

Meeting summary

17 June 2021

A meeting of the tomato sub-group of the Fruit and Vegetables Market Observatory took place on 17 June 2021.

On the 2020/21 Spanish winter campaign for fresh tomatoes in the EU, the 1st part of the winter (October-December 2020) saw a decrease in production and a small drop of surface. The 2nd part of the winter (January-May 2021) was stable year-on-year for production and surface. Total winter production was 1.2 million tonnes. Compared to 4 years ago, there is an overall decrease of round and specialised varieties in favour of vine tomatoes. Experts estimate the size of the sector is overall decreasing, there is volatility on the market and EU producers are facing difficulties, a number of combined factors playing a role in lower production volumes.

On trade of fresh tomatoes in the EU in 2020, with a total EU production of 6.46 million tonnes, exports of 122 thousand tonnes (+4% year-on-year) and imports of 627 thousand tonnes (-3% year-on-year and -8% from Morocco), imported tomatoes represented 9% of fresh tomatoes on the EU market and 6.4% of Moroccan origin (vs 6.8% in 2019). Experts report an increase of Moroccan imports during the summer, notably cherry tomatoes. It was clarified that, as a consequence of the UK leaving the EU, multilateral quotas have been apportioned and there is no intention to renegotiate bilateral agreements. Experts discussed the export situation to the UK in first months of 2021. On top of the issue related to SPS certification, a double duty now applies if products enter the EU and are re-exported to the UK. Some experts consider however that normal market fluctuations can explain lower exports to the UK.

Looking at the forecast for fresh tomato production in the EU in 2021, experts reported that, in the Netherlands, artificially-lit surface and production are both stable. Round tomatoes had less success last year due to food services closure. Dutch production now extends to the winter, so the overlap with imports notably from Morocco is no longer limited to beginning and end of summer, but experts consider that Dutch intra-EU exports are going well and maintaining at good level.

In France, national production only covers 50% of national consumption. Surface and production are stable

there too, but there is ambition to increase the production in the coming years, to satisfy the increased consumer demand for local products.

Experts are encouraged to increasingly share data on organic production and sales during future meetings. According to experts, 8-10% of French production is organic, but consumption of organic tomatoes is decreasing (ca. -6% year-on-year). In the Netherlands, while their production methods are considered to be very sustainable, for the vast majority they cannot be certified organic. Experts note that the difference in yield could be up to -30%/ha compared to conventional production.

In the processing sector, EU production forecast is foreseen to be back at the historical level, ca. 10,5 million tonnes (+9% year-on-year). Experts note an increase in organic area but lower and more volatile yields, so volumes remain overall stable. EU consumption increased in 2020 despite closure of food services and lower production in 2020, so stocks are very low. Consumers are beginning to be more attentive to product origin, which experts see as an opportunity for EU producers. World production is stable (USA and Chinese decline), Chinese exports have decreased, EU exports are also lower due to increased transport costs. Yet, no major production increase is foreseen for 2021 in the EU and experts note that the sector did not fully adjust to the demand. Prices of raw material notably steel are increasing. There will be price pressure and difficulty to find products in coming year.

On a consumer level, in France, consumption of tomatoes in volume was stable in 2020 compared to 5-year average, while others vegetables have seen increases (e.g. asparagus, aubergines, zucchinis, peppers). However, first 3 months of 2021 look more promising for fresh tomato sales (+10% year-on-year). In Italy, sales of fresh tomatoes saw a small increase year-on-year, but also not as good as other vegetables like zucchinis, peppers, fennels. In Spain, there was a small increase of vegetable sales in volume year-on-year.

The next meeting of the tomato sub-group of the Fruit and Vegetables Market Observatory (F&V MO) is foreseen on 22 October 2021.