



Commodity Profile: Apricots

*by Henrich Brunke, Post Graduate Researcher
brunke@primal.ucdavis.edu
Crystel Stanford, Undergraduate Factotum
Agricultural Issues Center
University of California*

Overview

According to the California Apricot Council, apricots originated in China. Cuttings of this golden fruit made their way across the Persian Empire to the Mediterranean where they flourished. Spanish explorers are credited with introducing the apricot to the New World and specifically to California where apricots were planted in the gardens of Spanish missions. The first major production of apricots was recorded in 1792 in an area south of San Francisco. In 2002, more than 400 growers produced apricots from orchards covering 18,430 acres—primarily in the San Joaquin Valley and northern California (Figure 1). Over 94 percent of the apricots grown in the U.S. come from California; the remainder comes from Washington and Utah.

Apricots are a stone fruit and mature primarily in May and June, depending on the variety. Fruit is harvested just as the skin changes from green to yellow, as soft, ripe fruit is subject to bruising and rapid decay. Many different varieties grow in California, each with special characteristics. The most prevalent varieties are Patterson, Blenheim, Tilton, and Castlebrite. Growers continually experiment with new varieties that deliver sweet, juicy flavor and ship or process well.

Apricots are fat free, low in sodium, cholesterol free, high in vitamin A, and a good source of potassium. They are one of the best natural sources of vitamin A, especially when dried.

Sulfur dioxide usually is added to dried apricots to preserve their natural orange color. Apricots dried without sulfur are also available and are often the choice of organic-food retailers and extremely health-conscious consumers. They are darker in color and are naturally sweeter than those with added sulfur.

Demand

Total apricot consumption per capita has fluctuated considerably from 1981 to 2001 (Table 1; Figure 2). Consumption ranged from 1.6 pounds per capita (a level not seen since 1970) in 1994 before falling to 0.8 pounds per capita in 1996, the lowest level in over 20 years. Fresh apricot consumption has ranged between 0.1 and 0.2 of a pound per capita since at least 1970. In 2001, fresh consumption was 0.1 of a pound per capita. The largest growth sector in apricot consumption has been dried apricots. In 1981, per capita consumption was 0.3 of a pound after a

period of stagnant demand since at least 1970. By 2000 it was 0.8 of a pound, dropping to 0.7 of a pound in 2001. Canned consumption decreased during the same period.

Over 93 percent of U.S. apricot exports originated in California in 2002. The total 2002 U.S. export value of apricots (fresh, dried, and preserved) was \$18 million, up from \$8.7 million in 1989 (Table 2; Figure 3). In 2002, the export value of fresh apricots totaled \$8.6 million. The value of dried apricot exports was slightly less, with a value of \$7.6 million. In 2002, the United States exported only \$1.8 million in preserved apricots.

U.S. exports of fresh apricots have more than doubled since the beginning of the Canadian-U.S. Free Trade Agreement. In 1989, U.S. exports were valued at \$3.4 million; by 1993 that number had increased to \$6.7 million. U.S. fresh apricot exports peaked in 1999 at \$9 million, then fell to \$6.7 million in 2000. In 2002, U.S. exports recovered to \$8.6 million. Sixty-four percent of the fresh apricot exports in 2002 went to Canada, and 32.9 percent to Mexico. Together, the two NAFTA partners accounted for 97 percent of the export market for U.S. fresh apricots in 2002. In 1989, they accounted for only 76 percent of the market.

U.S. shipments of dried apricots show a similar trend. Exports increased from \$3.9 million in 1989 to \$8 million in 2002. Spain received \$2.6 million in dried apricots in 2002, becoming the largest export destination for dried apricots in only its second year of receiving any shipments from the United States. One-fourth of the dried apricot exports, valued at \$1.9 million, went to Asian markets (mostly Japan) in 2002.

Canadian imports of fresh apricots from the United States have shown an upward trend. Valued at \$1.7 million in 1989, U.S. shipments to Canada almost doubled in 1990 to \$3.1 million. In 1993, the value of exports rose to \$4.1 million, followed with slightly lower values over the next three years. Canadian fresh apricot imports from the United States peaked in 2002 at \$5.5 million. U.S. dried apricots were not an important export commodity to Canada. In 2002 they were valued at \$374,974.

