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Report Name: China Lifts Additional Tariff on Canadian Lobster
Intensifying Competition in High-Value Market

Country: China - People's Republic of

Post: Beijing ATO

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Report Highlights:

On March 1, 2026, China lifted the 25 percent additional tariff on Canadian lobsters and snow crabs, reducing the import tariff for Canadian lobster to seven percent. In contrast, U.S. lobster exports to China remain subject to an effective tariff of 17 percent. The evolving tariff landscape, combined with shifting supply dynamics, is intensifying competition in China's high-value lobster market. This report details the situation for U.S. exporters including competition, trade, and opportunities.

I. **Background:**

Starting March 1, 2025, until February 28, 2026, Canadian lobster exports to China faced a combined 32 percent tariff, comprised of a seven percent Most-Favored-Nation (MFN) tariff and a 25 percent retaliatory tariff. A new agreement, reached during the Canadian Prime Minister's visit to China, January 2026, eliminated the retaliatory tariff, returning the rate to the established seven percent MFN rate, effective March 1, 2026.

II. **Market Performance**

Throughout most of 2025, the United States enjoyed a modest tariff advantage over Canada (17 percent versus 32 percent). However, ongoing trade uncertainties and China's efforts to diversify suppliers have altered market dynamics. Notably, media reported Vietnam surpassed both the United States and Canada to become China's largest source of lobster imports in 2025. However, Vietnam tends to supply exclusively the spiny variety, which lacks the large claws which are desired for some culinary presentations.

U.S. exports to China include two major lobster varieties:

- **American Lobster (*Homarus spp.*):** In 2025, the United States exported over 10,000 tons, valued at more than \$201 million, a 26 percent year-on-year increase.
- **Spiny Lobster (*Panulirus spp.*):** In 2025, U.S. exports totaled 790 tons, valued at nearly \$22 million.

III. China Import Data Highlights

Chart 1: American “Boston” Lobster

China Imports HS030632, <i>Lavagantes (Homarus spp.)</i>, live, fresh or chilled									
		Calendar Year (value in million U.S. Dollars)					January - December		
Partner Country	Rank	2020	2021	2022	2023	2024	2024	2025	%Δ 2025/2024
World		453	681	614	790	771	771	550	-28.66
Canada	1	344	535	516	604	609	609	348	-42.94
United States	2	105	142	96	183	160	160	200	25.54
United Kingdom	3	3	4	2	3	2	2	2	-4.65

Source: TDM

Homarus spp. (American Lobster)

- In 2025, China imported approximately \$550 million of *Homarus* species from the world.
- The United States was the second-largest supplier, behind Canada, with exports exceeding \$200 million (up 26 percent year-on-year).
- Canada remained the top supplier, but its exports fell by 43 percent to \$348 million.

Chart 2: Spiny Lobster

China Imports HS030631, lobsters (<i>Palinurus spp.</i>, <i>Panulirus pp.</i>, <i>Jasuss pp.</i>), live, fresh or chilled									
		Calendar Year (value in million U.S. Dollars)					January - December		
Partner	Rank	2020	2021	2022	2023	2024	2024	2025	%Δ 2025/2024
World		901	624	892	629	875	875	1,501	71.46
Vietnam	1	170	37	346	11	357	357	764	114.04
New Zealand	2	208	247	240	251	222	222	177	-20.25
Mexico	3	107	123	107	123	88	88	90	2.34
United States	4	38	67	75	97	76	76	37	-51.59
Indonesia	5	17	21	13	18	43	43	9	-79.82

Source: TDM

Panulirus spp. (Spiny Lobster)

- China’s imports reached \$1.5 billion in 2025, a 71 percent increase year-on-year.
- Vietnam led this category, exporting \$764 million (up 114 percent), capturing 51 percent market share.
- U.S. exports in this category declined by 52 percent to \$37 million.

IV. **Competitive Landscape**

Across species, lobster is widely regarded as a premium seafood product in China, particularly for banquets and special occasions. The preferred size range of 150 - 300 grams align well with single-portion servings commonly featured in China.

China's ongoing strategy to diversify its seafood import supply has intensified competition among major exporting countries. Vietnam has strengthened its market position in the spiny variety, supported by geography proximity, well-developed logistics and relatively favorable tariff treatment. The removal of the 25 percent tariff on Canadian lobster has restored Canada's price competitiveness and supported its recovery in market position. Meanwhile, Australian lobster exports to China, which resumed in late 2024, are expected to recover gradually as market demand stabilizes.

V. **Forecast**

Competition in China's imported lobster market is expected to intensify in 2026. While price remains important, other factors such as product standardization, supply chain reliability, cold-chain efficiency, and regulatory compliance, are increasingly critical.

The recent tariff reduction for Canadian lobster and the rise of Vietnam as a leading supplier signal a more competitive and diversified Chinese lobster market. U.S. exporters face ongoing tariff disadvantages and increased competition.

VI. **Trade Promotion Opportunities**

Given the increasingly competitive landscape in China's lobster market, ATO Beijing continues to actively engage U.S. exporters by organizing promotional activities and participating in major seafood trade shows across China to strengthen market presence and enhance competitiveness. These trade platforms provide valuable opportunities for U.S. suppliers to meet face-to-face with new and existing importers, distributors, and foodservice buyers, showcase product quality, obtain real-time market feedback, and reinforce the reputation of U.S. seafood for safety and reliability.

In particular, the annual [China Fisheries & Seafood Expo](#) in Qingdao remains one of the world's largest seafood trade exhibitions and a key venue for global suppliers competing in China market. Active participation can help U.S. exporters showcase product differentiation, build long-term commercial relationships, gain market intelligence, and position U.S. lobster more effectively against competing suppliers.

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