poultry products. In fact, Malaysia, Myanmar, the Philippines, Thailand, and Vietnam have poultry import tariffs of 40 percent (WTO, 2023). Several countries, including Australia and New Zealand, have trade agreements that provide preferential treatment in exporting poultry to Southeast Asian nations, although none are major exporters of poultry. The United States, Brazil, and the European Union accounted for 73 percent of the world’s poultry product exports in 2022, and consequently, were the largest exporters of poultry to the Southeast Asia region despite facing high tariffs. The United States was the top supplier of poultry to Southeast Asia until it was surpassed by Brazil in 2021 and 2022 (figure 17). Brazil’s poultry exports to the region more than tripled from 2017 to 2022, increasing from 155,620 to 478,938 metric tons. Brazil’s exports exceeded U.S. poultry exports to the region in 2022 by more than 100,000 metric tons despite U.S. sales reaching a record 356,689 metric tons that year. These increases in exports for Brazil and the United States corresponded with a considerable drop in EU poultry exports, from a peak of 274,387 metric tons in 2019 to 61,732 metric tons in 2022. This stark drop was, in part, due to a string of highly pathogenic avian influenza (HPAI) outbreaks that struck several of the EU’s largest poultry producers from 2020 to 2022. Following these outbreaks, Vietnam, Singapore, and the Philippines imposed restrictions on poultry imports from the EU (Audran, 2022).

Figure 17  
**Summary of poultry exports to Southeast Asia**



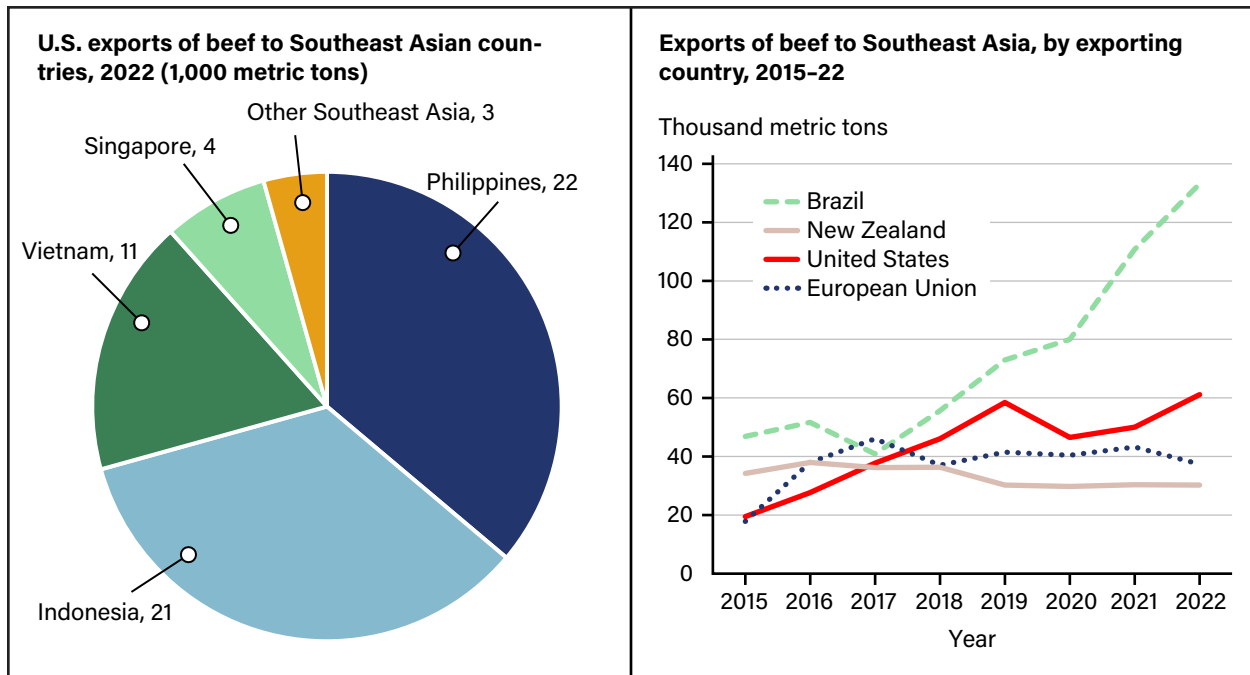
Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

## Beef

U.S. beef exports to Southeast Asia were sold predominantly to four countries: the Philippines, Indonesia, Singapore, and Vietnam (figure 18). The Philippines and Indonesia imported the most, with 22,000 and 21,000 metric tons in 2022, respectively. They were followed by Vietnam and Singapore, which imported 11,000 and 4,000 metric tons of U.S. beef in 2022, respectively. The remaining Southeast Asian countries imported only 3,000 metric tons of U.S. beef in 2022. The Philippines, Cambodia, Myanmar, and Thailand impose tariff rates of 10, 15, 15, and 50 percent, respectively, on beef imported from World Trade Organization member countries (WTO, 2023). Additionally, Vietnam imposes tariffs ranging from 14 to 30 percent on imports of beef products. Australia and New Zealand do not face these tariffs, and Indian beef faces reduced tariffs from the Philippines (5 percent) and Vietnam (8 to 9 percent). India and Australia were by far the two largest exporters of beef to Southeast Asia. In 2022, India exported 526,130 metric tons of beef (down from 836,574 metric tons in 2015) and Australia exported 225,036 metric tons (up from 141,996 metric tons in 2015). Indian and Australian beef exports to Southeast Asia were so large that including them in figure 18 distorted the figure, so they were excluded (see box, “Indian Beef”).

