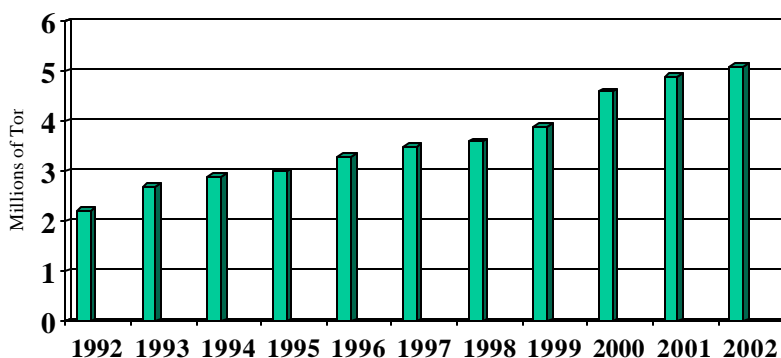


## World Asparagus Situation & Outlook

### Production

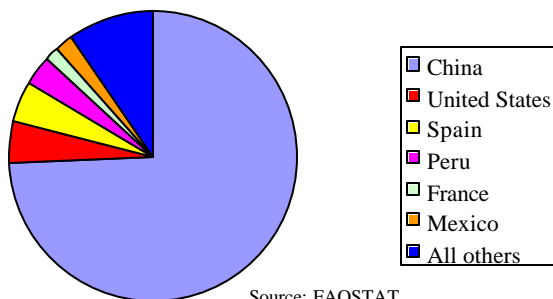
In 2002, the top six asparagus producers were China at 4.4 million tons (86 percent share of the world's production), followed by Peru (181,165 tons, 4 percent share), the United States (84,730 tons, 2 percent share)\*, Spain (60,100 tons, 1 percent share), Germany (57,196 tons, 1 percent share), and Mexico (53,286 tons, 1 percent share). From 1992 to 2002, world production increased almost 70 percent to 5.1 million tons. Many growers are worried about a mature world asparagus market, where supply is increasing faster than demand in many markets and causing prices to drop. Furthermore, Peruvian asparagus producers have already experienced sharply falling prices in the United States (see FAS Attaché report #PE3012 for more information).

**World Asparagus Production from 1992-2002**



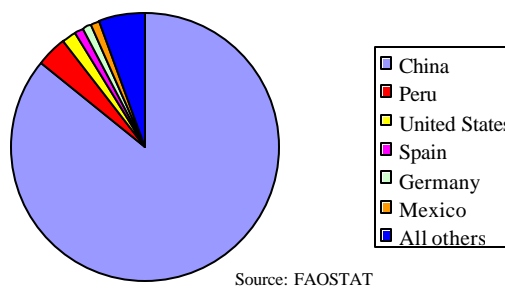
Source: FAOSTAT

**World Asparagus Production by Top Six Producers in 1992**



Source: FAOSTAT

**World Asparagus Production by Top Six Producers in 2002**



Source: FAOSTAT

\*Note: The data cited are all from FAOSTAT. FAOSTAT production data for the United States differs from the USDA's data. USDA/NASS statistics for U.S. fresh asparagus production in 2002 was 57,470 tons.

Peruvian asparagus producers are worried about the international asparagus market maturity, as well as the U.S. bioterrorism law and its impact on Peruvian shipments. They feel the transition period between enactment of the law and when the law will begin to be enforced is short. Other concerns include the ability to register all exporting facilities and administrative detention criteria. As a result of these concerns, Peruvian asparagus production in 2003 is estimated at 185,000 tons, about the same as in 2002.

Due to Peru's favorable climate, asparagus does not have a dormant stage and is grown throughout the year. About 40 percent of asparagus grown in Peru is green and shipped to the U.S. market, while the rest is white and sent to the EU market.

Mexican fresh asparagus production in 2003 is expected to increase only slightly to 55,000 tons, due to lack of water and credit to producers. Production costs have been increasing due to rising costs of water and imported inputs. As a result, some producers are switching to more profitable crops. Yields in 2003 are forecast to rise slightly due to improved irrigation systems, better seeds, and favorable weather. Currently, Mexico produces mainly green varieties in two different growing seasons.

