

Strawberry Situation and Outlook

Fresh strawberry production in major strawberry producing countries is forecast to decline in Marketing Year (MY) 2001. Canada and Spain are the only countries that expect to have production levels increase or remain the same as last year. Total worldwide exports of fresh strawberries are expected to fall due to lower international prices in MY 2001. Frozen strawberry production in selected countries closely mirror MY 2000 levels.

Canada–Fresh Strawberries

In light of expected favorable weather conditions, strawberry production in Marketing Year (MY) 2001 (April 2002/March 2003) is forecast to remain at 25,000 MT, the same as last year's crop. In MY 2000 all regions except for British Columbia is expected to increase production. Imports provide the bulk of the domestic supplies for fresh strawberries whereas the domestic production only supplies one-third of the entire domestic Canadian fresh strawberry market.

The Canadian import market for fresh strawberries is dominated by the United States which holds a 97 percent market share. Fresh strawberry imports for MY 2001 is forecast at 50,000 MT, resulting in a 4-percent increase from MY 2000. The value of the Canadian dollar vis-a-vis the U.S. dollar remains weak and contributes to higher retail prices for imported fresh strawberries. Increased competition from Argentina and Chile could cut into U.S. fresh strawberry imports.

Under the North American Free Trade Agreement (NAFTA), fresh strawberries from the United States and Mexico enter Canada duty-free. The Canada/Chile Free Trade Agreement provides free access for fresh strawberries from Chile. A new directive will permit the importation of fresh strawberries from Argentina on a two-year trial basis.

Canada–Frozen Strawberries

Production of frozen strawberries is forecast at 2,600 tons in MY 2001 (April 2002/March 2003), a 4-percent increase from MY 2000. Total import demand for frozen strawberries, particularly from the United States and Mexico, decreased in MY 2000 and is expected to continue in MY 2001. Imports from the U.S. fell 5 percent while Mexican imports dropped by 3 percent in the first eight months (January - August) of calendar year 2000.

Under NAFTA all import duties on U.S. frozen strawberries, including any seasonal duties, were reduced to zero on January 1, 1998. Frozen strawberries from Mexico is assessed a duty of 1.3 Canadian cents/kg, but not less than 2 percent, until it is eliminated on December 31, 2002.

Chilean frozen strawberries face a duty of 1.7 Canadian cents/kg, but not less than 2.5 percent. These tariffs will be phased out by 2003.

Mexico–Fresh Strawberries

Mexico's fresh strawberry production in MY 2001 (August 2001/July 2002) is forecast at 119,000 metric tons, a 2-percent decline from the previous year. According to the industry, there has been a trend to reduce strawberry plantings due to lower market prices, credit unavailability and increase production costs. The MY 2000 strawberry crop was revised downward from 141,000 MT to 121,000 MT as fewer hectares were planted.

As a result of increasing international demand, fresh strawberry exports for MY 2001 are forecast at 34,000 metric tons, a 13-percent increase from MY 2000. The estimate for MY 2000 exports fell from 42,000 MT to 30,000 MT due to higher production costs and weak demand in the early part of the marketing year. Fresh strawberry imports for MY 2001 is expected to be 9,000 MT. The U.S. is the largest fresh strawberry import supplier for the Mexican market and delivers most of its products from May through November. Strawberry imports were revised upward from 5,000 MT to 9,000 MT in MY 2000, as a result of stronger demand generated by the continued strength of the peso.

Mexico–Frozen Strawberries

Frozen strawberry production in MY 2001 is forecast at 45,000, an increase of 5 percent from MY 2000, but lower than MY 1999 levels. Low international prices for frozen strawberries is driving down production of frozen strawberries. MY 2000 crop estimates were revised downward due to lower international demand, reduced plantings, lower prices and glut of global supplies.

Exports of frozen strawberries for MY 2001 are forecast to increase 5 percent to 34,500 metric tons due to expected higher international demand. Falling international prices and increased import competition in the U.S. strawberry market could affect Mexican exports. Imports of frozen strawberry imports are minimal. Under NAFTA, the 2001 import tariff rate on frozen strawberries is 2.8 percent and the 2002 tariff rate will be 1.4 percent. Mexico charges a 20 percent duty on imports from non-NAFTA countries.