The third largest beef exporter to Southeast Asia, Brazil, exported 133,172 metric tons in 2022. U.S. beef exports to Southeast Asia more than tripled, from 19,443 in 2015 to 61,099 metric tons in 2022, but the United States was still just the fourth largest exporter. Over the same period, EU beef exports to Southeast Asia doubled from 17,870 to 37,432 metric tons, and New Zealand’s exports fell from 34,250 to 30,266 metric tons. India was the only major exporter with a significant drop in beef exports to the region over the period. Though Australia, the United States, and the European Union all increased beef exports to Southeast Asia, Brazil had the largest gain in its exports, increasing from 46,911 metric tons in 2015 to 133,172 metric tons in 2022.

Figure 18  
**Summary of beef exports to Southeast Asia**



Note: Indian and Australian beef exports to Southeast Asia were so large that including them in this figure distorted the graphic, so they were excluded (see box, "Indian Beef").

Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

### Indian Beef

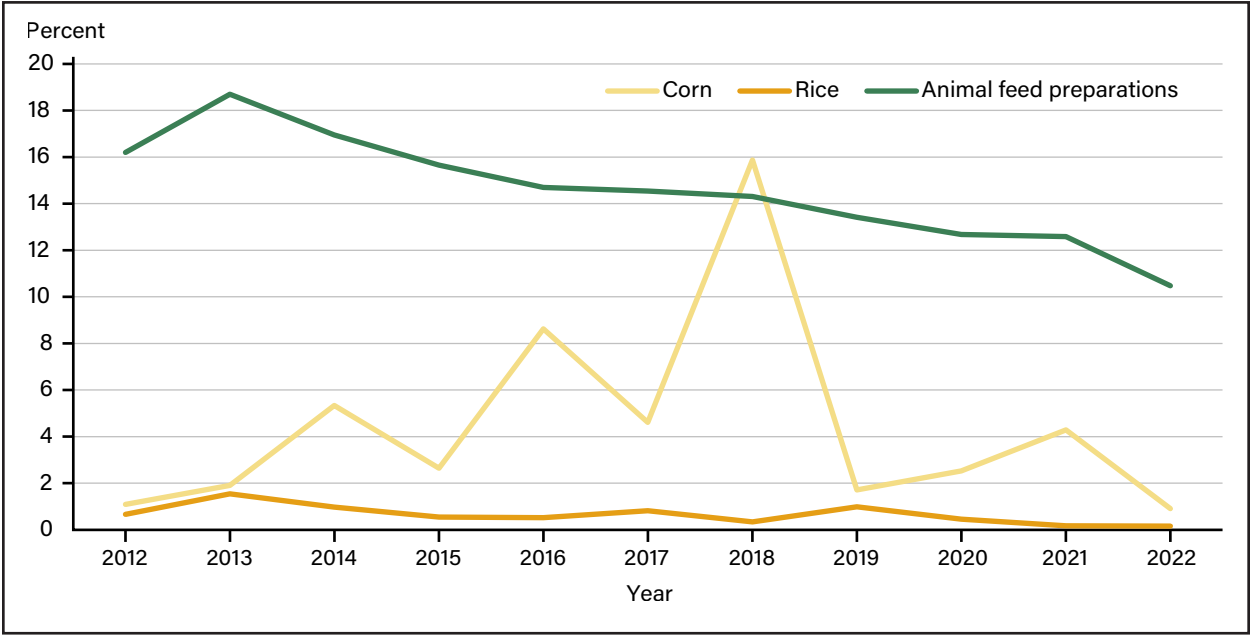
Landes et al. (2016) explained that India's emergence as one of the world's top beef exporters was linked to growing demand for low-cost meat in low- and middle-income countries in Asia and Africa, the availability of buffalo culled from the dairy herd in India, and the emergence of export-oriented Indian processors with the ability to supply halal-certified beef to Muslim countries. The analysis of Indian export data accessed through Trade Data Monitor showed that Southeast Asia accounted for more than 40 percent of India's beef exports in 2022, and Malaysia, Vietnam, and Indonesia were three of the top four country destinations for Indian beef. The Philippines was the eighth leading destination.

Landes et al. (2016) concluded that Indian beef does not compete directly with U.S. beef due to differences in price, quality, and leanness. They demonstrated that India's export data likely overstated Vietnam's demand for beef since the volume of shipments exceeded estimates of the volume of beef consumed in Vietnam. They concluded that much of the Indian beef declared as destined for Vietnam likely was transhipped through Vietnam to other countries. Vietnam was once the top destination for Indian beef exports, but the volume declined by about 80 percent between 2017 and 2022.

