



ATTACHE QUERY DETAIL

CLASSIFICATION: Unclassified, Not Official USDA Data

AGR Number: TW6053

From: American Institute in Taiwan - Taipei
To: USDA/FAS Washington D.C.
Country: TW
Year: 1996
Report Code: 24 Post Report Sequence Number: 002

Report Title: Agricultural Situation
Report Type: V - Voluntary Report
Report Subject: Garlic Market on Taiwan
Approved By: Debra D. Henke
Drafted By: Rosemary Kao

Security Classification: Unclassified, Not Official USDA Data

Date Due (MM/DD/YY): 12/18/96

Report Code: TW9624V AGR Number: TW6053 Page: 1
Agricultural Situation

Garlic prices on Taiwan fluctuate greatly depending on domestic production as garlic imports are controlled by the Council of Agriculture (COA) and generally not allowed. Garlic is considered more speculative than other crops. The agricultural authorities at the Council of Agriculture (COA) sometimes allow imports of garlic bulbs, under quota, to supplement when the domestic crop is in short supply.

In 1995, COA, which bowed to pressure from the garlic farmers and middlemen, did not import the amount of garlic which had been announced as the full quota necessary to meet local demand. Wholesale prices of garlic bulbs skyrocketed to NTD200/kg (USD7.5/kg) in the latter half year of 1995. Garlic farmers, encouraged by the good prices, grew more garlic in 1996. In May 1996, the Taiwan Provincial Farmers' Association, instructed by the Taiwan agricultural authorities, purchased 4,833 mt of garlic at NTD44/kg, with the intention to reduce the local supply of garlic. However, garlic prices continued to decline and plummeted to NTD10/kg in November 1996.

Garlic is usually planted in September and harvested in April or May. Bulbs have a shelf life of about six months. When all of the 1996 crop was on the verge of going bad in October/November, supplies surged and prices plummeted. COA is now encouraging farmers to fallow their land (to grow green manure) to prevent the same scenario from happening a second time next year. The authorities will pay a compensation of NTD34,000/ha per year to the farmers who fallow the land. FYI, Taiwan currently pays NTD18,000/ha/crop for rice land which is diverted to the

production of corn, sorghum or soybeans and the crops produced are guaranteed purchased by the authorities at certain prices roughly three times the world prices. For rice land diverted to the production of vegetables or flowers, a NTD18,000/ha/crop is compensated to the rice farmers. For rice land diverted to fruit production, a NTD27,000/ha/crop is compensated. There are usually two rice crops each year and the production of horticultural crops are not guaranteed purchased.

Garlic bulb production in the past three years:

Year	Area (ha.)	Production (mt)
1994	5,377	43,881
1995	5,260	41,253
1996	6,294	56,646

Source: Council of Agriculture

Garlic imports in the past three years:

1994	No imports
1995	6,378 mt (6,272 mt from Mainland China)
1-9/1996	600 mt (all from Mainland China)

Report Code: TW9624V
Agricultural Situation

AGR Number: TW6053

Page: 2

Source: Taiwan Customs data
END OF REPORT

 [Return to Search Page](#)

FAS Home Index Search E-Mail Other Links USDA