



US Fresh Produce Industry Outlook

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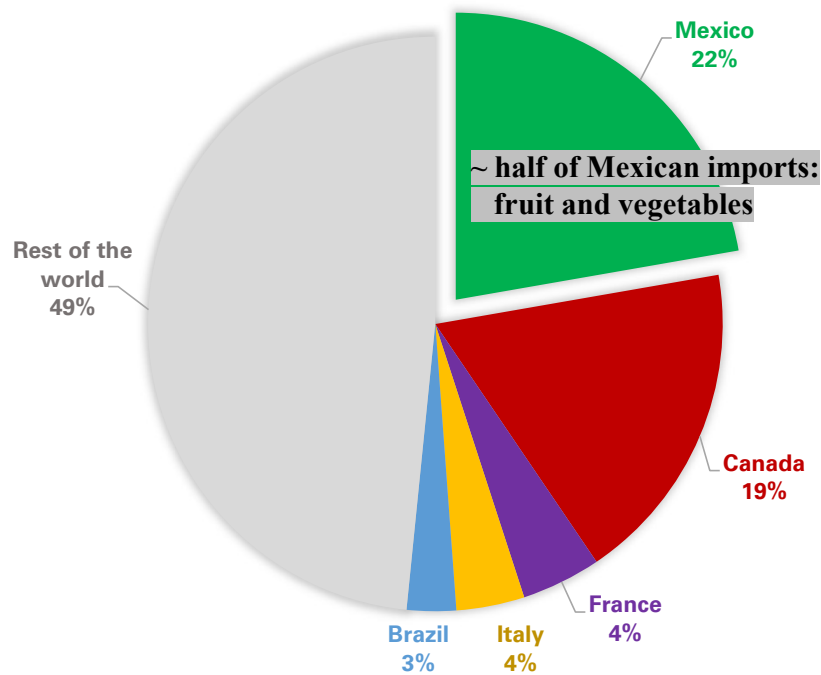
Mar 2, 2023

Outline

- Overview of US Ag trade
- US-Mexico ag trade
- Fruit and Vegetables Outlook
- Discussion: Structural shift and implications

US ag import and export: origins and destinations

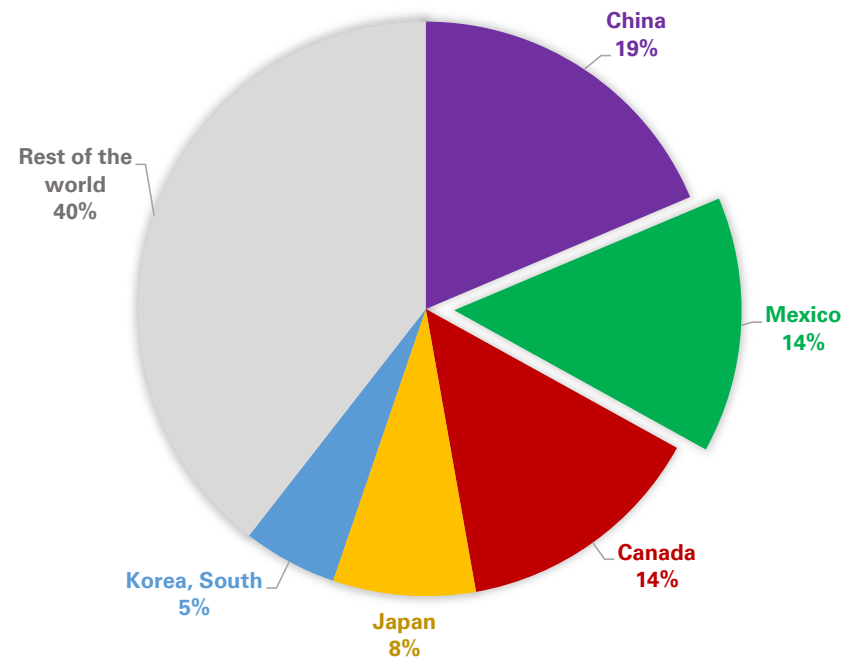
2022 TOP 5 IMPORT ORIGINS



Total Ag. Imports: \$199 B

Source: USDA FAS (2023)

2022 TOP 5 EXPORT DESTINATIONS



Total Ag. Exports: \$196 B

2019 Total Ag trade in Billion USD

	Export	Import	Export – Import
US total	141	142	-1
US-Mexico	19	30	-11
US-Canada	22	24	-2
US-China	14	4	10

Source: USDA FAS (2023)

2022 Total Ag trade in Billion USD

	Export	Import	Export – Import
US total	196	199	-3
US-Mexico	28	43	-15
US-Canada	28	37	-9
US-China	38	5	33

Source: USDA FAS (2023)

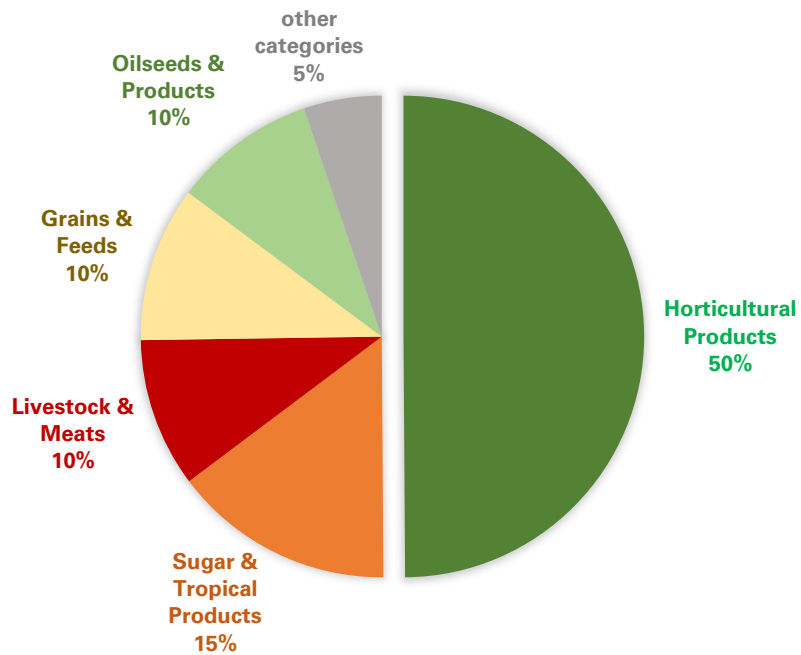
US Ag trade Surplus



Source: USDA FAS (2023)