# Competition for Southeast Asia’s Other Major Imports: Corn, Animal Feed Preparations, and Rice

As of 2022, corn, animal feed preparations, and rice were not in the top 10 agricultural commodities that the United States exported to Southeast Asia—despite being the 7th, 9th, and 11th largest commodities imported by that region. As figure 19 shows, the United States has lost market share for animal feed preparations and rice since 2012, while the U.S. corn market share has been volatile. From 2012 to 2022, the U.S. share of Southeast Asia’s corn imports fell from 1.09 percent to 0.91 percent, the U.S. share of Southeast Asia’s animal feed preparations imports fell from 16.20 to 10.48 percent, and the U.S. share of Southeast Asia’s rice imports fell from 0.66 percent to less than 0.15 percent.

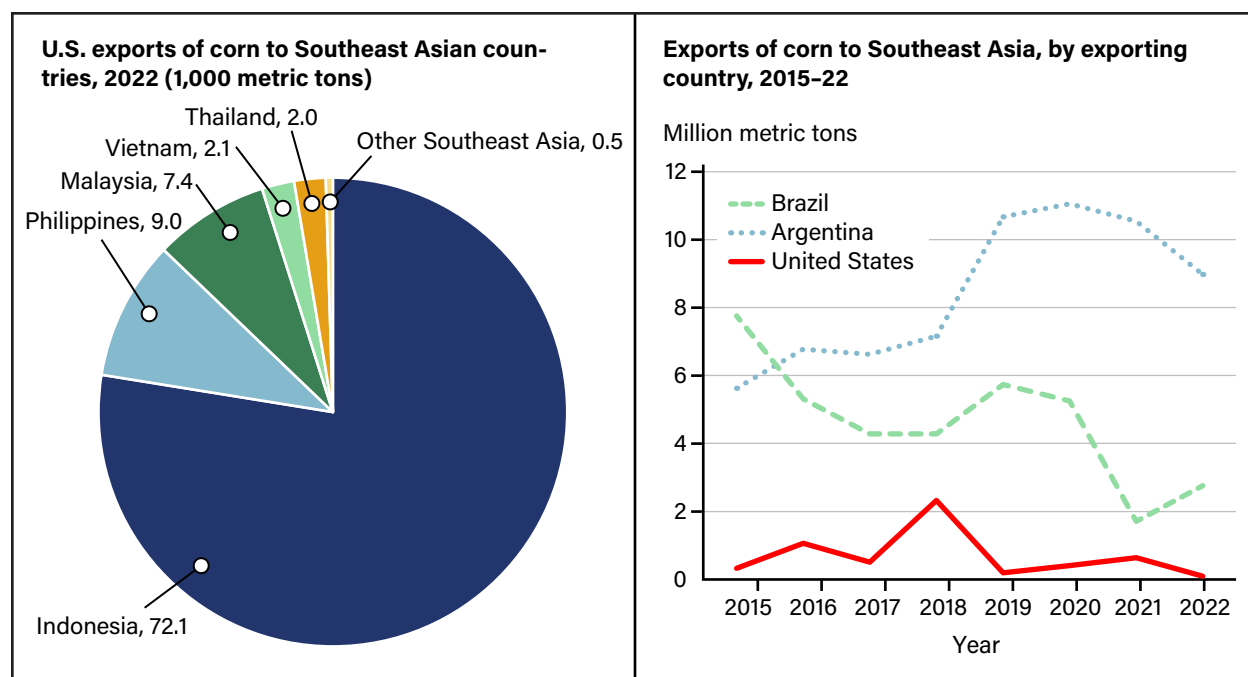
Figure 19  
**U.S. share of Southeast Asian corn, animal feed preparations, and rice imports (2012–2022)**



Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

Though corn was the second largest U.S. agricultural export overall (USDA, FAS, 2023b), it was not one of the top U.S. agricultural exports to Southeast Asia. During 2018, U.S. corn exports to Southeast Asia briefly peaked at more than 2.3 million metric tons following China’s implementation of tariffs on its imports of U.S. corn, likely reflecting some degree of trade diversion. By 2022, U.S. exports had fallen to 93,000 metric tons, with more than three-fourths of that number exported to Indonesia (72,145 metric tons; figure 20). Cambodia, Indonesia, the Philippines, Thailand, and Vietnam all impose tariffs on imported corn, ranging from a 5-percent tariff in Indonesia to a 73-percent out-of-quota rate in Thailand (WTO, 2023). Argentina and Brazil, undeterred by these tariffs, were Southeast Asia’s largest foreign suppliers of corn, with 9.0 and 2.8 million metric tons of exports in 2022, respectively (figure 20). Myanmar and India increased exports over the last 2 years, reaching 1.3 and 1.1 million metric tons of exports in 2022, each surpassing the 93,000 metric tons of U.S. corn exported to Southeast Asia. Corn products from Myanmar (through ASEAN) and India (through the ASEAN-India Free Trade Area) were granted preferential treatment, facing reduced barriers to entry in Southeast Asia.

