

**Required Report:** Required - Public Distribution

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**Report Name:** Fresh Deciduous Fruit Annual

**Country:** Taiwan

**Post:** Taipei

**Report Category:** Fresh Deciduous Fruit

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**Report Highlights:**

Taiwan's domestic apple production rose to 1,458 MT in MY 2021/2022, though production area continues to shrink due to economic, trade, and environmental factors. Taiwan's apple demand remains strong and consumption is almost entirely import dependent. Total imports in MY 2021/2022 were 151,260 MT and are forecast to increase to 154,000 in MY 2022/2023. The United States holds the largest market share by volume, though New Zealand is rapidly gaining market share and enjoys a tariff advantage.

## Commodity: Apples

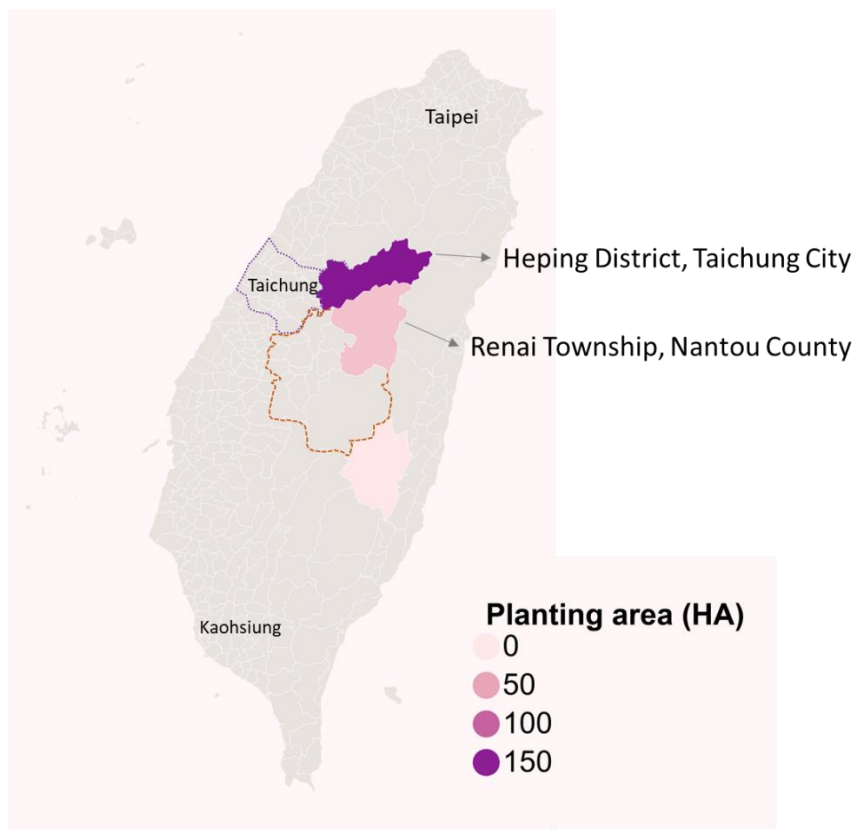
### Production:

Taiwan MY 2022/2023 apple production is forecast effectively flat at 1,400 MT. MY 2021/2022 production was 1,458 MT from final official sources, 458 MT higher than the previous estimate. Despite Taiwan's apple production area continuing to decrease, yields in the Heping (Taichung) region returned to normal levels after the previous drought, resulting in greater than expected production.

The main decrease in production area is occurring around Renai (Nantou), the second largest planting region, where land use is converting to short-term cabbage planting or away from agriculture into recreational/tourism use. The main factors driving this conversion are declining profits due to low competitiveness with imported apples, difficulties of pest control exacerbated by climate change, and higher profits from alternative uses such as cabbage, mountain tea, and the tourism industry.

Shrinking production area is also a result of the Taiwan apple industry's low competitiveness after its WTO accession opened market to expanded imports, as well as the aging rural population. High-altitude cabbage, which has three cropping seasons per year, is an increasingly popular alternative, with nearly double the average annual profits for producers.