The United States produces mainly green asparagus, with California traditionally producing 80 percent of the crop, followed by Washington. A cool, wet spring slightly slowed growth in 2003 and disrupted harvest schedules. As a result, U.S. fresh asparagus production is estimated at 52,000 tons in 2003, down almost 10 percent from 2002.

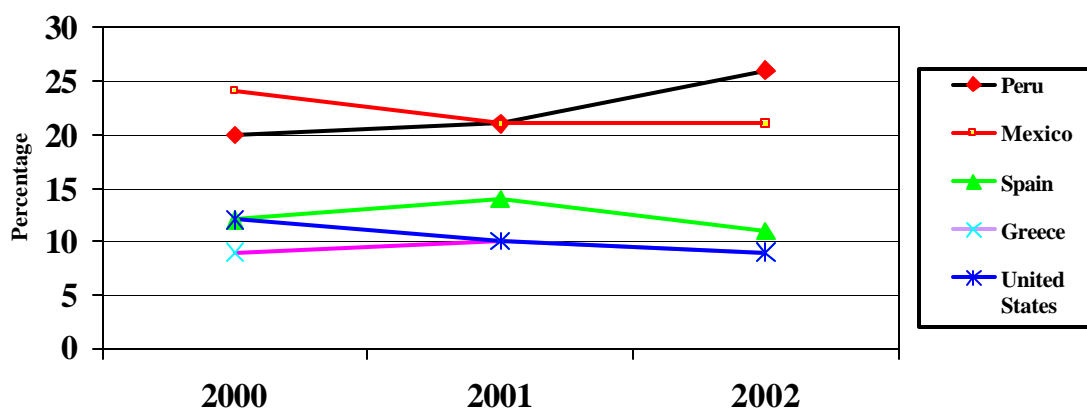
The U.S. and Peruvian industries are particularly concerned with growing competition from China. According to data provided at the Tenth International Asparagus Symposium held in Japan in September 2001, China is reported to have 90,000 hectares of asparagus under production, with 70 percent white and 30 percent green. In 2002, Chinese asparagus yield was 4.3 tons/ha and averaged 4.1 tons/ha from 1992 to 2002, according to FAOSTAT. In comparison, the U.S. yield in 2002 was 3.2 tons/ha and averaged 3.2 tons/ha over this same 10 year period. Additionally, Japanese and Taiwanese businesses are investing in the Chinese asparagus industry.

## **Exports**

The top five exporters in 2002 were Peru (52,777 tons), Mexico (42,612 tons), Spain (22,992 tons), Greece (19,256 tons), and the United States (19,211 tons), according to Global Trade Atlas statistics. Peru was the only one in this group whose export market share grew from 2000 to 2002.

Peru's fresh asparagus exports are forecast at 61,000 tons in 2003, up 15 percent from 2002. The United States is Peru's top market, accounting for over 80 percent of Peru's fresh asparagus exports in 2002.

### World Fresh Asparagus Export Suppliers by Market Share 2000-2002



Source: Global Trade Atlas

Spain is Peru's largest processed asparagus market.

The United States is one of the world's leading exporters and importers of fresh asparagus. In 2002, U.S. asparagus exports declined to 13,308 tons, down 8 percent from 2001. Industry experts are concerned that international demand has reached maturation and that future growth will be more limited. Despite this, U.S. asparagus exports from January to May 2003 were 11,172 tons, up 6 percent over the same period in 2002. Top export markets are Canada, Japan, and Switzerland. Exports to Canada were down 9 percent to 4,844 tons from January to May 2003, while exports to Japan were down 5 percent to 3,335 tons, due to stiff competition from Mexico.

Mexico, the second largest asparagus exporter, estimates its 2003 asparagus exports at 50,000 tons, up about 20 percent from 2002. The United States is Mexico's top export market for fresh asparagus. According to industry experts, about 90 percent of the asparagus is exported to the United States for consumption and the remaining 10 percent is then transshipped through the United States to Japan and the EU. Due to these transshipments, Mexican trade data does not reflect any exports to Japan or the EU.