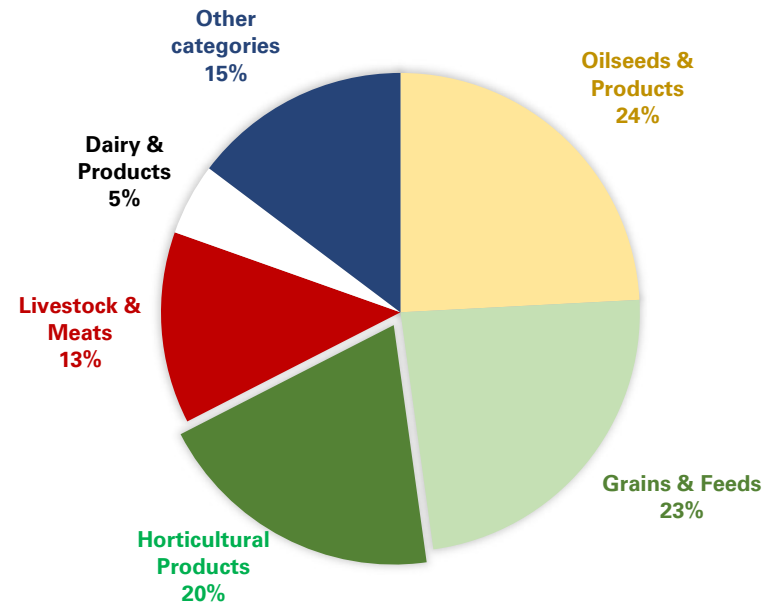
US ag import and export: by category

2022 US TOTAL AG. IMPORTS



Total Ag. Imports: \$199 B

2022 US TOTAL AG. EXPORTS

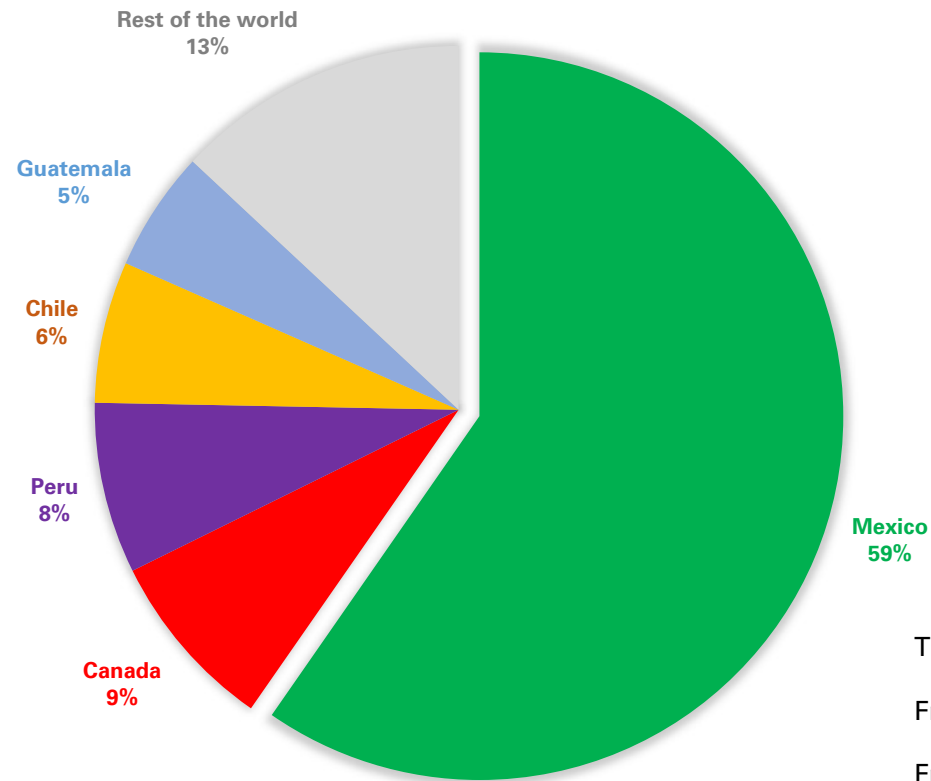


Total Ag. Exports: \$196 B

Source: USDA FAS (2023)

U.S. fresh fruit and vegetable import origins in 2022

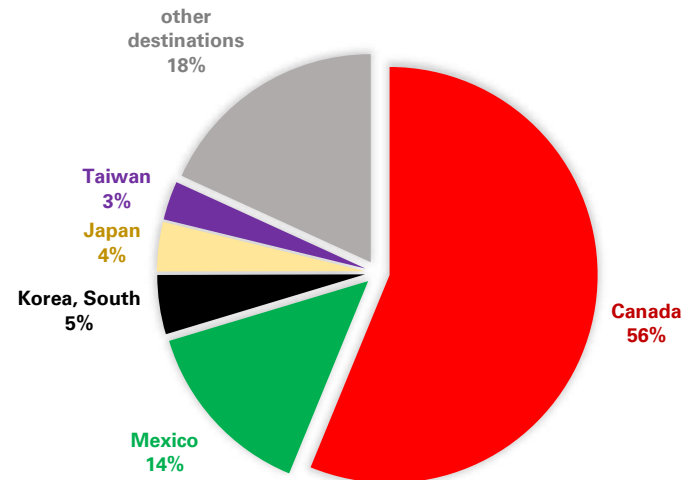
TOP 5 US FRESH FRUITS AND VEGETABLE IMPORT ORIGINS



Source: USDA FAS (2023)

U.S. fresh fruit and vegetable export destinations in 2022

TOP 5 US FRESH FRUITS AND VEGETABLE EXPORT DESTINATIONS



Total exports F&V : **\$6,611** million

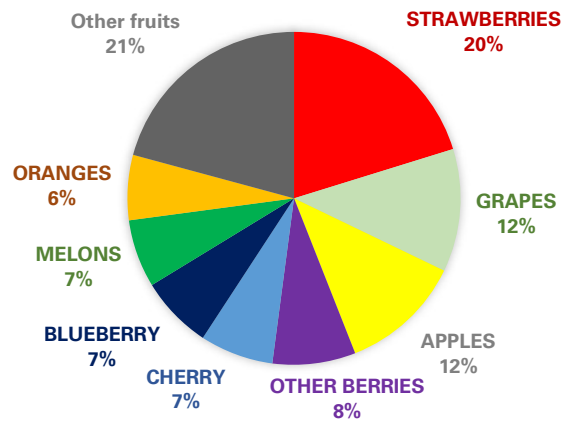
Fresh fruits exports: **\$4,108** million

Fresh Veg Exc. Potato exports: **\$2,503** million

Source: USDA FAS (2023)

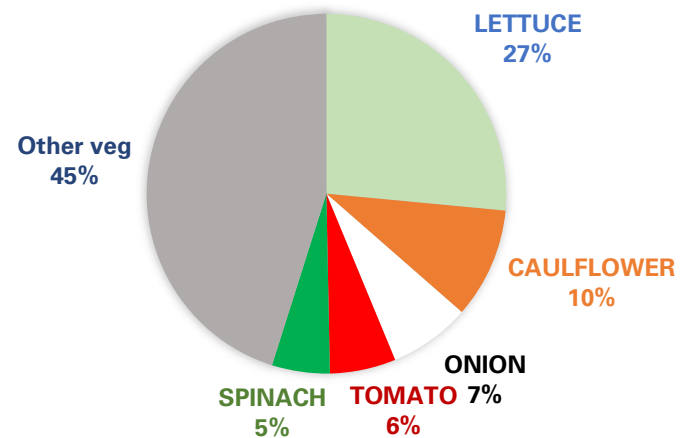
Major fresh produce exports to Canada

FRESH FRUITS EXPORTED TO CANADA 2022



Fresh fruits exported to Canada
Valued **\$1,711 million**

FRESH VEGETABLES EXPORTED TO CANADA 2022

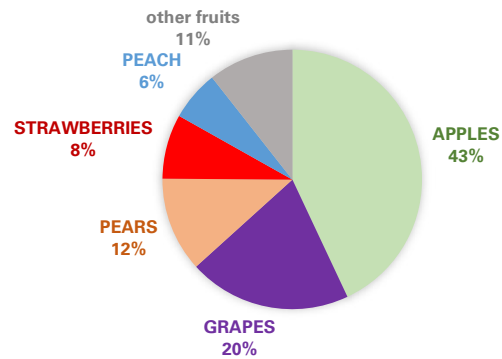


Fresh vegetables (Exc. Potato) exported
to Canada: **\$2,004 million**

Source: USDA FAS (2023)