**Figure 1: Taiwan Apple Production by Region**



Source: Council of Agriculture (COA), Taiwan

**Figure 2: Taiwan Apple Orchard, October 2022**



*Photo Credit: Dr. Jih-Jong Liao, NCHU*

### **Trade and Consumption:**

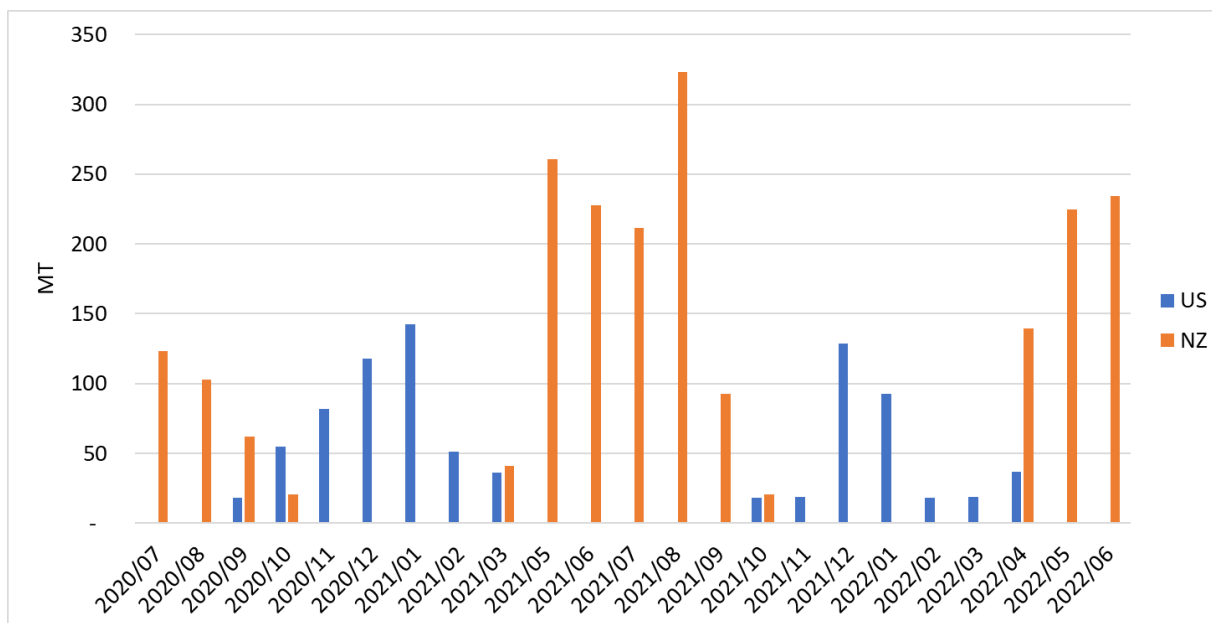
Taiwan's apple consumption is primarily import dependent with less than one percent of total consumption met by domestic supply. Apple import volume is the highest for any fruit in Taiwan. Annual consumption typically ranges between 135,000 to 160,000 MT. MY 2021/2022 apple imports were 151,260 MT (out of total consumption of 152,718 MT), 17 percent higher than the previous MY, despite some ongoing port congestion/supply chain issues. MY 2022/2023 imports are forecast up to 155,400 MT, factoring in the continued recovery from the COVID-19 pandemic.

The United States is the biggest supplier by volume with 30 percent market share, followed by New Zealand and Chile. Taiwan is the third largest export market for U.S. apples and the largest export market outside of North America.

Though reliable trade data in organics is often hard to find, organic apples are an increasing presence in the Taiwan market and continue to climb in trade. Based on AFA data, the United States and New Zealand were the

only two suppliers of organic apples. There is stronger organic apple demand in summer when New Zealand is the seasonal supplier.