### Imports

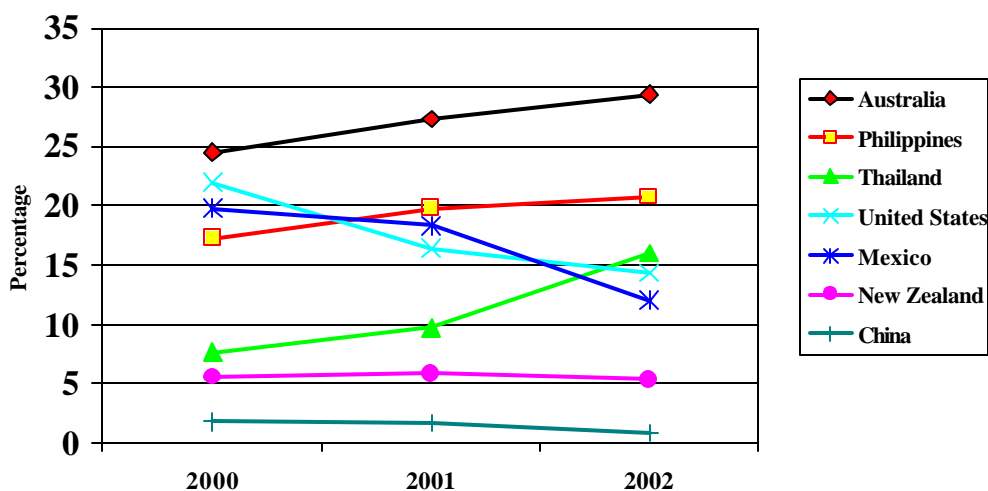
The top five asparagus importers in 2002 were the United States (81,762 tons), followed by Germany (36,432 tons), Japan (19,363 tons), France (18,324 tons), and Canada (11,999 tons), according to Global Trade Atlas statistics. The United States imported more than twice the amount than Germany, the next largest importer.

In 2002, U.S. fresh asparagus imports reached a record 81,762 tons (\$135.3 million), up about 15 percent from 2001 by quantity and value. From January to May 2003, U.S. imports reached 36,885 tons, up 30 percent over the same period for the previous year. Mexico and Peru have traditionally been the top suppliers of asparagus to the United States. Last year, Peru surpassed Mexico as the largest U.S.

asparagus supplier by volume. Over the past five years, Mexico's market share has slowly eroded to 45 percent by volume in 2002, while Peru's has almost doubled to 52 percent.

Japan is the third largest asparagus importer in the world and the second largest import market for the United States. In 2002, Japan's imports of U.S. fresh asparagus reached 19,363 tons, down slightly from the previous year, and are estimated to increase very slightly in 2003.

**Japan's Fresh Asparagus Import Suppliers  
by Market Share 2000-2002**



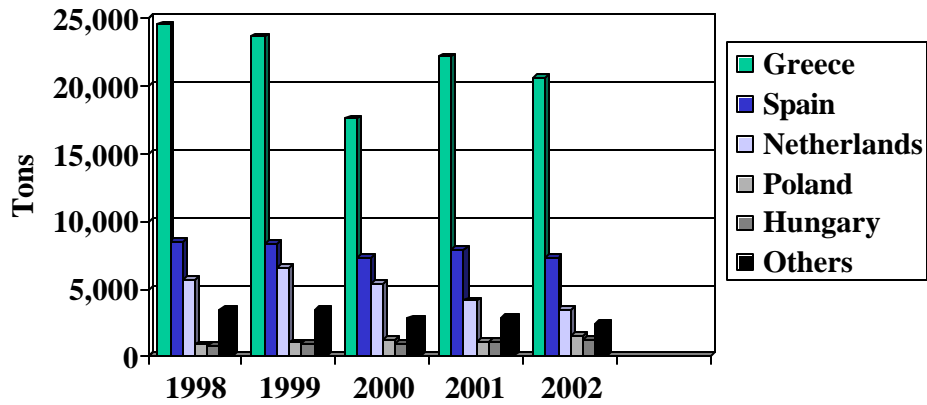
Source: Global Trade Atlas

The United States is facing increasing competition in the Japanese market. The U.S. market share in Japan declined 6 percent to 14 percent from 2000 to 2002, while the Australian, Philippine, and Thai shares rose to 30 percent, 21 percent, and 16 percent, respectively, over this same period. Japan's imports of U.S. asparagus were 2,796 tons in 2002, down slightly from the previous season; down by 40 percent from Mexico to 2,325 tons; and down slightly from Australia, Japan's largest asparagus supplier, were in 2002. However, Australia exports to Japan during the off-season, and therefore is not considered a U.S. competitor.