U.S. exports to Mexico increased more than 130 percent from 1993 to 2002. During the first year of NAFTA, fresh apricot exports to Mexico doubled to a value of \$2.6 million. By 1996 they had fallen to \$145,000, primarily as a result of the Mexican financial crisis. Fresh apricot exports to Mexico have increased since 1996 and reached \$2.8 million in 2002. Shipments of dried apricots to Mexico are not significant. In 2002, the United States exported \$503,000 worth of dried apricots to Mexico, twice the 1993 level.

Japan is the third most important export destination for U.S. apricots, but mainly imports the dried fruit. The value of U.S. dried apricot shipments to Japan in 2002 was \$1.72 million, up from \$1.6 million in 1989.

Tariff rates and policy changes resulting from NAFTA

The United States charges a tariff of \$0.002 per kilogram on imported apricots from countries with which it maintains normal trade relations. The tariff for dried apricot imports from such countries is 1.8 cents per kilogram. Trading partners that do not enjoy the normal trade relation status face tariffs of 1.1 cents per kilogram for fresh and 4.4 cents per kilogram for dried apricots.

U.S. apricot trade occurs primarily in North America and has been influenced by policy changes under NAFTA. Before the Canadian-U.S. Free Trade Agreement in 1989, Canada imposed a season-specific tariff of either \$0.0331 per kg or \$0.0551 per kilogram on imports from the United States. Both tariffs were reduced over the period 1989-1998 and were phased out in 1998. Canada had no tariff on dried apricots.

Prior to NAFTA, Mexico imposed a tariff of 20 percent on shipments of fresh and dried apricots from the United States. Under NAFTA, the tariff was reduced to zero in 1998.

In 1989, the tariff on fresh apricot shipments into the United States was \$0.004 per kilogram. Under CUSTA, the U.S. tariff was subject to the 10-year reduction schedule and reached zero in 1998. The U.S. tariff for shipments from Mexico was \$0.004 per kilogram in 1993, but was eliminated immediately under NAFTA. Dried apricots have a higher per-unit tariff level than the fresh fruit. The tariff on dried apricots is \$0.018 per kilogram for countries outside North America while the NAFTA partners no longer face tariffs when trading among themselves. The U.S. tariff of \$0.022 per kilogram for dried apricots was eliminated in 1989 for Canada and in 1994 for Mexico.

Supply

The U.S. produced 90,040 tons of apricots valued at \$28.5 million in 2002. Some 18,290 tons were marketed as fresh apricots and 61,740 tons were processed. On average, fresh apricots received \$678 per ton, while processed apricots received \$268 per ton. In all, fresh apricots generated \$12.4 million and processed (dried or otherwise prepared) apricots \$16.1 million.

California comprised 94.4 percent of U.S. apricot production in 2002 and produced 85,000 tons of apricots on 17,000 acres (National Agricultural Statistical Service, USDA), down from 2000 when California produced 90,000 tons of apricots on approximately 19,000 acres (Figure 1). In California, half of the 61,000 tons of processed apricots were canned. The remaining 30,500 tons were utilized as juice, frozen, or dried. Washington contributed about 5.44 percent of the U.S. apricot production in 2002, and a small amount was produced in Utah.

The inflation-adjusted price for fresh apricots (1996 dollars) generally increased from 1992 until 1995, when it peaked at \$464.80 per ton. Prices dropped to \$322.61 per ton in both 2001 and 2002. The overall price for all apricots (fresh, dried, and processed) showed more variation (Figure 4), beginning at \$645.69 in 1992, peaking at \$1,170 in 1996, and dropping to a low of \$536.07 in 2000. In 2002, the overall price for apricots was \$612.69 per ton.

The United States imported over \$35.3 million in fresh, dried and preserved apricots in 2002 (Figure 5). Over 81 percent of the imported apricots originated in Turkey. Chile was the second largest supplier with \$3.3 million of the U.S. imports.

In 2002, 68 percent of the fresh apricot shipments to the United States originated in Chile and 31.5 percent originated in New Zealand. U.S. imports of fresh apricots from Canada and Mexico were insignificant. U.S. imports of fresh apricots in 2002 totaled \$4.8 million, up 100 percent from pre-NAFTA times.

