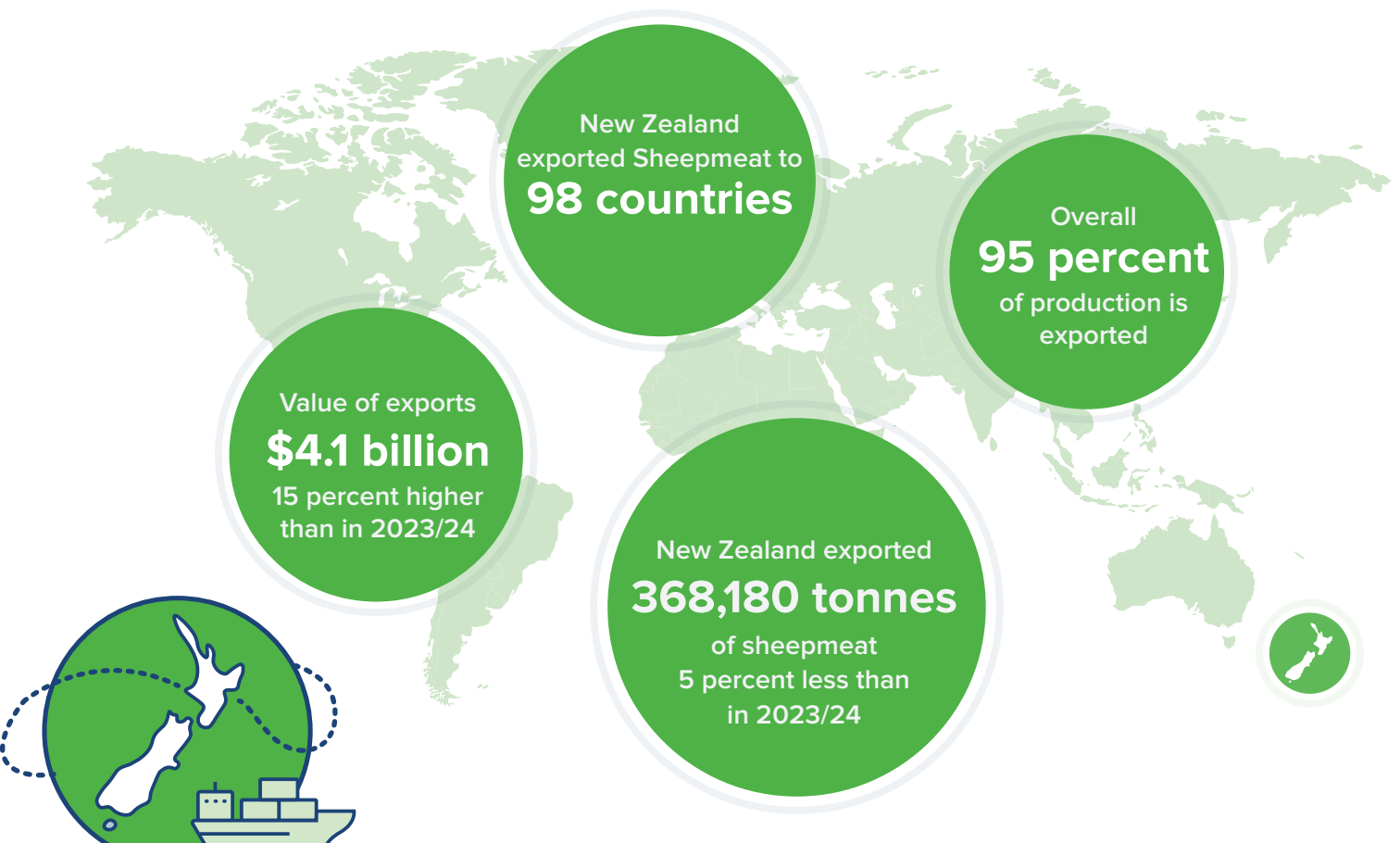


INDUSTRY FACT SHEET – SHEEPMEAT 2024/25 SUMMARY

RED MEAT SECTOR TRADE SUMMARY



Highlights

New Zealand exported 368,180 tonnes of sheepmeat in 2024/25, which was five percent less than the previous year.

However, because of a recovery in prices in China and strong demand in other markets, particularly the European Union (EU), the value of sheepmeat exports increased by 15 percent to \$4.14 billion, slightly below record levels of 2022/23.

China continues to be the sector's largest sheepmeat market by volume. While the volume of exports was down 11 percent for the year to 166,816 tonnes, the value was up four percent to \$1.09 billion. This reflected a recovery in prices with the average value of exports increasing from \$5.60/kg in 2023/24 to \$6.54/kg in 2024/25.