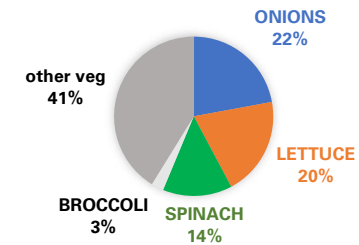
Major fresh produce exports to Mexico

FRESH FRUITS EXPORTED TO MEXICO 2022



Fresh fruits exported to Mexico
Valued **\$735 million**

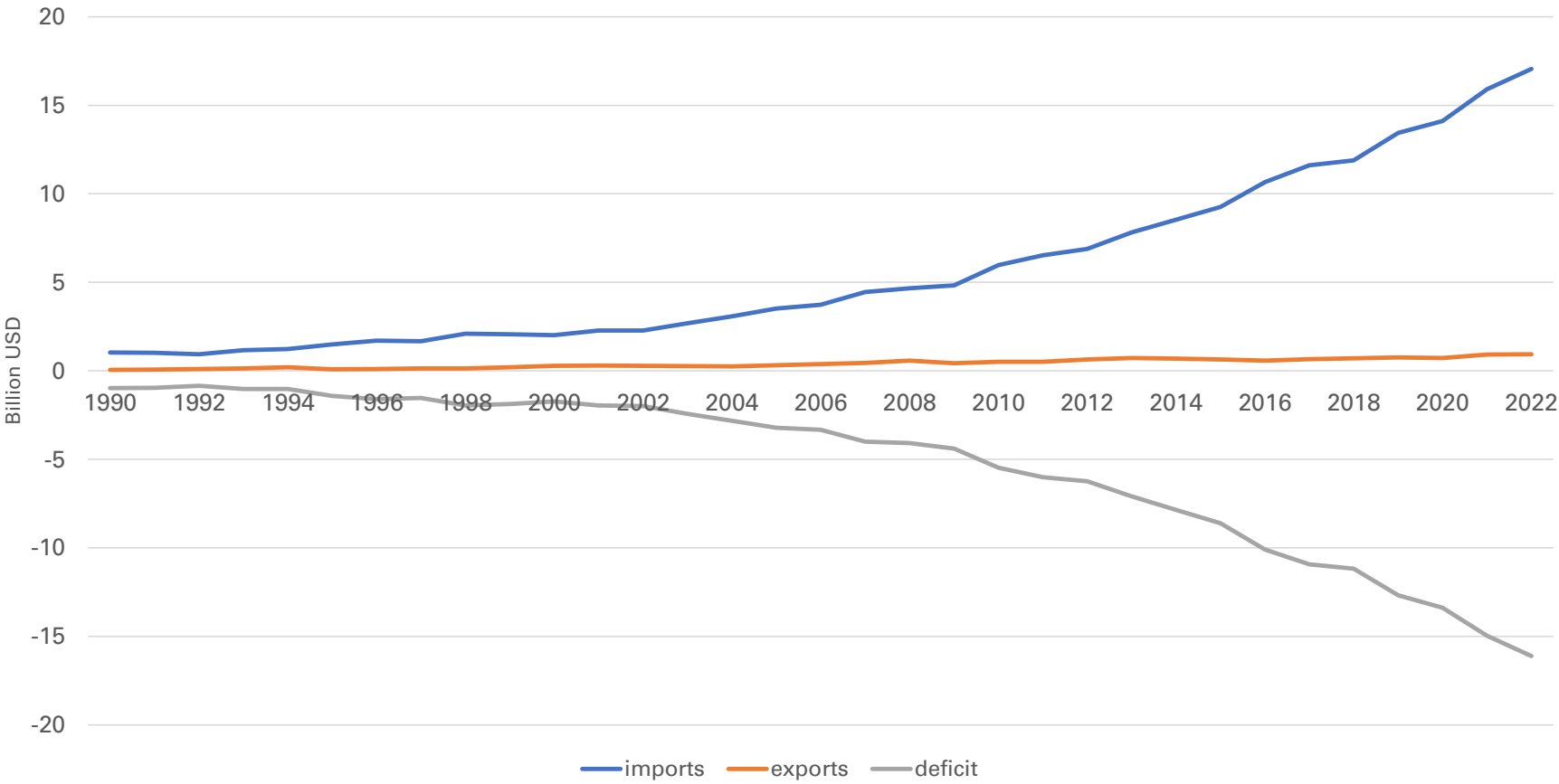
FRESH VEGETABLES EXPORTED TO MEXICO 2022



Fresh vegetables (Exc. Potato) exported
to Mexico: **\$199 million**

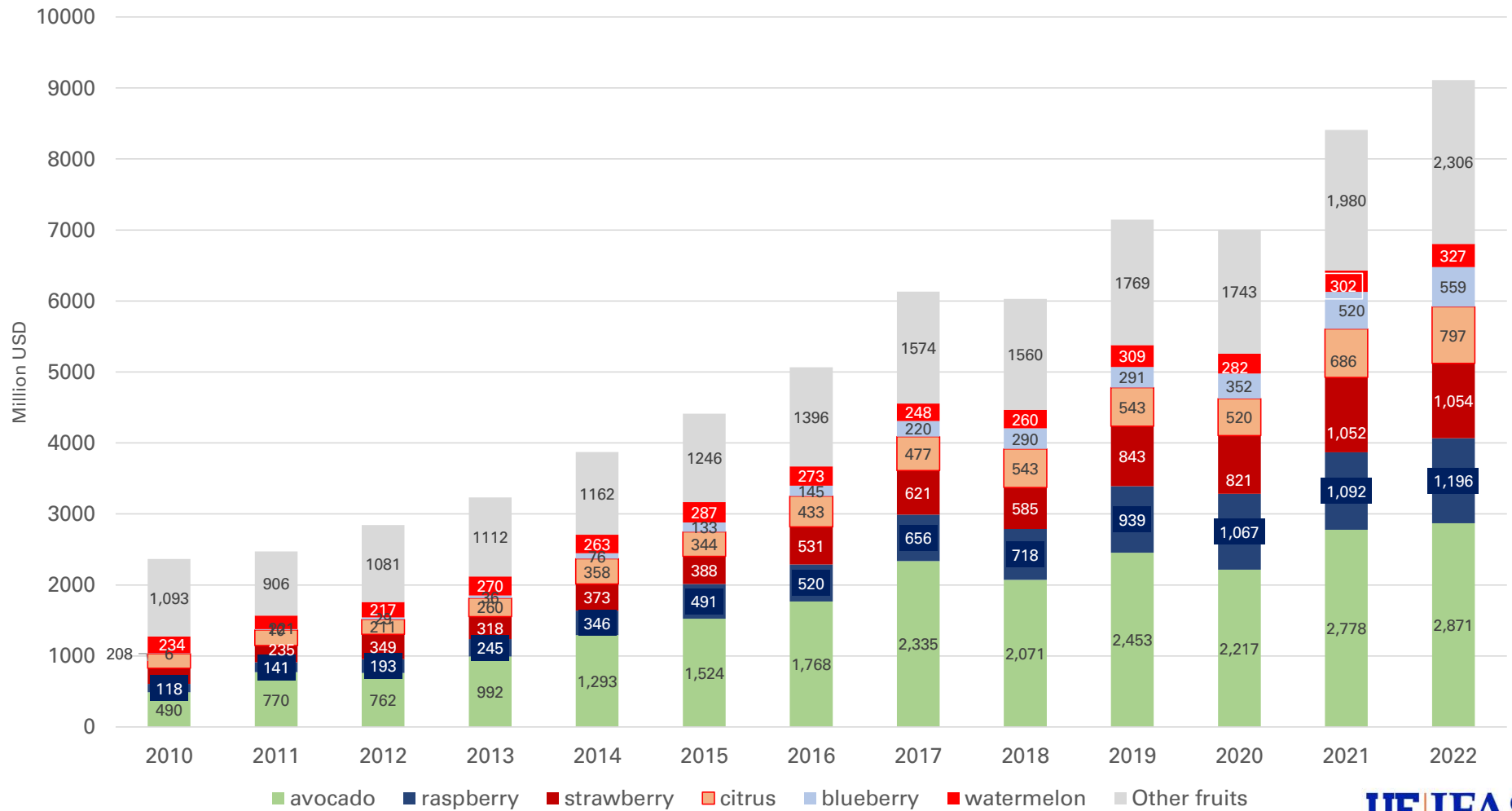
Source: USDA FAS (2023)