Most dried apricot imports were from Turkey (96.6 percent) and Argentina (1.94 percent). Dried apricot imports from Mexico and Canada were insignificant. U.S. imports of dried apricots totaled almost \$29.6 million in 2002, up slightly from a decade ago.

Sources

United States Customs Service: Trade Data on Website of United States International Trade Commission. Available at: <http://dataweb.usitc.gov/>

United States Department of Agriculture, Economic Research Service. Food Consumption (per capita) Data System. Available at: <http://www.ers.usda.gov/data/foodconsumption/datasystem.asp>

United States Department of Agriculture, Economic Research Service. Fruit and Tree Nuts Outlook and Yearbook. Available at: <http://www.ers.usda.gov/publications/fts/>

United States Department of Agriculture, Foreign Agricultural Service. Attaché Reports. Available at: <http://www.fas.usda.gov/scriptsw/attacherep/default.asp>

United States Department of Agriculture, National Agricultural Statistical Service. Commodity Reports. Available at: <http://www.usda.gov/nass/pubs/estindx.htm>

United States International Trade Commission. The Harmonized Tariff Schedule of the United States (2002). Available at: <http://dataweb.usitc.gov/scripts/tariff/TOC.HTML>

Tables and figures

Table 1: U.S. Retail Consumption Per Capita, 1970-2001, in pounds

Year	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980
Total	1.6	1.4	1.3	1.5	0.9	1.4	1.3	1.3	1.1	1.1	1.0
Processed	1.5	1.2	1.2	1.4	0.8	1.3	1.2	1.2	1.0	1.1	0.9
Dried	0.3	0.2	0.2	0.3	0.2	0.3	0.3	0.3	0.2	0.3	0.2
Year	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Total	0.9	1.1	1.1	1.2	1.0	0.9	0.9	1.0	1.3	1.1	1.0
Processed	0.8	1.0	1.0	1.1	0.8	0.8	0.8	0.9	1.2	1.0	0.8
Dried	0.3	0.4	0.5	0.5	0.2	0.4	0.3	0.4	0.6	0.4	0.5
Year	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	
Total	1.2	1.1	1.6	1.0	0.8	1.2	1.2	1.0	1.2	1.1	
Processed	1.0	0.9	1.4	0.9	0.7	1.0	1.0	0.8	1.1	1.1	
Dried	0.5	0.5	0.8	0.7	0.5	0.6	0.7	0.5	0.8	0.7	

(Source: USDA Economic Research Service)

Table 2: U.S. Exports of Fresh and Dried Apricots, in million \$, 1989-2002

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Fresh	3.4	4.9	5.4	6.0	6.7	7.8	6.0	4.2	7.4	7.2	9.0	6.7	8.1	8.6
Dried	3.9	3.6	4.8	5.4	5.1	4.1	5.4	4.5	4.0	3.3	6.1	6.1	7.1	7.6
Processed	1.3	1.3	2.0	2.2	1.1	1.1	1.6	1.5	1.3	1.2	1.0	1.7	1.0	1.8
Total	8.7	9.8	12.2	13.6	12.9	13.1	12.9	10.1	12.7	11.7	16.1	14.5	16.2	18.0

(Source: U.S. Customs Service)

Figure 1: Bearing Acreage of Apricots, 1992-2002
 (Source: National Agricultural Statistical Service)