Figure 20  
**Summary of corn exports to Southeast Asia**



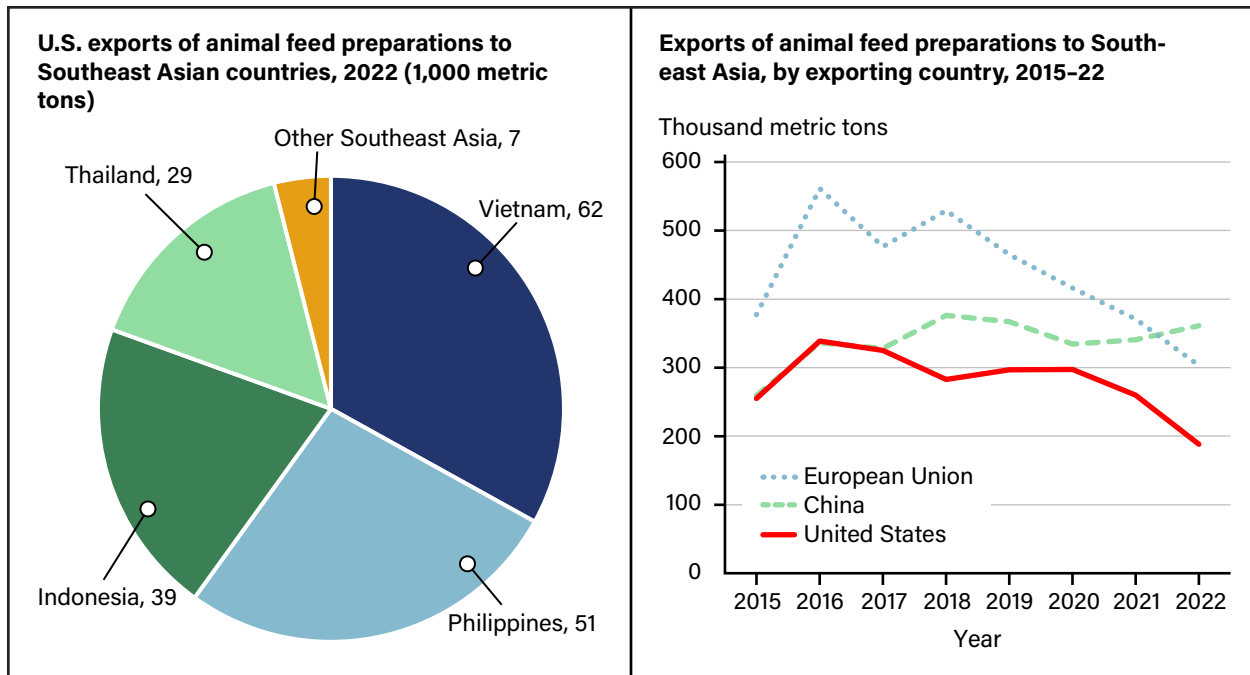
Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

The two largest importers of U.S. animal feed preparations in Southeast Asia were Vietnam and the Philippines, with import volumes of 62,000 and 51,000 metric tons in 2022, respectively (figure 21). Indonesia and Thailand had 2022 import volumes of 39,000 and 29,000 metric tons, respectively. In 2022, Southeast Asia imported 361,000 metric tons of animal feed preparations from China, 303,000 metric tons from the European Union, and 188,000 metric tons from the United States (figure 21). Thailand also supplied 278,000 metric tons to countries in the region. Imports of animal feed products from China and Thailand may be linked to the operations of several of the world’s largest animal feed manufacturers headquartered in China and Thailand, which have operations in Vietnam and elsewhere in Southeast Asia.

Intraregional trade within ASEAN is duty-free, and Southeast Asian countries supplied 45.2 percent of the region’s animal feed preparation imports. Indonesia, Laos, Myanmar, the Philippines, Thailand, and Vietnam impose tariffs on imported animal feed preparations ranging from 1.5 to 37 percent (WTO, 2023). China can export animal feed preparations duty-free to all ASEAN countries (with the exception of Thailand), for which China faces a 5-percent tariff as opposed to the 9-percent most-favored nation tariff rate.

Figure 21

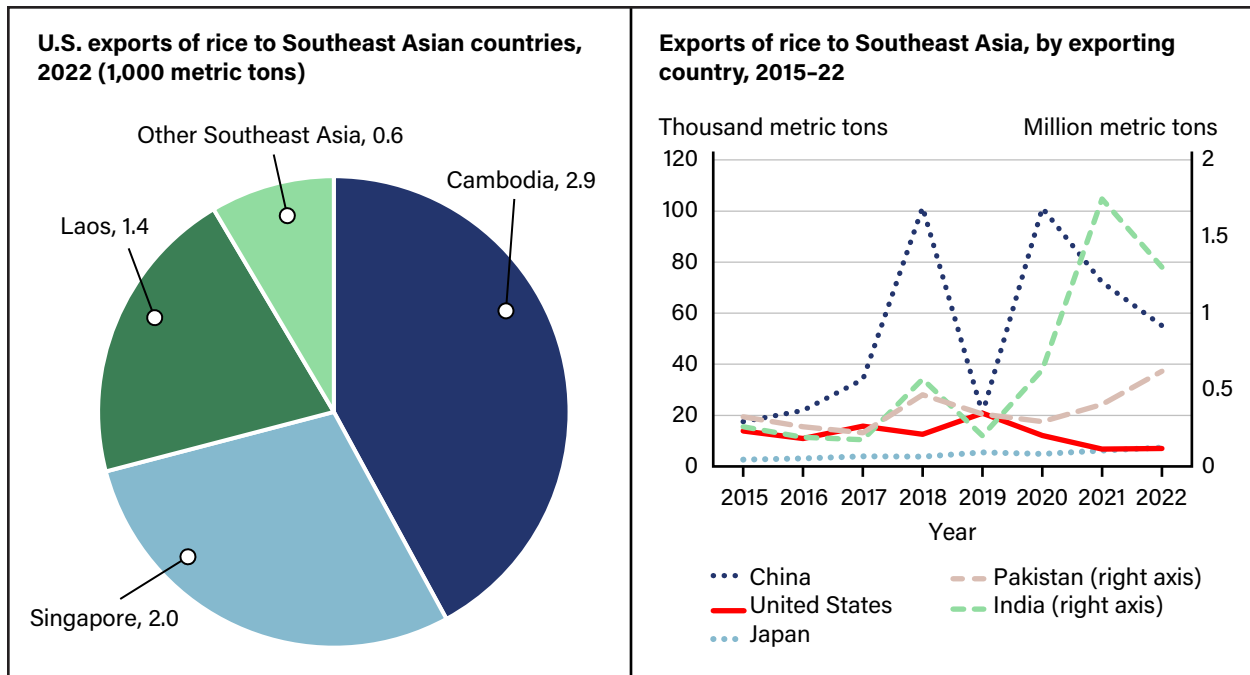
**Summary of animal feed preparations exports to Southeast Asia**



Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

The United States exports very little rice to Southeast Asia. Southeast Asia is itself one of the world’s largest rice producers and exporters, and U.S. rice sales to the region face competition from major rice producers like India, China, Pakistan, and Japan, which are geographically much closer to Southeast Asia than the United States. More than 90 percent of the little rice that the United States sent to Southeast Asia in 2022 was imported by Cambodia (2,900 metric tons), Singapore (2,000 metric tons), and Laos (1,400 metric tons) (figure 22). Of the 11 countries in Southeast Asia, only Brunei and Singapore allow rice to be imported duty free. The three primary foreign suppliers of rice to Southeast Asia were India, Pakistan, and China, with India and China facing reduced barriers to entry through their trade agreements in the region (WTO, 2023). India was by far the largest supplier, with 1.3 million metric tons of exports in 2022. Pakistan and China exported 622,000 and 55,000 metric tons of rice to Southeast Asia in 2022, respectively. U.S. rice exports to Southeast Asia peaked in 2019 at just under 21,000 metric tons. This amount corresponded with a major drop in Southeast Asia’s rice imports from China and India in the same year (figure 22).

Figure 22  
**Summary of rice exports to Southeast Asia**



Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

Table 2 is a summary of this section and highlights the primary competitors to U.S. exports for the major commodities imported by Southeast Asia. Brazil and Australia are major competitors in the Southeast Asian market for several U.S. agricultural products. New Zealand, the European Union, China, India, Canada, and Argentina also compete with U.S. agricultural products in the Southeast Asian market.

Table 2

**Primary competitors for U.S. agricultural exports to Southeast Asia**

	Southeast Asia	Brazil	Australia	New Zealand	European Union	China	India	Canada	Argentina
Soybeans									
Soybean flour									
Soybean meal									
Cotton									
Wheat*									
Skim milk powder									
DDGS									
Food preparations									
Poultry									
Beef									
Corn									
Animal feed									
Rice**									

DDGS=distillers' dried grains with solubles.

\*Ukraine is also a major exporter of wheat to Southeast Asia.

\*\*Pakistan is also a major exporter of rice to Southeast Asia.

Note: The United States exports the vast majority of soybean flour and DDGS to Southeast Asia (an average of 98.7 percent of soybean flour and 95.28 percent of DDGS from 2015 to 2022). The United States also exports more than 90 percent of the world's total soybean flour and DDGS exports. Thus, the competitors listed for soybean flour and DDGS are the next two largest exporters but are very small.

Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

## What China Exports to Southeast Asia

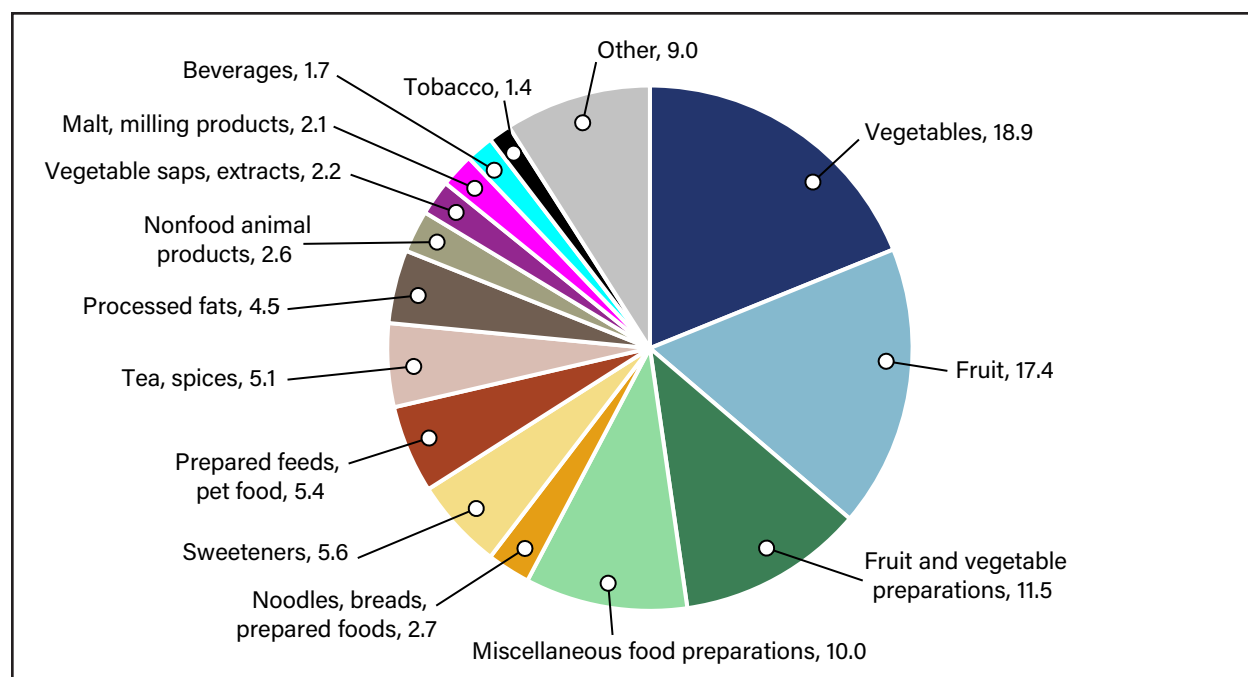
China stood out as the top supplier of agricultural products to Southeast Asia from 2014 to 2022 (figures 1 and 2). However, China appeared in the list of competitors for U.S. products (table 2) only for food preparations, animal feed preparations, and rice because China's exports were composed mainly of products the United States does not export in large quantities. Figure 23 illustrates the composition of China's agricultural exports to Southeast Asia in 2022. The two largest categories are vegetables (HS 07,<sup>6</sup> including garlic, mushrooms, and onions) and fruit and nuts (HS 08, including apples, grapes, mandarins, and pears), which together accounted for 36 percent of China's exports to Southeast Asia. Other major Chinese agricultural exports to the region included processed foods, juices, noodles, breads, sugar syrups, confections, animal feed preparations, and tea/spices. The United States exports only a few of these products to Southeast Asia, including apples, grapes, and prepared animal feeds.

<sup>6</sup> Harmonized System (HS) codes are a global product classification system developed by the World Customs Organization.



Figure 23

**Composition of China's agricultural exports to Southeast Asia, by percent (2022)**



Source: USDA, Economic Research Service analysis of Chinese export statistics from Trade Data Monitor.

Over the past 3 years, China had the largest share of the specialty crop market in Southeast Asia, and it is largely exports of these commodities that have lifted China to the rank of number one foreign supplier of agricultural goods to the region. For instance, China was the largest exporter to Southeast Asia in 2022 in shares of garlic (98.3 percent), pears (88.9 percent), mandarins (86.2 percent), apples (64.3 percent), and grapes (60.9 percent) (Trade Data Monitor, 2023). China was the top supplier of nearly all the top specialty crops imported by Southeast Asia, with the United States far behind in terms of rank and share of Southeast Asia's import market (table 3). China has a significant geographical advantage over the United States in exporting products (particularly perishable products such as fruits) to Southeast Asia. Additionally, China has strong ties to several Southeast Asian nations (Laos, Cambodia, and Myanmar) and a regional trade agreement with ASEAN.

Table 3

**Share and rank of Chinese and U.S. products for Southeast Asia's major specialty crop imports**

	China		United States	
	Share (percent)	Rank	Share (percent)	Rank
Apples	64.29	1	10.66	3
Grapes	60.86	1	7.28	3
Garlic	98.27	1	0.001	16
Mandarins	86.24	1	0.06	14
Pears	88.92	1	0.08	10
Peanuts	6.62	2	0.04	9
Onions/shallots	47.08	1	0.03	17

Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

## Projected Growth in Southeast Asian Imports

Table 4 summarizes projected growth in Southeast Asian imports of major commodities for 2023–2033. Projected Southeast Asian agricultural imports were made by USDA in its annual baseline report, *USDA Agricultural Projections to 2033*, issued in 2024 (USDA, ERS, 2024). The table shows imports in 2022, 2023, and projected for 2033, and the 2023–2033 projected growth in imports for wheat, corn, soybeans, soybean meal, cotton, beef, pork, and poultry. Projected imports are shown for the largest Southeast Asian countries: Indonesia, Philippines, Vietnam, Thailand, and Malaysia.

Southeast Asian imports of all commodities were projected to increase during 2023–2033. Vietnam was projected to be a leader in import growth for multiple commodities, with projected increases from 2023–2033 in corn (6.5 million metric tons), cotton (2.5 million bales), wheat (1.2 million metric tons), soybean meal (1.5 million metric tons), and soybeans (900,000 metric tons). The percentage of projected growth in Vietnam’s imports of pork (58.6 percent over 10 years) and poultry (79.5 percent) was also large.