U.S. fresh fruit and vegetable trade with Mexico



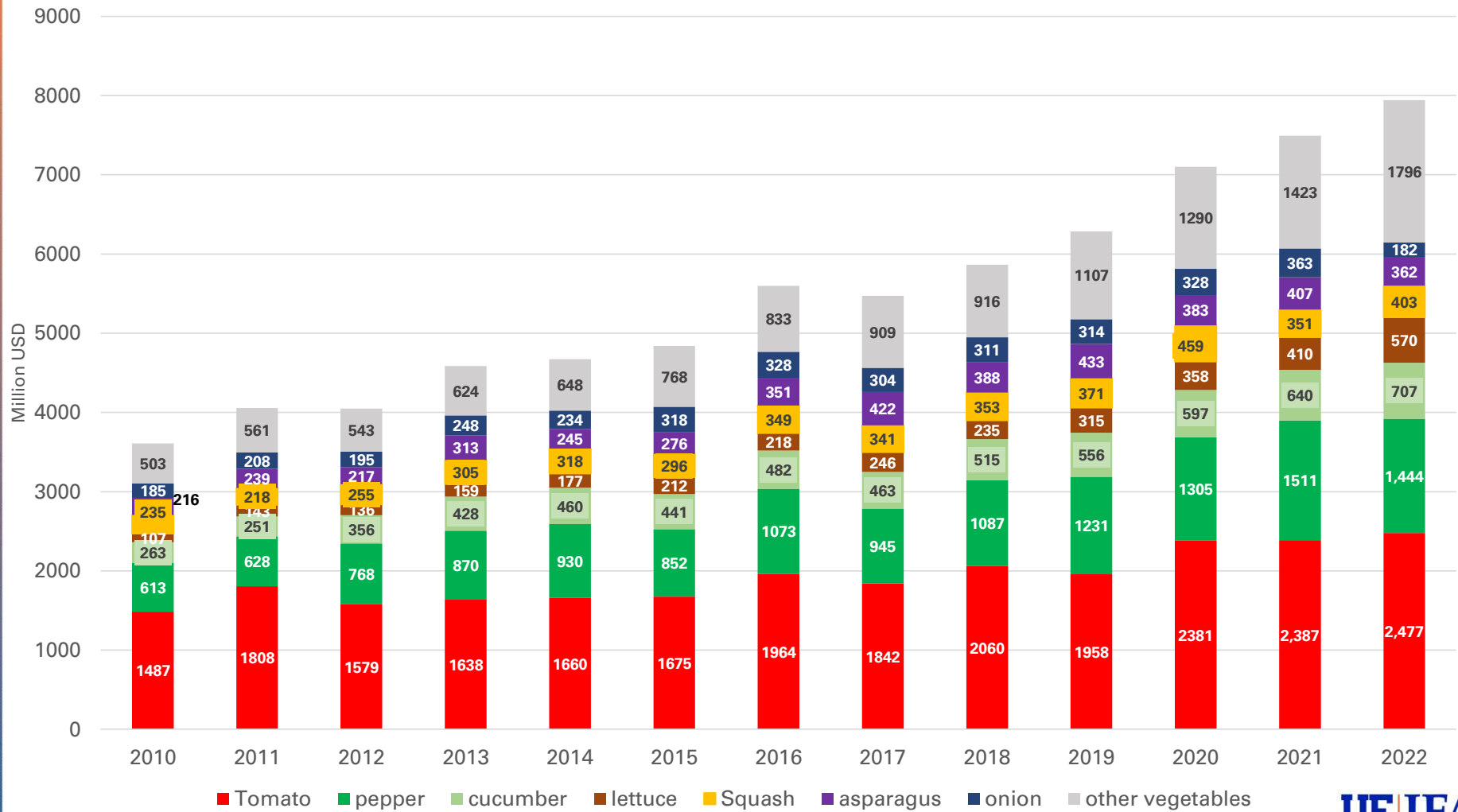
Source: USDA FAS (2023)

Value of major fresh fruit imports from Mexico



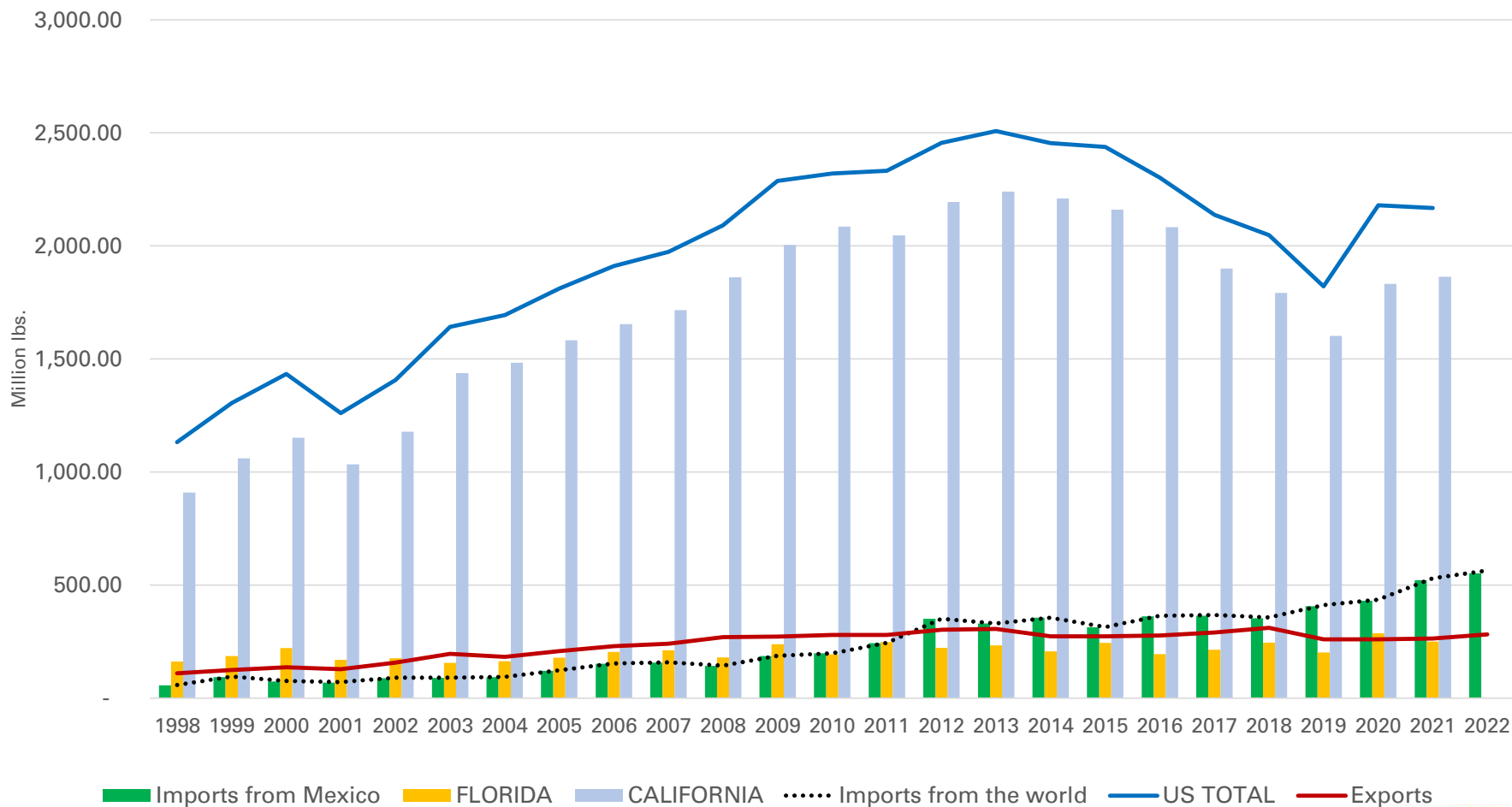
Source: USDA FAS (2023)