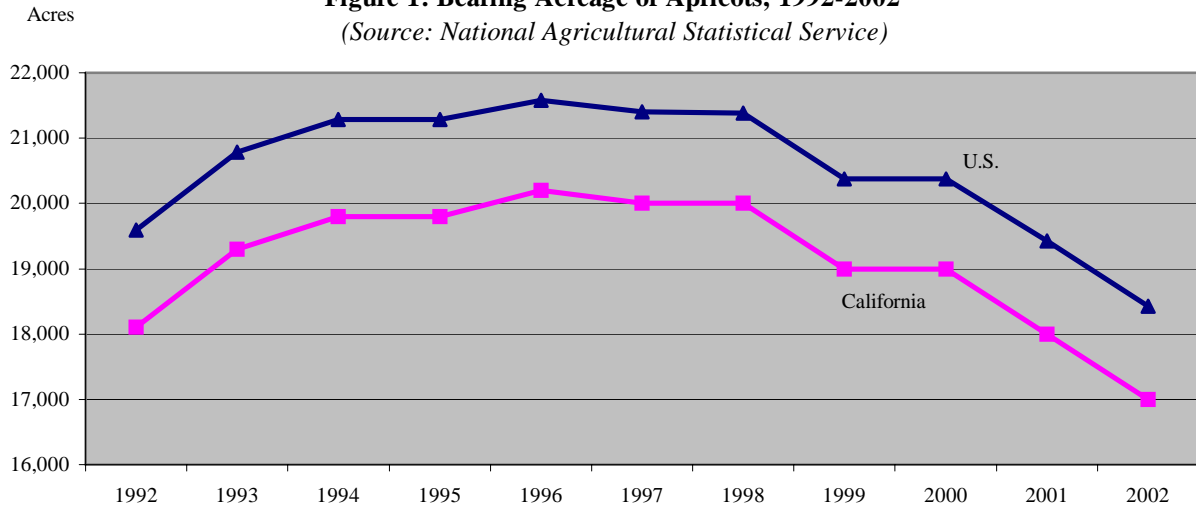


Figure 2: U.S. Per Capita Apricot Consumption, 1970-2001
 (Source: USDA Economic Research Service)

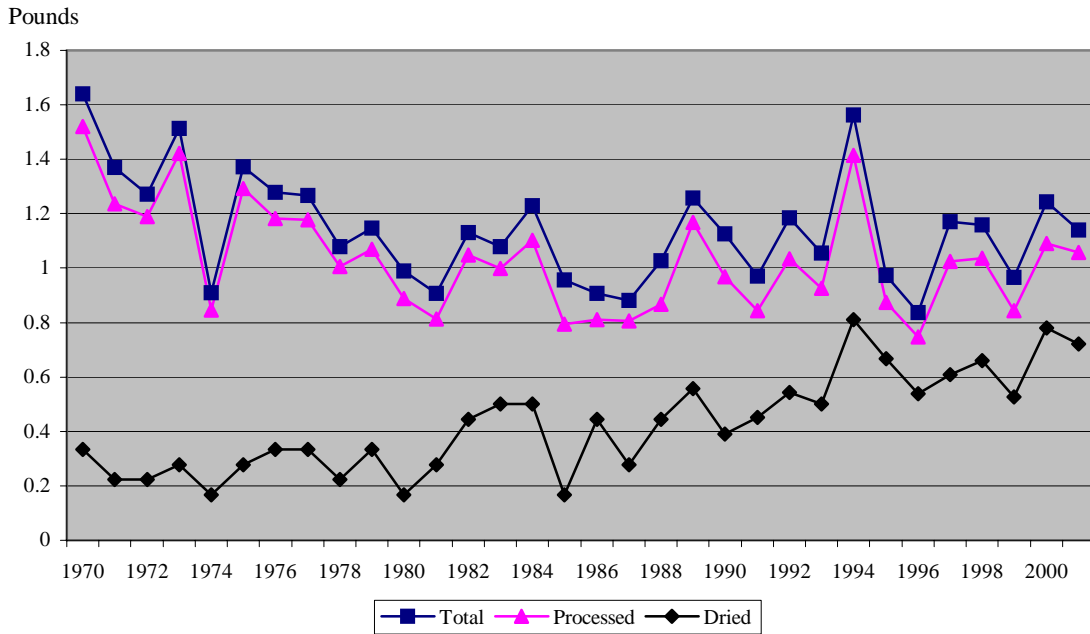


Figure 3: U.S. Apricot Exports, 1989-2002

(Source: U.S. Customs Service)