The volume of exports to the EU was significantly less than to China, at 65,083 tonnes, but this was still 14 percent higher than last year. The EU was the most valuable sheepmeat market for the year with a significant increase in the value of exports by 37 percent to \$1.16 billion. This reflects a general increase in the global demand for sheepmeat and tight in-market inventories in the EU, particularly in the first half of 2025.

Top 10 sheepmeat markets by value, 12 months ended 30 June 2025

Country	Value (NZ\$m)	Annual change
European Union	\$1,164m	↗ 37 percent
China	\$1,091m	↗ 4 percent
United States	\$621m	↗ 0 percent
United Kingdom	\$492m	↗ 37 percent
Canada	\$168m	↗ 21 percent
Taiwan	\$78m	↘ -3 percent
Saudi Arabia	\$77m	↘ -10 percent
Japan	\$67m	↘ -3 percent
Malaysia	\$57m	↗ 29 percent
Jordan	\$47m	↗ 4 percent



The United Kingdom (UK) was the other major market where there was an increase in the volume of exports in 2024/25, albeit a small increase of one percent to 39,297 tonnes. The value of these exports, however, increased by 37 percent to \$492 million. This was the highest value for sheepmeat exports to the UK since 2016.

The United States (US) continues to be a high value market for New Zealand sheepmeat exports, with an average export value of \$20.12/kg in 2024/25, compared to \$17.88/kg for exports to the EU and \$12.53/kg for exports to the UK during the year. While the volume of exports dropped nine percent to 30,863 tonnes, the value was unchanged from the previous year at \$621 million.

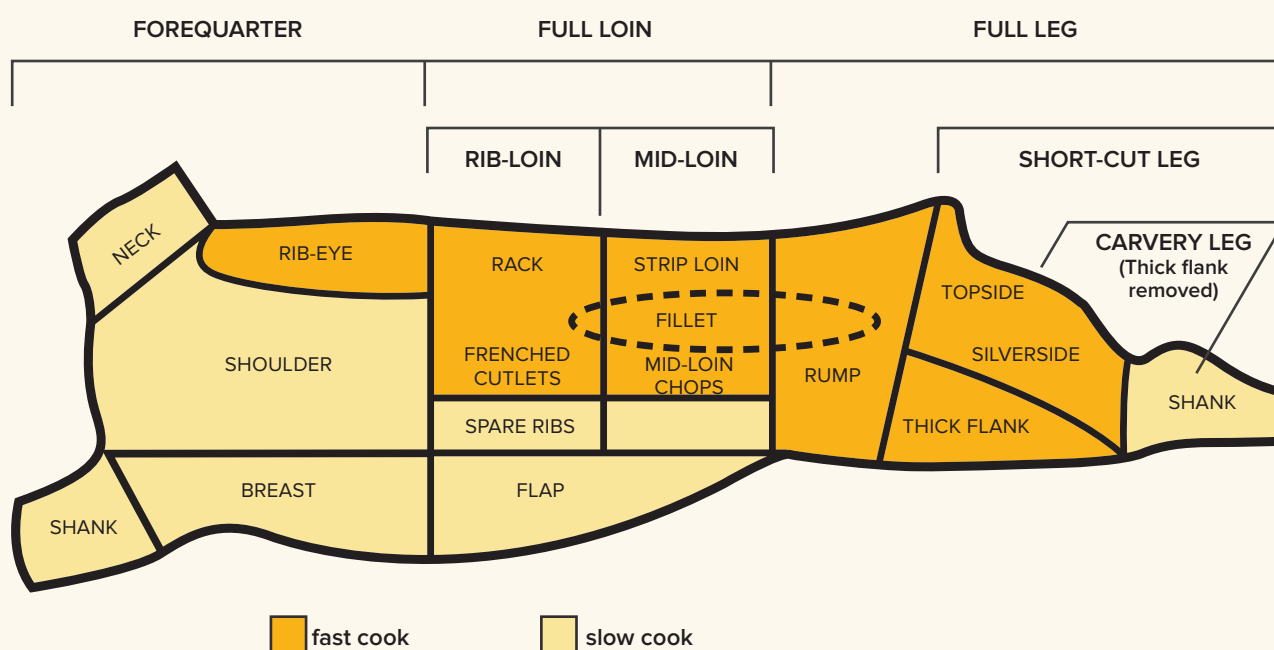
Recent years have seen a steady growth in exports to Canada. The volume of exports was largely unchanged in 2024/25 at 13,200 tonnes, however the value increased by 21 percent to a record \$168 million.