Canada is the world's fifth largest asparagus importer and the largest asparagus market for the United States. From 1998 to 2002, the United States supplied about 60 percent of Canada's asparagus imports. In comparison, Canada's second largest supplier, Mexico, provided less than 20 percent of Canada's asparagus imports.

Germany, the world's second largest fresh asparagus importer, imported less than 5 percent from the United States. Greece, Spain, and the Netherlands were Germany's top asparagus suppliers.

## German Fresh Asparagus Imports by Supplier 1998-2002



Source: Global Trade Atlas

Given tough competition from current and new competitors, such as China, the mature global asparagus market, rising world supplies, and the impact on prices, the United States faces a tough struggle to maintain market share for its asparagus exports. The Foreign Agricultural Service's Market Access Program (MAP) and other export programs should assist the U.S. asparagus industry with this challenge.

(The FAS Attaché Report search engine contains reports on the asparagus industries for more than 4 countries, including Japan, Mexico, Peru, and Japan. For information on production and trade, contact Shari Kosco at 202-720-2083. For information on marketing contact Sonia Jimenez at 202-720-0898.)

### Top Ten Export Markets for U.S. Fresh Asparagus by Value 1998-2003

	1998	1999	2000	2001	2002	Jan-Dec Change 2001/02	Market Share 1998	Market Share 2002	Jan-May Comparisons 2002	Jan-May 2003	Jan-May Change 2002/03
	(US \$1,000)								(US \$1,000)		
Canada	\$17,067	\$17,354	\$18,259	\$16,884	\$18,501	10%	37%	48%	\$12,515	\$11,543	-8%
Japan	\$17,780	\$24,124	\$24,972	\$17,650	\$13,848	-23%	39%	36%	\$12,230	\$9,971	-18%
Switzerland	\$6,633	\$5,059	\$5,117	\$2,187	\$3,753	9%	15%	10%	\$3,733	\$6,879	84%
France	\$217	\$87	\$60	\$179	\$407	1%	0%	1%	\$377	\$376	0%
Mexico	\$172	\$31	\$522	\$522	\$387	-1%	0%	1%	\$343	\$99	-71%
Taiwan	\$9	\$60	\$1,655	\$1,194	\$376	-5%	0%	1%	\$283	\$394	39%
United Kingdom	\$1,562	\$1,716	\$401	\$238	\$277	0%	3%	1%	\$124	\$279	125%
Netherlands	\$91	\$36	\$62	\$0	\$243	1%	0%	1%	\$243	\$129	-47%
Korea	\$261	\$152	\$104	\$79	\$116	0%	1%	0%	\$50	\$47	-6%
Australia	\$350	\$188	\$300	\$154	\$90	0%	1%	0%	\$61	\$232	280%
All others	\$1,497	\$1,129	\$630	\$677	\$182	-3%	3%	0%	\$133	\$1,521	1044%
<b>Total</b>	<b>\$45,639</b>	<b>\$49,936</b>	<b>\$52,082</b>	<b>\$39,764</b>	<b>\$38,180</b>	<b>-9%</b>	<b>100%</b>	<b>100%</b>	<b>\$30,092</b>	<b>\$31,470</b>	<b>5%</b>

Source: U.S. Department of Commerce, Census Bureau

### Top Ten Export Markets for U.S. Fresh Asparagus by Quantity 1998-2003

	1998	1999	2000	2001	2002	Jan-Dec Change 2001/02	Market Share 1998	Market Share 2002	Jan-May Comparisons 2002	Jan-May 2003	Jan-May Change 2002/03
	(Metric Tons)								(Metric Tons)		
Canada	6,578	6,946	7,493	6,946	7,569	4%	14%	20%	5,350	4,844	-9%
Japan	5,179	7,108	7,452	5,482	3,904	-9%	11%	10%	3,519	3,335	-5%
Switzerland	2,549	2,111	1,582	720	1,011	2%	6%	3%	1,008	2,101	108%
Mexico	105	11	448	376	260	-1%	0%	1%	229	45	-80%
Taiwan	3	18	527	333	178	-1%	0%	0%	141	123	-13%
France	40	23	10	48	128	0%	0%	0%	124	103	-17%
United Kingdom	506	653	139	95	91	0%	1%	0%	23	117	408%
Netherlands	25	7	14	0	66	0%	0%	0%	66	48	-26%
Korea	62	33	23	20	23	0%	0%	0%	13	12	-2%
Australia	117	65	92	37	19	0%	0%	0%	13	58	357%
All others	431	291	197	277	61	-1%	1%	0%	42	384	808%
<b>Total</b>	<b>15,594</b>	<b>17,265</b>	<b>17,978</b>	<b>14,334</b>	<b>13,308</b>	<b>-6%</b>	<b>34%</b>	<b>35%</b>	<b>10,526</b>	<b>11,172</b>	<b>11%</b>