Poland–Fresh Strawberries

Poland's fresh strawberry crop for MY 2001 (January 2002/December 2002) is forecast to fall 33 percent to 160,000 metric tons due primarily to lower prices and reduced plantings. Favorable weather conditions and increased cultivation resulted in another record crop for MY 2000. During this period, fresh strawberry production jumped 38 percent from 171,000 MT to 238,000 MT. Although yields were higher, lower prices minimized farmers' profits.

Exports of fresh strawberries are projected to fall to 11, 970 MT in MY 2001. In MY 2000, exports were estimated at 14,970 MT. Polish exports of fresh chilled strawberries are carried out by private Polish firms as well as foreign companies seasonally operating in Poland. Germany, Austria, Netherlands and Switzerland remain the top export markets. Limited quantities of strawberry imports from Spain and Italy supply the domestic market during the off season. Imports are mostly sold in supermarkets and vegetable stands in larger cities, but their high prices limit sales.

Poland–Frozen Strawberries

Production of frozen strawberries in MY 2001 (January 2002 /December 2002) is forecast to fall 6 percent to 103,000 MT. The increase in fresh strawberry output in MY 2000 supplied the processing industry with an estimated 110,000 MT in strawberries, significantly increasing exports. No official data on strawberry stocks is available.

Frozen strawberry exports are projected to decrease to 83,000 MT in MY 2001, a 14-percent decrease from the previous year due to lower international prices. Prices for strawberry exports during the summer of 2001 dropped to the level of DM 1,200 (USD 597) per ton as compared to with DM 1,600 (USD 789) offered during the summer of 2000. Nevertheless, the volume of exports increased an estimated 17 percent to 96,000 MT in MY 2000. The European Union, led by Germany, remain the top export markets for Poland's frozen strawberries. Relatively high tariffs, ranging from 25-30 percent, limit the imports of frozen strawberry.

Japan–Fresh Strawberries

Japan's fresh strawberry crop for MY 2001 (October 2001/September 2002) is projected at 200,000 metric tons, a decrease of 2 percent from the previous year. MY 2000 fresh strawberry production was revised upward from 180,000 MT to 205,000 MT.

Imports of fresh strawberries, primarily from the United States, are forecast at 6,000 MT in MY 2001. In MY 2000, the U.S. exported 4,150 MT of fresh strawberries to Japan, accounting for 71 percent of all imports. Japan's domestic demand for fresh U.S. strawberry is expected to remain stable at roughly 4,300 metric tons in MY 2001. Most of the U.S. imports are consumed by Japan's confectionary industry as cake decorations, but Japanese retailers are expanding their sales of fresh U.S. berries through in-store sampling demonstrations. Fresh strawberry imports from the U.S. generally peak in the summer and fall, while the winter and spring demands are supplied by domestic production. Fresh strawberry imports are levied a 6.0 duty.

Japan–Frozen Strawberries

Japan's frozen strawberry production is quite limited, with an estimated 500 MT in MY 2001. The bulk of the frozen strawberry supplies are imported from China, the United States, South Korea and Mexico.

December 2001

**World Horticultural Trade &
U.S. Export Opportunities**

Frozen strawberry imports for MY 2001 are estimated to remain near existing levels of 30,000 MT. In MY 2000, China surpassed the United States as the leading supplier of imported frozen strawberries to Japan due in large part to its cheaper production cost.

Majority of the imported frozen strawberries from the U.S. are generally used for jam processing, sweet desserts and tropical drinks. Some of the supplies are also used in scones, breads, and Danish pastries. U.S. strawberries are currently selling at 498-580 yen (\$4.17 - \$ 4.86) in Tokyo's supermarkets. Duties on imported frozen strawberries range from 9.6 - 12 percent.