**Figure 3: Taiwan Organic Apple Import, July 2020-June 2022**

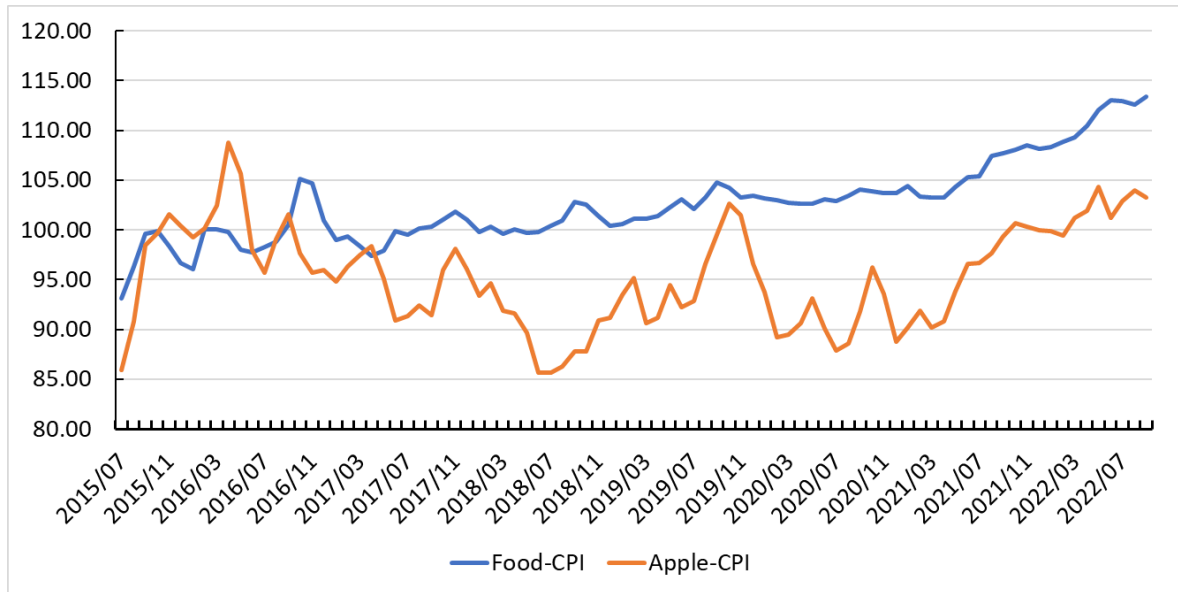


Source: Agriculture and Food Agency (AFA), Council of Agriculture

The value of New Zealand apple imports continues to increase, while newer NZ varieties, such as Envy, will increase its market segmentation. In MY 2021/2022, market share for New Zealand drew closer to that of the United States, reaching 28 percent. At present, New Zealand appears to have supplanted Chile in the market due to numerous MRL violations for Chilean apples. Japan, which in the past had claimed the highest market share by value, saw a decrease in supply and unfavorable exchange rate dropping it to third place in MY 2021/2022.

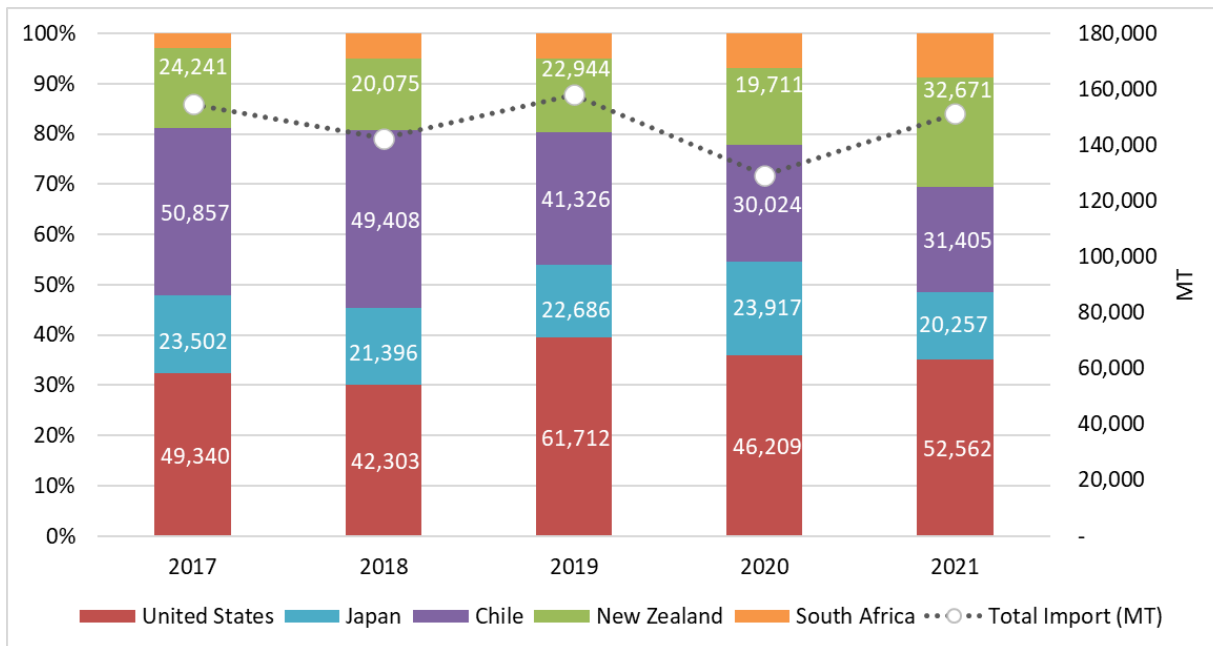
Compared with Taiwan’s food and dairy’s consumer price index (CPI), apple prices have seen more volatility. Although apple prices are relatively high at present, the total increase in the past several years is not as great as with comparable products.