The 2023–2033 projected growth in soybean meal imports for the five largest countries combined (a projected increase of 4.1 million metric tons) was larger than the projected growth in soybean imports (2.4 million metric tons). Corn imports for the five countries combined were projected to grow 7.8 million metric tons during 2023–2033, but Vietnam was projected to account for most of that growth. Vietnam was also projected to account for most of the growth in Southeast Asia’s cotton imports.

Two predominantly Muslim countries (Indonesia and Malaysia) were projected to have the most growth in beef imports, while Vietnam and the Philippines were projected to be the top growth markets for pork and poultry. The Philippines was also projected to have significant growth in beef imports by 2033 (24.8 percent).

Table 4  
**Current and projected imports of major agricultural commodities by Southeast Asian countries, 2022–33**

<b>Wheat</b>	<b>2022</b>	<b>2023</b>	<b>2033</b>	<b>Growth, 2023–2033</b>	
Major Southeast Asian wheat importers	Million metric tons			Million metric tons	Percent
Indonesia	9.5	10.0	11.6	1.6	16.2
Vietnam	4.3	4.3	5.5	1.2	28.3
Philippines	5.7	6.1	6.9	0.8	12.6
Thailand	3.2	2.3	2.8	0.5	23.4
Malaysia	1.9	1.9	2.3	0.4	21.4
<b>Corn</b>	<b>2022</b>	<b>2023</b>	<b>2033</b>	<b>Growth, 2023–2033</b>	
Major Southeast Asian corn importers	Million metric tons			Million metric tons	Percent
Vietnam	9.8	10.5	17.0	6.5	61.9
Thailand	1.4	1.8	2.4	0.6	36.1
Malaysia	3.7	3.9	4.3	0.4	10.5
Philippines	1.0	0.8	1.0	0.2	31.2
Indonesia	0.9	1.0	1.1	0.1	10.3

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<b>Soybeans</b>	<b>2022</b>	<b>2023</b>	<b>2033</b>	<b>Growth, 2023–2033</b>	
Major Southeast Asian soybean importers	Million metric tons			Million metric tons	Percent
Vietnam	2.1	2.6	3.5	0.9	34.8
Indonesia	2.4	2.6	3.3	0.8	29.7
Thailand	3.5	3.8	4.5	0.7	19.0
Malaysia	0.8	0.8	0.8	0.0	-1.8
<b>Soybean meal</b>	<b>2022</b>	<b>2023</b>	<b>2033</b>	<b>Growth, 2023–2033</b>	
Major Southeast Asian soybean meal importers	Million metric tons			Million metric tons	Percent
Vietnam	4.9	5.2	6.7	1.5	29.6
Indonesia	5.4	5.7	7.2	1.5	26.0
Philippines	2.6	2.9	3.6	0.7	23.1
Thailand	3.3	3.2	3.5	0.3	8.7
Malaysia	1.3	1.4	1.5	0.1	10.9
<b>Cotton</b>	<b>2022</b>	<b>2023</b>	<b>2033</b>	<b>Growth, 2023–2033</b>	
Major Southeast Asian cotton importers	Million bales			Million bales	Percent
Vietnam	6.5	6.9	9.4	2.5	35.8
Indonesia	1.7	2.3	2.7	0.4	16.8
Thailand	0.7	0.7	0.7	0.0	-4.3
<b>Beef</b>	<b>2022</b>	<b>2023</b>	<b>2033</b>	<b>Growth, 2023–2033</b>	
Major Southeast Asian beef importers	1,000 metric tons*			1,000 metric tons*	Percent
Indonesia	308	329	465	136.2	41.4
Malaysia	281	280	335	54.7	19.5
Philippines	255	200	250	49.5	24.8
<b>Pork</b>	<b>2022</b>	<b>2023</b>	<b>2033</b>	<b>Growth, 2023–2033</b>	
Major Southeast Asian pork importers	1,000 metric tons*			1,000 metric tons*	Percent
Philippines	561	480	545	64.8	13.5
Vietnam	114	107	170	62.7	58.6
<b>Poultry</b>	<b>2022</b>	<b>2023</b>	<b>2033</b>	<b>Growth, 2023–2033</b>	
Major Southeast Asian poultry importers	1,000 metric tons+			1,000 metric tons+	Percent
Philippines	500	452	703	251.1	55.6
Vietnam	158	168	302	133.5	79.5

Note: \* signifies "carcass weight" and + signifies "ready to cook."

Source: USDA, Economic Research Service analysis of 2024 USDA baseline projections.