Value of major fresh vegetable imports from Mexico



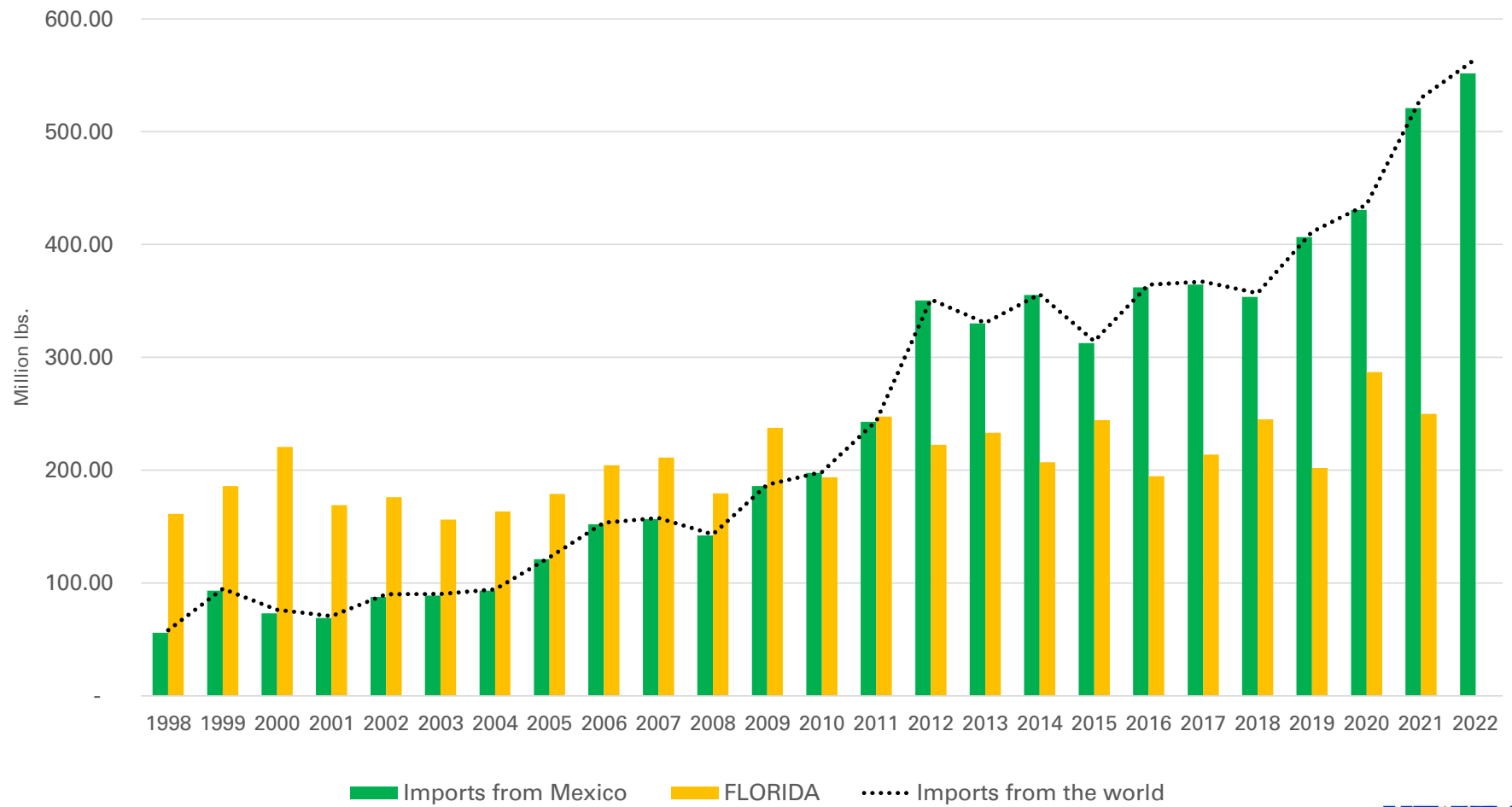
Source: USDA FAS (2023)

Strawberries



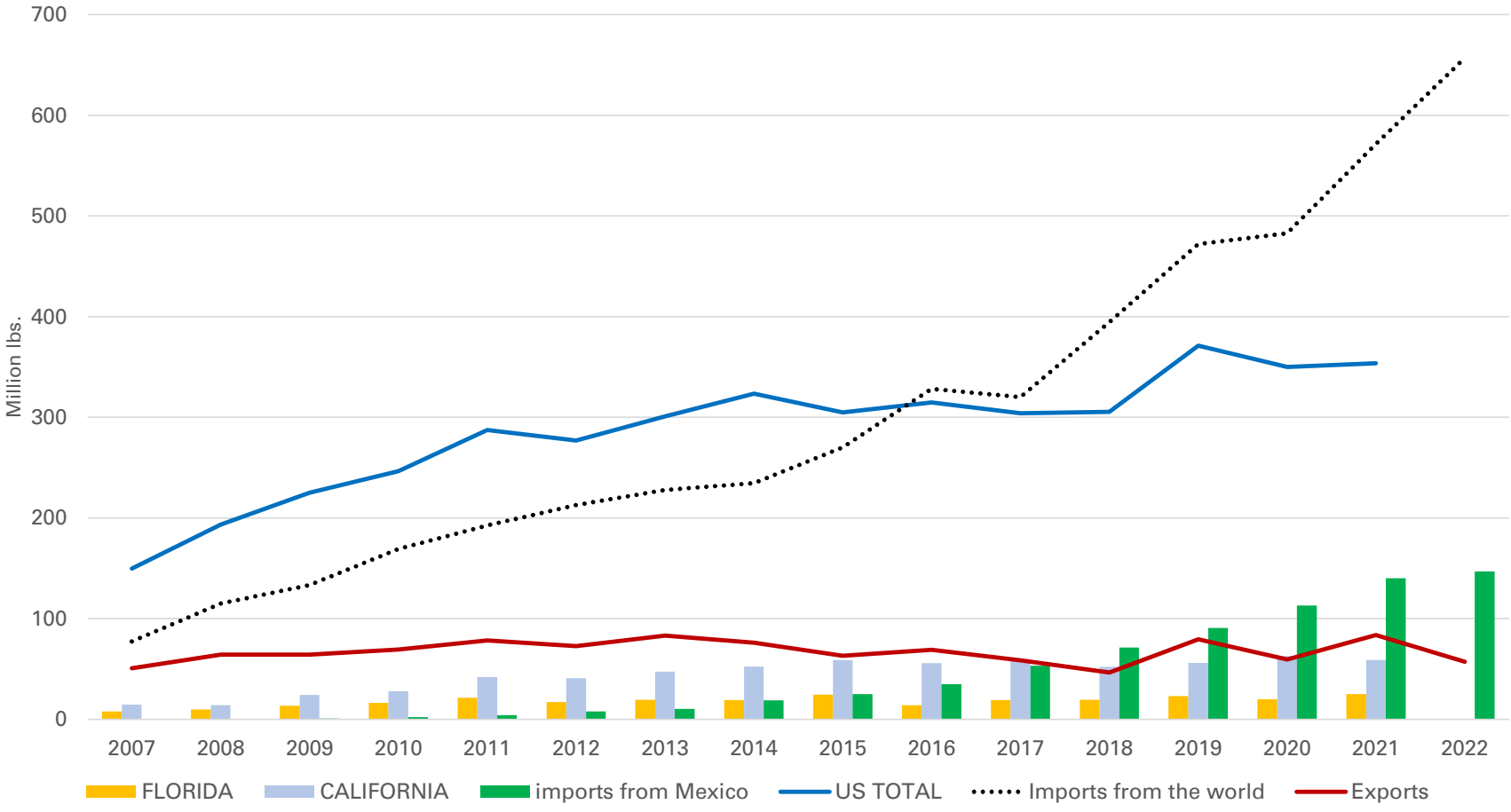
Source: USDA FAS (2023); USDA NASS (2023)