Spain–Fresh Strawberries

Although fresh strawberry production is estimated to increase by 6 percent to 322,000 MT in MY 2001 (January 2002/December 2002), it is significantly down from the record 370,000 MT production of MY 1998. Industry sources expect further planting reductions over the next three years. In MY 2000, fresh strawberry production fell an estimated 13 percent from the previous year largely due to unfavorable weather conditions and labor shortages.

In MY 2001 exports of fresh strawberries are projected to reach 200,000 MT, an increase of 3 percent from the previous year. As a result of lower supplies and adverse weather conditions, total exports in MY 2000 fell to 195,000 MT. Top markets for Spain's fresh strawberry exports remain Germany, France and the United Kingdom. Imports are quite limited with France and Morocco being the largest suppliers. Spain's large strawberry supplies and transportation issues make market conditions unfavorable for U.S. exports.

Spain–Frozen Strawberries

As a result of less land under cultivation, frozen strawberry production is forecast to decline by 2 percent in MY 2001 (January 2002/December 2002) to reach 35,200 tons. In MY 2000, strawberry production was revised from 41,500 MT to 32,000 MT. Frozen strawberry exports in MY 2001 are forecast to decrease by 4 percent to 24,000 metric tons. The majority of its frozen strawberry exports are destined for other EU countries.

Italy–Fresh Strawberries

Fresh strawberry production in Italy is expected to fall 5 percent in MY 2001 (January 2002/December 2002) amounting to 97,000 metric tons. MY 2000 production numbers were revised downward from 102,000 MT to 101,600 MT due to labor shortages and lower farmers' incomes. Italy's exports of fresh strawberries are projected to be 35,000 MT in MY 2001, a 5-percent decrease from MY 2000. Imports of fresh strawberries for MY 2001 are expected to remain the same as the previous year at 28,000 MT.

Italy–Frozen Strawberries

In MY 2001, frozen strawberry production is forecast to remain unchanged at 10,000 MT from the previous year. Exports of frozen strawberries are relatively small and is estimated to fall 23 percent to 1,000 MT in MY 2001. Imports, primarily from Spain, is forecast at 8,000 metric tons. MY 2000 imports were revised downward from 8,000 MT to 6,000 MT as a result of Spain's smaller strawberry crops.

United States

The strawberry forecast for MY 2001 will be available in April on our strawberry commodity page which is located at the following address: <http://www.fas.usda.gov/horticulture/strawberry.html>

In CY 2000, fresh strawberry production was up 2 percent to 838,052 MT from the previous year. Planted acreage from the two largest strawberry producing states, California and Florida combined was up 10 percent.

In the first nine months of CY 2001, U.S. exports of fresh strawberries were approximately 51,000 MT, a 10 percent decrease from the same period a year ago as a result of a smaller strawberry crop. Total exports in CY 2000 reached an estimated 62,000 MT, with Canada, Mexico and Japan remaining the top export markets.

In the first nine months of CY 2001, exports slightly increased to 15,090 MT, compared to 15,066 MT for the same period a year ago. U.S. exports of frozen strawberries face increasing competition from low-cost production countries like China and Mexico. In CY 2000, total frozen exports fell 23 percent from the previous year to approximately 19,400 MT. Japan, Canada and Australia remain the largest markets for frozen U.S. strawberry exports.

(The FAS Attache Report search engine contains reports on Fresh Strawberry industries for 6 countries, including Spain, Italy, and Mexico. For information on production and trade, contact Rey Santella at 202 720-6877 or visit the strawberry commodity page at <http://www.fas.usda.gov/htp/horticulture/strawberry.html> For information on marketing contact Elizabeth Mello at 202-690-6057).

