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Report Name: Canada and China Extend Deal on Canola Meal Peas and Seafood

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Post: Ottawa

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Report Highlights:

China will extend a market access arrangement for certain Canadian agricultural commodities to the end of 2028. Products include canola meal, peas, and seafood, and were part of a bilateral tariff relief measure previously implemented in March 2026. The deal was announced on November 4, 2026, as overall Canadian exports of agricultural products to China have increased by nearly 45 percent during January-September compared to the same period in 2025.

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On November 4, 2026, Canada announced that China agreed to a two-year extension of favorable market access for select agricultural commodities. This extension provides a measure of tariff relief for canola meal, peas, lobsters, and crab until the end of 2028. China had previously agreed to the favorable market access for a one-year period in January 2026 (for additional information please refer to the GAIN report Canada Strikes Deal with China on Canola Seafood Peas and Beef). In exchange for the Chinese extension of tariff relief, Canada will also extend its own tariff relief on certain Chinese steel and aluminum products agreed to in the February 2026 Joint Arrangement until the end of 2028. Canada continues to target its goal of increasing Canadian exports to China by 50 percent by 2030.

Despite the extension deal, China's 100 percent tariff rate on Canadian canola oil remains in effect, as does a 5.9 percent anti-dumping duty on canola seed, which adds to the pre-existing 9 percent most favored nation (MFN) duty, resulting in total duties of 14.9 percent on imports of Canadian canola seed. Additionally, the extension announcement continues to omit pork, which currently remains subject to a 25 percent retaliatory tariff tied to electric vehicle tariffs.

In a parallel development, several agricultural associations, including representatives of the pork sector, took part in a trade mission to China in early November 2026, with Canadian Agricultural Minister Heath MacDonald; focused stops included Beijing and Shanghai.

During January-September 2026, Canadian exports of agricultural products to China increased by nearly 45 percent compared to the same period in 2025. Of note are Canadian exports of canola seed which climbed almost 55 percent to over $1.5 billion, and canola meal and peas which doubled in value to $400 million and $310 million respectively. China is Canada's third largest export market for agricultural products, after the United States and EU, peaking in 2023 at $7.5 billion. China is also Canada's second largest export market for seafood products, after the United States, although the Canadian seafood export value declined by 1 percent during January-September 2026 to $490 million, compared to the same period in 2025.

Attachments:

No Attachments.