**Figure 4: Taiwan Consumer Price Index vs. Apple Price (using 2015 as a Baseline)**



Source: Directorate-General of Budget, Accounting and Statistics, Executive Yuan

**Figure 5: Taiwan Apple Market Share by Country, 2017-2021**



Source: TDM



**Figure 6: Taiwan Apple Imports by Volume and Value, Top Exporting Countries**

(T/ MILLION USD)	MY 2019/2020		MY 2020/2021		MY2021 /2022	
	Volume	Value	Volume	Value	Volume	Value
UNITED STATES	42,303	75	46,209	59	52,562 (35%)	73 (28%)
NEW ZEALAND	20,075	40	19,711	39	32,671 (22%)	72 (28%)
CHILE	49,408	50	30,024	37	31,405 (21%)	40 (15%)
JAPAN	21,396	64	23,917	72	20,257 (13%)	60 (20%)
SOUTH AFRICA	7,047	8	8,842	8	13,097 (9%)	12 (5%)
TOTAL	158,093	239	129,337	217	151260	260

Source: TDM

**Figure 7: U.S. Apples in the Taiwan Market**



1. Cosmic Crisp promotion card; 2. U.S. large Fuji in local fruit shop (2 for USD 3.2); 3. Cosmic Crisp in hypermarket; 4. U.S. Fuji in supermarket

Photo Credit: Author

## Policy

### Import Tariff: (HS 080810 / fresh apple)

Most major apple exporters to Taiwan face a 20 percent tariff, except for New Zealand which has duty free access under ANZTEC since 2013.

#### Taiwan Apple Tariffs, by Exporting Country

Country	Tariff
U.S., Chile, Japan, South Africa	20%
New Zealand	0%

### Import Phytosanitary Regulations:

Fresh food is regulated by TFDA and BAPHIQ. Fresh apples from the United States are regulated under BAPHIQ's [Quarantine Requirements for the importation of Fresh apples from The United States](#) and must be accompanied by an APHIS-issued phytosanitary certificate (PPQ form 577). A phytosanitary certificate can be issued by designated APHIS personnel or APHIS-authorized State and County authorities. Other phytosanitary certificates for shipments of U.S.-origin fresh fruit are no longer accepted by Taiwan plant health regulatory authorities. According to Article 5.6, if the pest list for quarantine requirement has changed, the updated list can be found on [the website](#).

TFDA is the competent authority responsible for border inspection. Taiwan uses the positive list system Pesticide Residue Limit in Food. The latest version is [here](#) (updated May 25, 2021; or on [the integrated website](#)). Standards for heavy metals are listed in TFDA's [Sanitation Standard for Contaminants and Toxins in Food](#).

**Deciduous Fruit, Apples, Fresh: Production, Supply, and Distribution**

Apples, Fresh Market Year Begins Taiwan	2020/2021		2021/2022		2022/2023	
	Jul 2020		Jul 2021		Jul 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	193	193	191	186	0	182
Area Harvested (HA)	192	192	191	186	0	182
Bearing Trees (1000 TREES)	68	68	69	67	0	66
Non-Bearing Trees (1000 TREES)	1	1	0	0	0	0
Total Trees (1000 TREES)	69	69	69	67	0	66
Commercial Production (MT)	1041	1041	1000	1458	0	1400
Non-Comm. Production (MT)	0	0	0	0	0	0
Production (MT)	1041	1041	1000	1458	0	1400
Imports (MT)	129300	129337	140000	151260	0	154000
Total Supply (MT)	130341	130378	141000	152718	0	155400
Domestic Consumption (MT)	130341	130378	141000	152718	0	155400
Exports (MT)	0	0	0	0	0	0
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	130341	130378	141000	152718	0	155400
(HA) ,(1000 TREES) ,(MT)						



**Attachments:**

No Attachments