**FRESH STRAWBERRIES: PRODUCTION, SUPPLY, AND DISTRIBUTION
MARKETING YEARS 1998/99-2001/02**

	Production	Imports	Exports	Processing	Domestic Consumption
Canada 1/					
1998	26,349	49,357	170	3,000	72,536
1999	21,000	47,363	170	2,400	68,428
2000	25,000	48,000	478	2,500	70,022
2001	25,000	50,000	300	2,600	72,100
Italy 1/					
1998	109,600	22,750	45,824	10,000	76,526
1999	108,600	26,872	36,117	12,000	87,355
2000	101,600	22,000	37,000	10,000	76,600
2001	97,000	28,000	35,000	10,000	80,000
Japan 2/					
1998/99	203,100	4,724	0	2,300	205,524
1999/2000	205,300	5,474	0	2,600	208,174
2000/01	205,000	5,770	0	2,600	208,170
2001/02	200,000	6,000	0	2,500	203,500
Mexico 3/					
1998/99	141,464	4,000	48,899	62,200	34,365
1999/2000	141,583	7,932	35,570	53,000	60,945
2000/01	121,000	9,000	30,000	43,000	57,000
2001/02	119,000	9,000	34,000	45,000	49,000
Poland 1/					
1998	178,000	900	12,300	124,000	42,600
1999	171,000	970	11,580	117,000	43,390
2000	238,000	970	14,970	140,000	84,000
2001	160,000	970	11,970	109,000	40,000
Spain 1/					
1998	369,700	3,100	225,400	70,000	77,400
1999	357,000	3,500	206,000	66,500	88,000
2000	304,000	3,500	195,000	50,000	62,500
2001	322,000	3,000	200,000	55,000	70,000
United States 1/ 4/					
1998	743,756	26,376	49,564	229,426	491,142
1999	821,183	43,001	56,753	252,337	560,117
2000	838,057	34,580	61,928	211,060	599,649
2001	NA	NA	NA	NA	NA
World Total					
1998	1,771,969	127,832	389,346	523,837	1,069,068
1999	1,825,666	126,691	351,365	464,560	1,155,941
2000	1,832,657	123,820	339,376	459,160	1,157,941
2001	923,000	96,970	281,270	224,100	514,600

1/ Marketing season is on a calendar year basis. 2/ Marketing season begins in October of first year shown.

3/ Marketing season begins in August of first year shown.

4/ 1999/2000 production is a 3 year historical average from ERS, Fruit and Tree Nut Situation and Outlook Report, October 2000.

Sources: U.S. Agricultural Attaches. USDA - NASS and ERS estimates.

**FROZEN STRAWBERRIES: PRODUCTION, SUPPLY, AND DISTRIBUTION
MARKETING YEARS 1998/99-2001/02**

	Beginning Stocks	Production	Imports	Exports	Domestic Consumption	Ending Stocks
Canada 1/						
1998	1,000	3,000	16,277	660	18,617	1,000
1999	1,000	2,500	14,450	451	16,499	1,000
2000	1,000	2,500	14,000	235	16,165	1,100
2001	1,100	2,600	13,400	400	16,700	0
Italy 1/						
1998	0	10,000	7,720	2,523	15,197	0
1999	0	12,000	6,691	1,534	17,157	0
2000	0	10,000	6,000	1,300	14,700	0
2001	0	10,000	8,000	1,000	17,000	0
Japan 2/						
1998/99	0	350	29,932	0	30,282	0
1999/2000	0	520	27,434	0	27,954	0
2000/01	0	520	29,600	0	30,120	0
2001/02	0	500	30,000	0	30,500	0
Mexico 3/						
1998/99	0	62,200	266	51,660	10,806	0
1999/2000	0	53,000	99	41,590	11,509	0
2000/01	0	43,000	180	32,800	10,380	0
2001/02	0	45,000	200	34,500	10,700	0
Poland 1/						
1998	0	97,000	955	72,000	13,955	12,000
1999	12,000	110,000	1,152	93,304	24,348	5,500
2000	5,500	110,000	500	96,000	20,000	0
2001	0	103,000	1,000	83,000	21,000	0
Spain 1/						
1998	0	45,500	6,018	30,700	20,818	0
1999	0	42,200	7,800	24,000	22,800	3,500
2000	3,500	32,000	8,000	23,000	20,000	500
2001	500	35,200	7,000	24,000	18,700	0
United States 1/ 4/						
1998	91,373	229,476	24,581	27,025	229,620	125,964
1999	125,964	252,337	40,721	25,282	285,964	120,000
2000	NA	211,060	35,374	19,408	248,606	NA
2001	NA	NA	NA	NA	NA	NA
World Total						
1998	92,373	447,526	85,749	184,568	339,295	138,964
1999	138,964	472,557	98,347	186,161	406,231	130,000
2000	10,000	409,080	93,654	172,743	359,971	1,600
2001	1,600	196,300	59,600	142,900	114,600	0

1/ Marketing season is on a calendar year basis. 2/ Marketing season begins in October of first year shown.