Strawberries



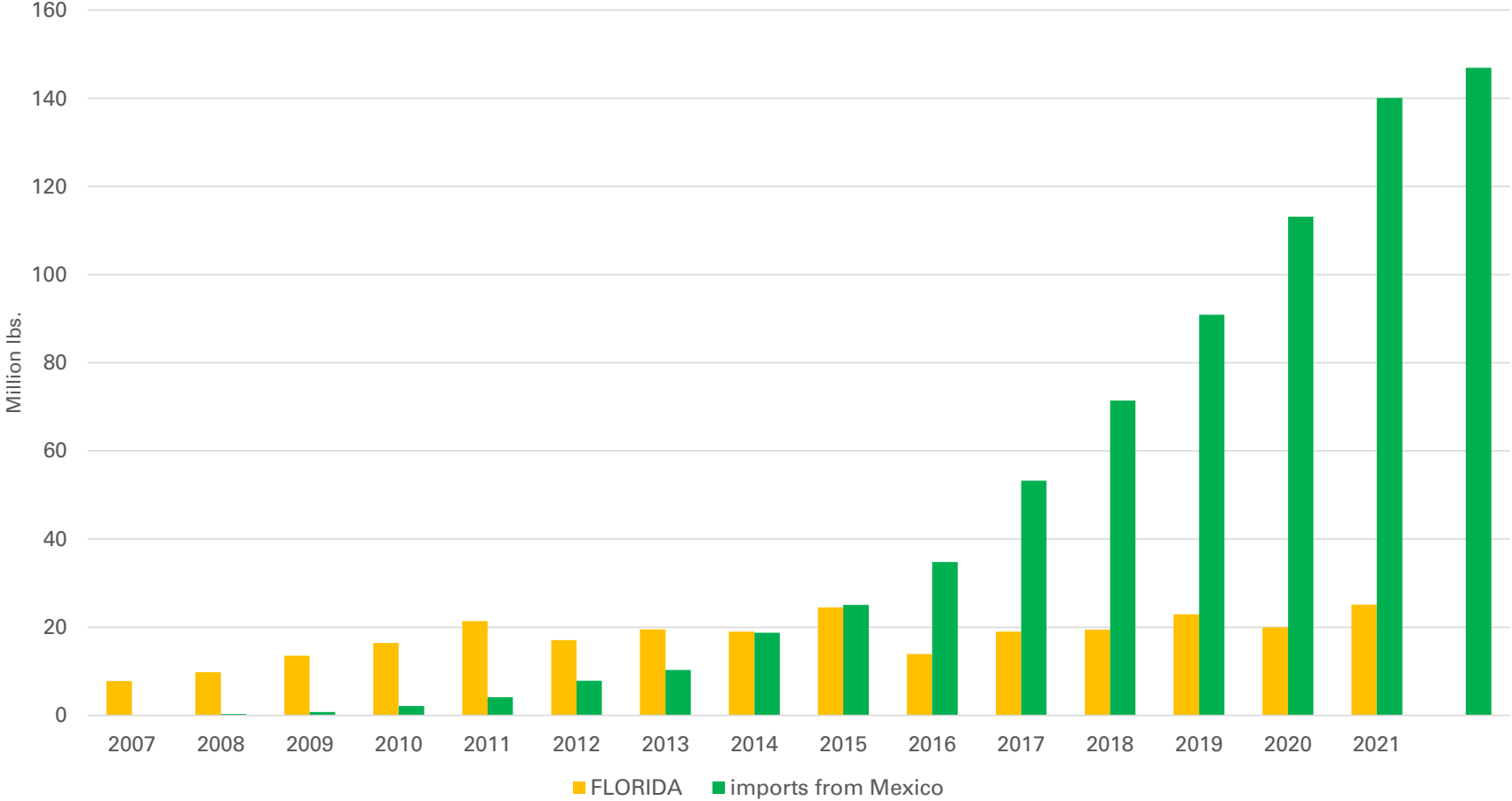
Source: USDA FAS (2023); USDA NASS (2023)