Product diversification

The industry has made major improvements in adding value to our exports – cuts rather than carcasses and more chilled exports



In 1989/90, 55 percent of lamb exports were in carcass form.

Now it is one percent



In 1989/90, high value chilled cuts accounted for five percent of lamb exports

They now make up 20 percent

Productivity improvements

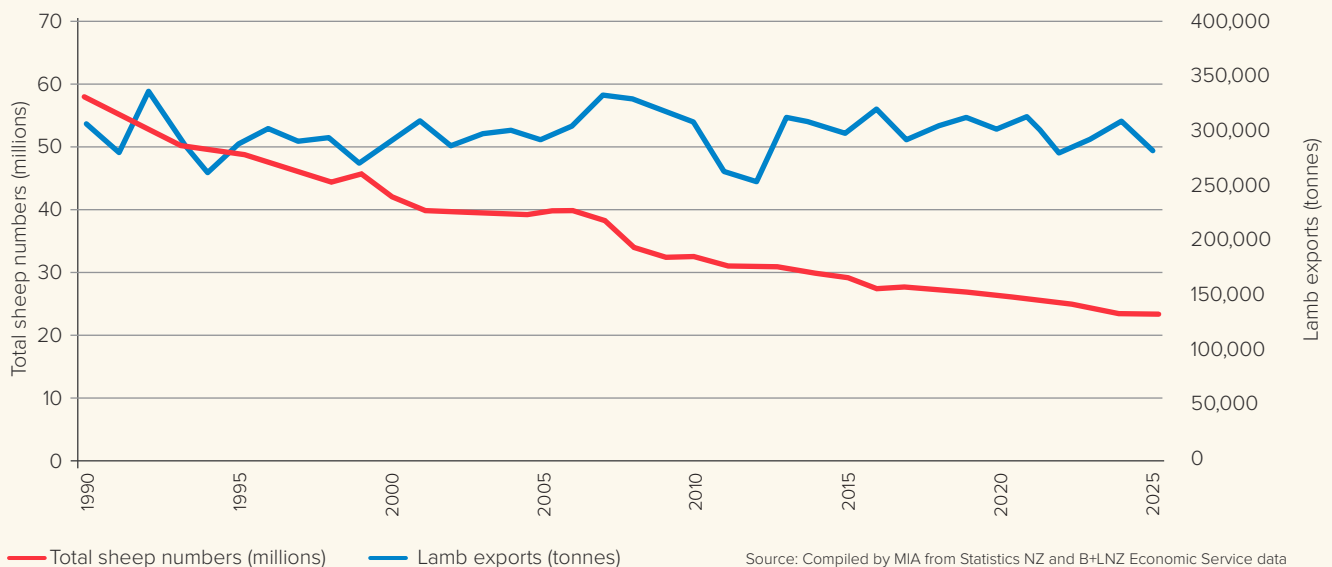
Since the 1990, the sheep sector has made major productivity improvements on both sides of the farm gate.



Sheep numbers have dropped by **60 percent** but lamb export volumes have remained steady.



Processors have achieved **88 percent** productivity gains and associated improvements in product quality, shelf life and regulatory compliance.



Tariffs

While sheepmeat is generally not as heavily protected as beef, New Zealand sheepmeat exports still face tariffs of up to 50 percent in some markets and New Zealand sheepmeat exports incurred tariff costs of around \$25 million in 2024/25.

This was more than double the tariff cost of the previous year, and was mostly due to the additional 10 percent tariff imposed by the US administration in April which added approximately \$15 million to the tariff costs on sheepmeat exports to the US in 2024/25.

The next largest tariff costs were incurred in the Gulf Cooperation Council (GCC) which imposes a tariff of 5 percent on frozen sheepmeat. These tariffs will be removed when the NZ-GCC FTA comes into force.

Quotas

New Zealand has an annual WTO sheepmeat quota of 125,769 tonnes into the EU at zero duty. Sheepmeat exported outside the quota is subject to a tariff rate of 12.8 percent + 90.2-311.8 Euro per 100kg/net. Under the NZ-EU FTA, New Zealand has gained an additional sheepmeat quota that starts at just over 12,000 tonnes and increases to 38,000 tonnes after six years.

New Zealand has an annual WTO sheepmeat quota of 102,620 tonnes into the UK at zero duty. Under the NZ-UK FTA, New Zealand has gained an additional sheepmeat quota and all sheepmeat exports will be fully liberalised from 2038 onwards with no quotas or tariffs.