3/ Marketing season begins in August of first year shown.

4/ 1999/2000 production is a 3 year historical average from ERS, Fruit and Tree Nut Situation and Outlook Report, October 2000.

Sources: U.S. Agricultural Attaches. USDA - NASS and ERS estimates.

U. S. Exports of Fresh Strawberries
Calendar Years 1997 - 2000 and 2000 - 2001 (January - September) Comparisons

Destination	1997	1998	1999	2000	Jan - Sep	
					2000	2001
Canada	39,881	36,322	43,975	48,486	45,600	40,868
Mexico	1,509	3,518	4,385	6,801	6,257	7,024
Japan	6,734	5,687	5,961	5,425	3,718	2,689
United Kingdom	2,853	2,249	1,263	614	613	215
France	376	453	467	219	199	48
Bahamas, The	0	0	0	0	0	45
United Arab Emirates	0	0	0	0	26	23
Spain	0	0	0	0	0	23
Argentina	0	0	0	0	0	18
Colombia	0	0	0	0	0	14
Other	1,199	1,366	702	383	341	72
Total	52,652	49,595	56,753	61,928	56,753	51,039

Source: U.S. Bureau of the Census.

U. S. Exports of Frozen Strawberries
Calendar Years 1997 - 2000 and 2000 - 2001 (January - September) Comparisons

Destination	1997	1998	1999	2000	Jan - Oct	
					2000	2001
Japan	13,804	15,331	14,637	9,832	6983	6709
Canada	5,402	8,512	8,446	7,796	6654	6114
Australia	647	1,474	1,392	944	723	831
France	228	323	201	220	220	718
Mexico	145	425	128	169	106	258
Saudi Arabia	0	0	120	124	67	173
Singapore	0	0	89	106	124	111
United Kingdom	0	37	85	43	38	35
Kuwait	0	11	60	38	0	27
Korea	953	71	36	33	0	21
Other	232	841	88	103	151	94
Total	21,411	27,025	25,282	19,408	15,066	15,091

Source: U.S. Bureau of the Census.

U. S. Imports of Fresh Strawberries
Calendar Years 1996 - 2000 and 2000 - 2001 (January - September) Comparisons

Destination	1997	1998	1999	2000	Jan - Sep	
					2000	2001
Mexico	13,744	25,358	42,201	33,117	32170	29,183
New Zealand	576	767	539	670	0	2
Canada	88	70	170	478	463	240
Australia	33	71	40	216	0	2
Argentina	7	28	30	54	9	0
Belgium-Luxembourg	0	45	6	38	0	0
Peru	0	0	6	0	0	0
Other	31	37	9	7	1	46
Total	14,479	26,376	43,001	34,580	32643	29,473

Source: U.S. Bureau of the Census.

U. S. Imports of Frozen Strawberries
Calendar Years 1996 - 2000 and 2000 - 2001 (January - September) Comparisons

Destination	1997	1998	1999	2000	Jan - Sep	
					2000	2001
Mexico	26,622	22,447	37,316	30,583	29,656	24,152
Ecuador	447	544	1,271	1,586	1,053	1,536
Canada	272	455	447	235	384	384
China; Peoples Rep.	88	530	690	169	169	578
Chile	189	58	207	838	789	954
Guatemala	38	509	214	0	0	0
Morocco	0	0	225	196	0	0
Argentina	0	0	140	419	0	0
Macedonia (Skopje)	0	20	75	0	0	0
Israel	0	0	21	0	0	0
Other	13	18	115	1,348	385	66
Total	27,669	24,581	40,721	35,374	33,484	38,851

Source: U.S. Bureau of the Census.