Blueberries



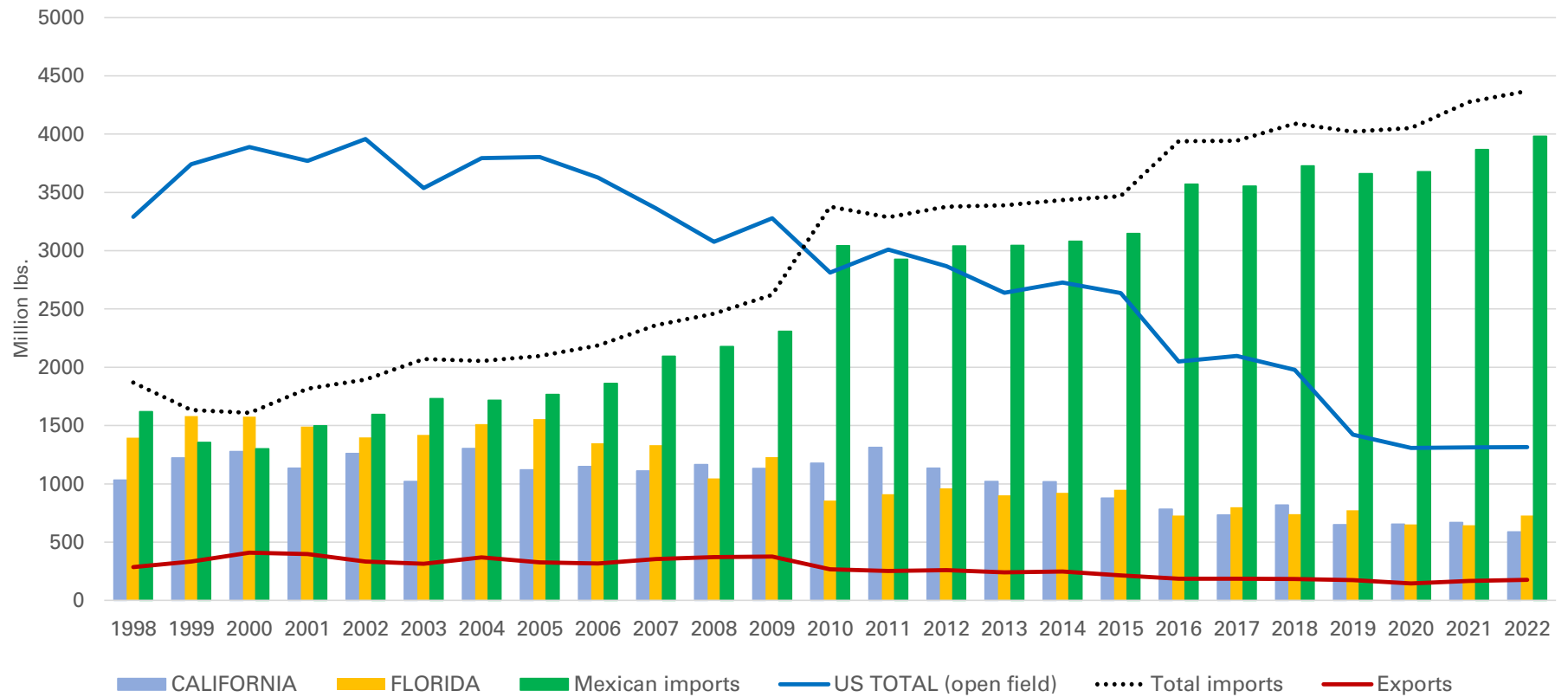
Source: USDA FAS (2023); USDA NASS (2023)

Blueberries



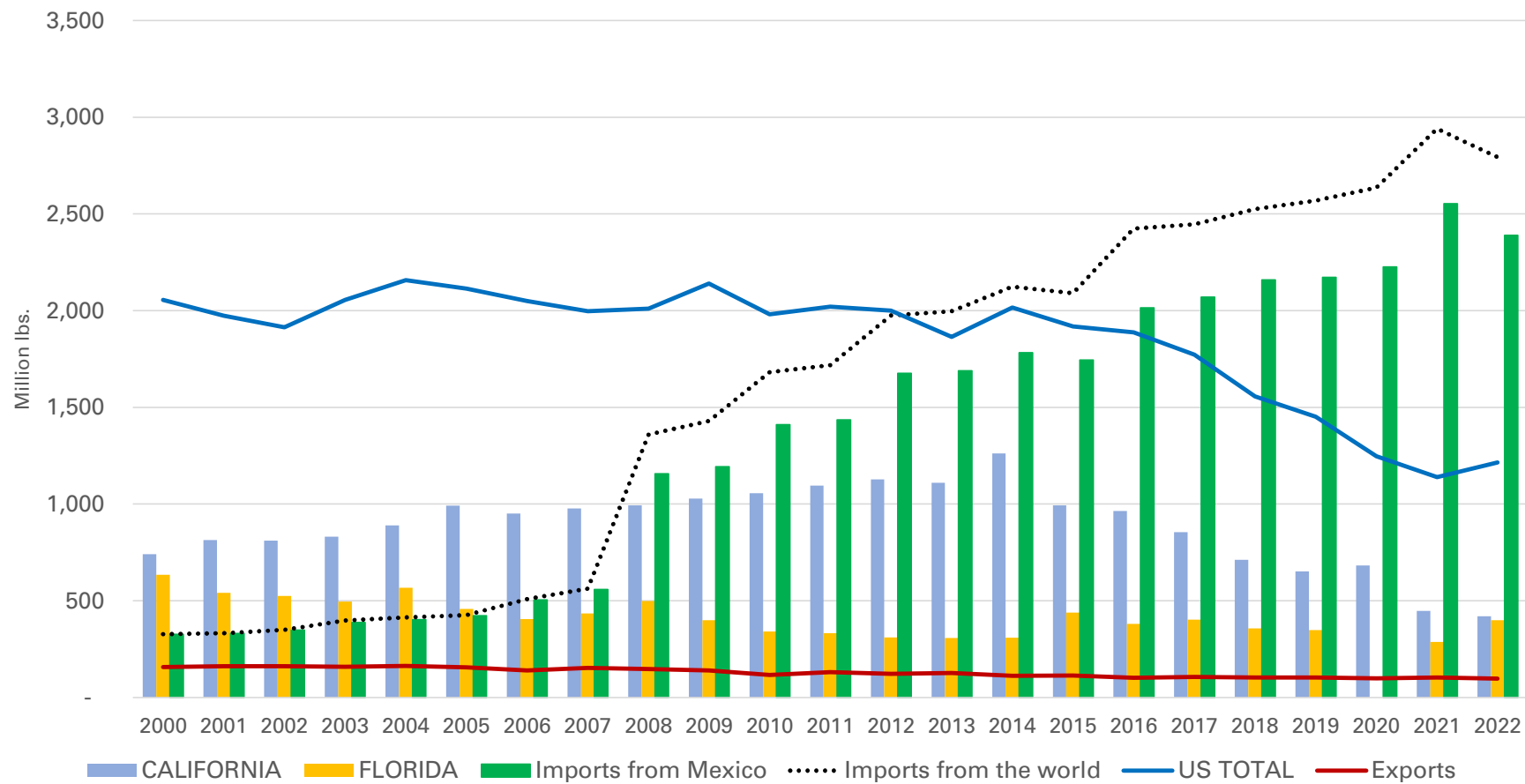
Source: USDA FAS (2023); USDA NASS (2023)