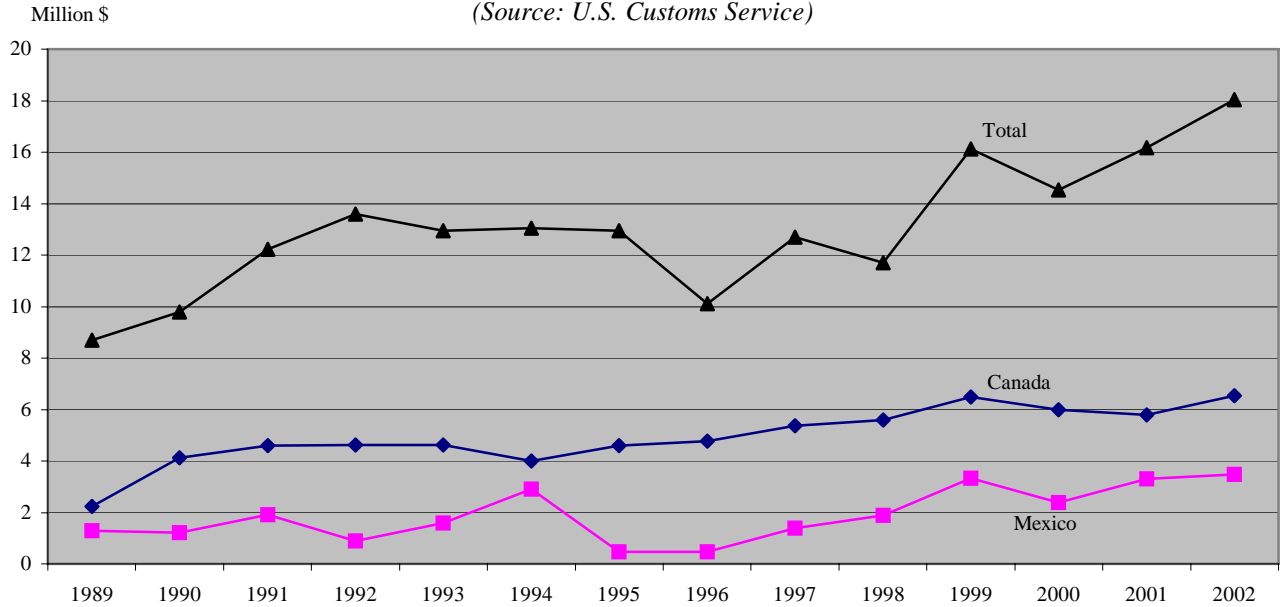


Figure 4: U.S. Apricot Prices, in 1996 dollars

(Source: National Agricultural Statistics Service)

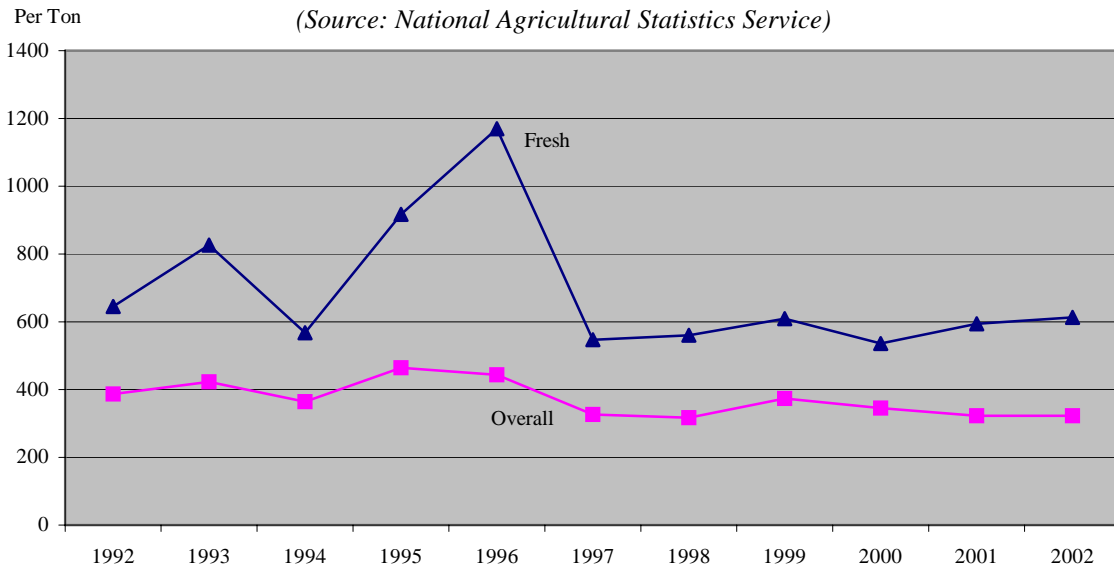


Figure 5: U.S. Apricot Imports, 1989-2002
(Source U.S. Customs Service)