## U.S. Competitiveness in Southeast Asia

The Association of Southeast Asian Nations (ASEAN) had only seven trade agreements as of June 2024. However, these agreements are between ASEAN and several of the largest competitors for U.S. agricultural exports to the region. ASEAN's trade agreements are the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA), ASEAN-China Free Trade Area (ACFTA), ASEAN-India Trade Area (AIFTA), ASEAN-Republic of Korea Free Trade Area (AKFTA), ASEAN-Japan Comprehensive Economic Partnership (AJCEP), ASEAN-Hong Kong, China Free Trade Area, and the Regional Comprehensive Economic Partnership (RCEP) between ASEAN, Australia, China, Japan, New Zealand, and South Korea (ASEAN Secretariat, 2024). RCEP is the largest trade agreement in the world, covering 30 percent of global GDP and 30 percent of the world's population. Additionally, according to the ASEAN Secretariat (2024), by the time the AANZFTA is fully implemented in 2025 almost all trade between ASEAN member states and Australia and New Zealand will be tariff-free. Currently, the United States has only one trade agreement within Southeast Asia, the U.S.-Singapore Free Trade Agreement. Preferential treatment through these trade agreements can benefit competitors to U.S. products. For instance, the countries within Southeast Asia impose tariffs ranging from 10 to 50 percent on U.S. beef products. Beef products originating in Australia and New Zealand do not face these tariffs, and beef (primarily water buffalo) products from India face lower tariffs than U.S. products. Currently, India and Australia are the two largest exporters of beef products to Southeast Asia. Additionally, the United States faces tariffs ranging from 5 to 7 percent when exporting wheat to the Philippines, Indonesia, Vietnam, and Myanmar. Australia, the largest competitor to U.S. wheat in the Southeast Asian market, faces no tariffs when exporting wheat to these countries. The United States is also at a geographic disadvantage as shipments of U.S. products must travel farther than the products of most of its competitors (such as Australia, New Zealand, China, and India). Prices and exchange rates also play a role in international trade, particularly for price-sensitive bulk agricultural goods. This is because soybeans—for example, from Brazil—are not highly differentiated from U.S. soybeans, so the two products can be easily substituted for one another.

## U.S. Trade Initiatives in Southeast Asia

The Indo-Pacific Economic Framework (IPEF), which includes 14 countries in total (7 of them Southeast Asian countries), is a U.S.-led initiative that was launched in May 2022. Myanmar, Cambodia, and Laos—all countries with strengthening ties to China—are the only ASEAN countries not included in the IPEF. The IPEF is intended to “advance resilience, sustainability, inclusiveness, economic growth, fairness, and competitiveness” for member countries (White House, 2022). The framework consists of four pillars: fair and resilient trade, supply chains, clean economy, and fair economy. For agriculture, IPEF's trade pillar focuses on increasing transparency and regulatory certainty, promoting sustainable agricultural practices, and advancing food security.

In 2023, USDA announced the Regional Agricultural Promotion Program (RAPP), with the goal of promoting opportunities for U.S. agricultural exports in nontraditional markets, as well as hedging the risk of market contraction and general volatility in the global marketplace. The program aims to create greater market diversification and is seen as a growth opportunity for U.S. agriculture (USDA, 2023). The RAPP targets market development in Africa and Southeast Asia, with an emphasis on promoting exports of U.S. specialty crops and horticultural products to these regions. Currently, U.S. horticultural products face import licensing/permit requirements in Indonesia and the Philippines, as well as preshipment inspections when exporting to Indonesia (USDA, FAS, 2021). Additionally, U.S. exports of stone fruits and grapefruit face market access issues in Vietnam; China is the major exporter of these types of products to Southeast Asia.

## Conclusion

Southeast Asia is a promising region, with its growing middle class and emerging economies, to which the United States can expand its agricultural exports. When aggregated, Southeast Asia has the third largest labor force in the world and fourth largest economy. From 2019 to 2021, a time of GDP contraction for many countries due to COVID-19 lockdowns, Southeast Asia's GDP increased by an average of 2.95 percent (CIA, 2023). As many developed countries (i.e., China, Japan, and Taiwan) are reaching a plateau in population growth, Southeast Asia is projected to continue growing for decades. Furthermore, over the last 10 years, Southeast Asia has nearly doubled its imports and exports of agricultural goods, and its climate and natural resources make it a complementary agricultural trade partner for the United States, efficiently producing many of the agricultural goods the United States does not and lacking many that the United States produces. However, the United States is not the only potential source for Southeast Asia's growing demand for agricultural goods—over the last 10 years, the U.S. share of Southeast Asia's agricultural imports has remained steady, while shares for major competitors like China and Brazil have grown.

Outside of intraregional trade between Southeast Asian countries, U.S. agricultural exports to Southeast Asia compete primarily with Brazil, Australia, New Zealand, the European Union, China, India, Canada, and Argentina. The top three commodities the United States exports to Southeast Asia are soybeans, cotton, and wheat. The major competitor to U.S. soybean exports in Southeast Asia is Brazil, with the two countries exporting more than 90 percent of Southeast Asia's total soybean imports in 2022. For cotton exports to Southeast Asia, the United States faces competition from Brazil, Australia, and India. The primary competitors for U.S. wheat exports to Southeast Asia are Australia, Canada, and (until recently) Ukraine.

The United States has increased its engagement in Southeast Asia over the past few years with two initiatives. In 2022, it launched the Indo-Pacific Economic Framework for Prosperity (IPEF), which includes seven Southeast Asian countries and aims to “advance resilience, sustainability, inclusiveness, economic growth, fairness and competitiveness” for member countries (White House, 2022). Notably, Myanmar, Laos, and Cambodia, each of which has strong ties to China, are the only ASEAN countries not included in the IPEF. In 2023, USDA announced plans for the Regional Agricultural Promotion Program (RAPP), which is designed to promote U.S. agricultural products in nontraditional markets. One of the objectives of the RAPP is to boost exports of U.S. specialty crops to Southeast Asia, which are currently dominated by China.

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