Fresh tomatoes



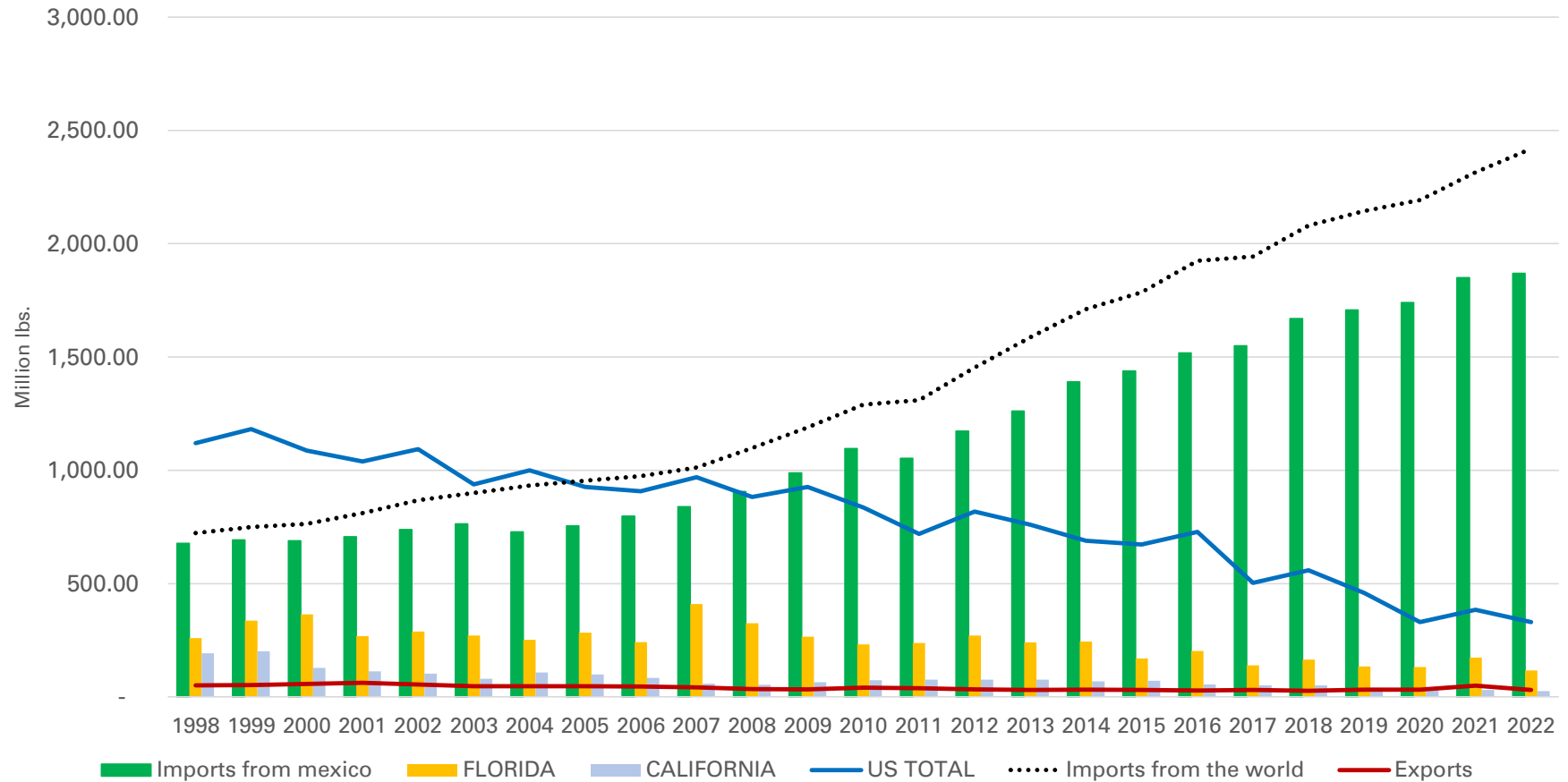
Source: USDA FAS (2023); USDA NASS (2023)

Peppers



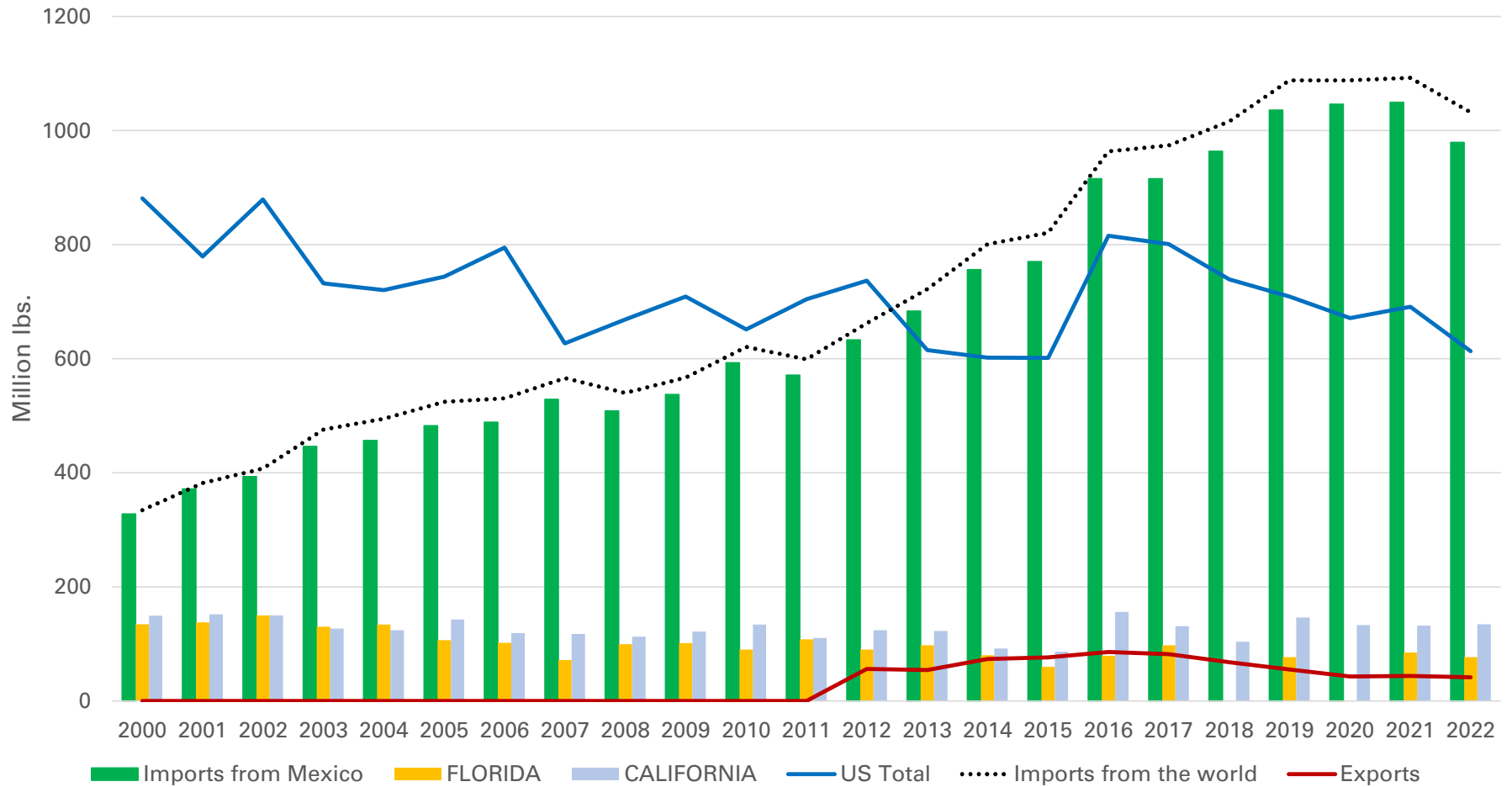
Source: USDA FAS (2022); USDA NASS (2023)

Cucumbers



Source: USDA FAS (2022); USDA NASS (2023)

Squash



Source: USDA FAS (2022); USDA NASS (2023)

Factors driving import growth

- NAFTA/USMCA
- Government support in Mexico
- Labor challenges...

Industry sustainability

- Loss of businesses and jobs
- **LOSS of FARMLAND**
- Impact on Environment: Loss of ecosystem services and open space...

LOSS of FARMLAND

Free Trade → Specialization → Give up on non-competitive industries → growers out of business

→ Urbanization pressure: Land turned into neighborhoods...

→ **Irreversible**

BUT:

- Agriculture is **different, special**
- Non-market values:
 - Strategic sector for **food security**
 - **Family** businesses for generations: Identity
 - **Ecosystem/env. services**
 - ...



Policy and Tech Solutions

- Immigration reform...
- Incentives for R&D and **Innovation**: Mechanization and AI

To Summarize:

- **Structural shift** in the US fresh produce market
- Industry trending down, and trend expected to continue
- Policy solution → Farm Bill (innovation & risk managment prgms), Immigration reform...
- Tech solution: Mechanization/automation, the future of the industry



Thank You!

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