Source: U.S. Department of Commerce, Census Bureau

### Top Ten Suppliers of Fresh Asparagus to the United States by Value 1998-2003

	1998	1999	2000	2001	2002	Jan-Dec Change 2001/02	Market Share 1998	Market Share 2002	Jan-May Comparisons 2002	2003	Jan-May Change 2002/03
	(US \$1,000)								(US \$1,000)		
Mexico	\$58,054	\$66,078	\$67,863	\$64,675	\$73,731	14%	62%	54%	\$43,448	\$46,122	6%
Peru	\$25,785	\$36,351	\$40,809	\$47,231	\$58,240	23%	28%	43%	\$6,407	\$10,668	67%
Chile	\$2,412	\$2,918	\$2,641	\$1,435	\$1,117	-22%	3%	1%	\$31	\$57	84%
Colombia	\$4,813	\$3,713	\$2,679	\$2,098	\$896	-57%	5%	1%	\$380	\$383	1%
Argentina	\$1,114	\$775	\$294	\$215	\$416	93%	1%	0%	\$0	\$0	0%
Canada	\$16	\$11	\$24	\$32	\$378	1081%	0%	0%	\$5	\$521	10320%
Guatemala	\$428	\$305	\$263	\$254	\$220	-13%	0%	0%	\$54	\$4	-93%
Ecuador	\$118	\$122	\$47	\$161	\$138	-14%	0%	0%	\$41	\$34	-17%
New Zealand	\$16	\$38	\$80	\$55	\$87	58%	0%	0%	\$0	\$0	0%
Nicaragua	\$0	\$0	\$94	\$572	\$44	-92%	0%	0%	\$0	\$0	0%
All others	\$134	\$74	\$32	\$32	\$57	78%	0%	0%	\$13	\$27	108%
<b>Total</b>	<b>\$92,890</b>	<b>\$110,385</b>	<b>\$114,826</b>	<b>\$116,760</b>	<b>\$135,324</b>	<b>16%</b>	<b>100%</b>	<b>100%</b>	<b>\$50,379</b>	<b>\$57,816</b>	<b>15%</b>

Source: U.S. Department of Commerce, Census Bureau

### Top Ten Suppliers of Fresh Asparagus to the United States by Quantity 1998-2003

	1998	1999	2000	2001	2002	Jan-Dec Change 2001/02	Market Share 1998	Market Share 2002	Jan-May Comparisons 2002	2003	Jan-May Change 2002/03
	(Metric Tons)								(Metric Tons)		
Peru	14,152	22,225	29,874	33,539	42,524	27%	15%	31%	6,143	7,915	29%
Mexico	29,907	36,719	38,134	33,947	36,619	8%	32%	27%	21,850	28,315	30%
Chile	2,521	3,190	2,479	1,606	893	-44%	3%	1%	25	23	-8%
Colombia	1,768	1,311	1,062	1,042	761	-27%	2%	1%	285	348	22%
Argentina	844	631	235	180	374	108%	1%	0%	0	0	0%
Guatemala	439	347	321	323	264	-18%	0%	0%	67	4	-95%
Canada	9	5	9	11	155	1269%	0%	0%	0	244	121700%
Ecuador	95	60	42	142	80	-43%	0%	0%	17	34	100%
New Zealand	3	13	41	30	43	43%	0%	0%	0	0	0%
Nicaragua	0	0	83	290	19	-93%	0%	0%	0	0	0%
All others	87	38	14	30	30	1%	0%	0%	1	3	190%
<b>Total</b>	<b>49,825</b>	<b>64,539</b>	<b>72,293</b>	<b>71,140</b>	<b>81,762</b>	<b>15%</b>	<b>54%</b>	<b>60%</b>	<b>28,389</b>	<b>36,885</b>	<b>30%</b>

Source: U.S. Department of Commerce, Census Bureau