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Taiwan Tree Nuts Market Overview 2013

Report Categories:

Tree Nuts

Promotion Opportunities

Approved By:

Hoa Van Huynh

Prepared By:

Katherine Lee

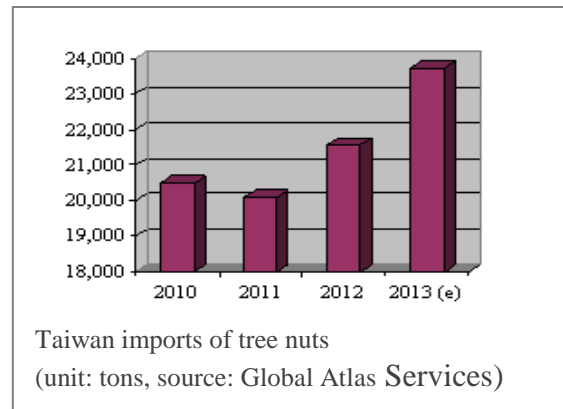
Report Highlights:

Taiwan imports of tree nuts jumped 14% to an all-time high of US\$103 million with 21,581 tons of volume in CY 2012. The increase is partly the result of higher prices but also reflects growing demand from the food processing sector, particularly for powdered drinks production. It is noted that as the supply of walnuts is unstable, the industry starts looking out for other nuts, which creates opportunities for a wide variety of tree nuts.

Executive Summary

Taiwan imports of tree nuts jumped 14% to an all-time high of US\$103 million with 21,581 tons of volume in CY 2012. The increase is partly the result of higher prices but also reflects growing demand from the food processing sector, particularly for powdered drinks production.

Since 2009, Taiwan's Department of Health (DOH) has been promoting the concept that eating tree nuts every day is healthy. Thus, the industry forges ahead introducing a wide variety of product offerings made with tree nuts in line with the DOH's promotional concept. As the market continues seeking new applications, recipes and product offerings, there is potential for U.S. exporters to develop marketing programs for these commodities.



Trade

The United States is the largest supplier for Taiwan's imports of tree nuts, holding 40% of market share. In 2012, the imports of tree nuts from the U.S. have increased by 19%, reaching 8,727 tons. The trade highly recognizes the consistent quality of U.S. tree nuts in perspectives of processing and preservation. Imports of U.S. tree nuts are forecast to reach 9,600 tons in CY 2013.

The leading supply sources of tree nuts are the U.S. and China. China accounts for 32% of market share in terms of volume; it is a key supplier for chestnuts. U.S. tree nuts hold 40% of market share, being the main supplier for almonds and walnuts.

Taiwan imports of tree nuts - Breakdowns of Suppliers
(unit: ton; source: Global Atlas Services)

Taiwan Import Statistics Commodity: 0802, 080132 Calendar Year: 2010 - 2012								
Rank	Partner Country	Unit	2010		2011		2012	
			Quantity	US Dollars	Quantity	US Dollars	Quantity	US Dollars
	World	T	20,504	79,526,286	20,090	90,592,624	21,581	103,765,208
1	United States	T	6,684	34,710,934	7,320	43,399,700	8,727	56,688,084
2	Vietnam	T	2,669	8,318,269	2,459	7,883,015	3,146	11,407,766
3	China	T	7,199	8,498,056	6,496	8,608,122	6,968	11,078,387
4	Iran	T	2,644	16,749,755	2,501	16,359,210	1,261	8,202,272
5	Australia	T	348	4,013,488	294	4,347,687	347	5,398,186

6	India	T	356	2,270,701	402	3,473,176	374	3,033,959
7	South Africa	T	67	447,787	97	896,132	187	2,177,220
8	Indonesia	T	432	2,350,742	379	2,867,579	350	2,162,315
9	Turkey	T	105	700,626	130	1,012,944	170	1,335,720
10	Kenya	T	0	0	12	194,495	51	728,964

Product awareness

According to ATO Taipei's field survey, the top four varieties first mentioned were cashews, almonds, walnuts and pistachios. Pecans and hazelnuts are least familiar. It is noted that in Chinese, the words for pecans and walnuts are incredibly similar and their Chinese names get mixed up very often.

As the supply for walnuts cannot meet the surging demand, such continuing phenomenon pushed the trade to look out for other potential substitutes and new product developments. The imports of macadamia nuts are therefore increased from a small base. This summer, one local food manufacturer also launched a new snack food product line featuring a variety of hazelnuts with different flavored coatings. It is foreseen that awareness of hazelnuts and macadamia nuts will be highly improved.

Taiwan imports of tree nuts—bulk
(unit: ton; source: Global Atlas Services)

Commodity	Unit	Description	Quantity			% Share	% Change
			2010	2011	2012	2012	2012/2011
080212	T	Almonds	5,520	5,668	7,204	32.7%	27.1%
080240	T	Chestnuts	5,257	4,741	3,909	17.8%	-17.5%
080232	T	Walnuts	2,196	2,291	2,935	13.3%	28.1%
080132	T	Cashews	2,302	2,212	2,559	11.6%	15.7%
0802904000	T	Lotus Seeds, Fresh Or Dried	1,416	1,433	2,088	9.5%	45.7%
080250	T	Pistachios	2,664	2,501	1,287	5.8%	-48.5%
080260	T	Macadamia Nuts	409	403	590	2.7%	46.4%
080222	T	Hazelnuts	117	134	173	0.8%	29.1%
0802905000	T	Pine Seeds, Fresh Or Dried	102	259	223	1.0%	-13.9%
0802901000	T	Ginkgo (White Nuts), Fresh Or Dried	195	158	163	0.7%	3.2%
0802902000	T	Pecans	124	92	94	0.4%	2.2%
0802909000	T	Others	758	710	788	3.6%	11.0%

Opportunities for U.S. exporters

1. Tap into the continuously growing baking industry:

- The baking industry in Taiwan keeps growing with launches of creative concoctions that are geared toward a more healthy diet culture. Taiwanese bakers like adopting new ingredients to develop creative recipes. Pecans and hazelnuts are considered new, which haven't been penetrated, and require more educational efforts by the industry. ATO Taipei suggests that U.S. exporters provide samples and educational materials for the importers. In addition, Taipei Bakery Association, Taipei Vocational Training Center, and China Grain Products Research and Development Institute have cultivated relationships with numerous bakers and are influential in

new product introduction. It will be effective to approach these organizations and host seminars to exchange ideas for product applications.

2. Engage brand makers in food processing industry to accelerate new product development process:



Powdered almond drinks with pocket-size packaging are rapidly growing with popularity in Taiwan.

- Tree nuts are mostly used for snacks and food ingredients. Through the push of brand makers, the consumer awareness of specific tree nut variety will speed up quickly, which creates ripple effects into foodservice and baking industry. In the past, cashews were the mainstream variety yet almonds have replaced them as the most popular tree nut due to the increased media coverage of its high amino acid content. The industry constantly looks for new ideas of healthy snack food products. The recent success is the healthy powdered tree nut drink that features multiple combinations of tree nuts with pocket-size packaging. With intensive TV commercial campaigns rolling on, consumers are receptive to the healthy appealing of having a cup of powdered tree nut drinks, especially in winter. These TV commercials launched by different brand makers all focus on the health benefits of tree nuts along with the rich nutty flavor and grainy texture of the drinks.