

MO Tomatoes – Belgian Producers

21/06/2024



Balance of the Winter Campaign

- **Overview of Winter Campaign:** Production increased initially due to high temperatures in Spain, resulting in favorable prices in Belgium and the Netherlands for illuminated and fall crops.
- **Impact of Lower Prices:** Despite slightly lower non-EU imports, BE producers were affected by lower prices in the second half of the campaign, similar to other EU competitors.
- **Cost Dynamics:** Energy costs halved compared to 2023 but remain double pre-crisis levels. Overall costs increased, maintaining the cost price at 2023 levels.
- **Production Shifts:** High production in the South from week 3 led to price pressures across Europe. Ideal spring conditions in Spain prolonged production, affecting prices.
- **Import Pressures:** High volumes of low-priced imports continued until week 20, impacting local markets.

SUMMER PRODUCTION	2020	2021	2022	2023	2024 (1-3)
Production fresh tomatoes (tonnes)	342.750	300.823	284.622	268.436	
% organic	0%	0%	0%	0%	0%
% non-organic	100%	100%	100%	100%	100%
% greenhouse	100%	100%	100%	100%	100%
% open field	0%	0%	0%	0%	0%
%Round tomatoes	37%	35%	36%	37%	31%
%Vine tomatoes	47%	45%	45%	47%	51%
%Other tomatoes (cherry, mini-type...)	17%	19%	19%	15%	18%
% destined to national market	16%	19%	26%	30%	39%
% destined to exports EU	77%	75%	66%	62%	44%
% destined to exports non-EU	6%	6%	8%	8%	17%
Surface fresh tomatoes (ha)	620	630	620	630	610
% organic	0%	0%	0%	0%	0%
% non-organic	100%	100%	100%	100%	100%
% greenhouse	100%	100%	100%	100%	100%
% open field	0%	0%	0%	0%	0%
%Round tomatoes	34%	33%	33%	32%	26%
%Vine tomatoes	31%	31%	31%	38%	37%
%Other tomatoes (cherry, mini-type...)	35%	36%	36%	30%	35%
% destined to national market	16%	19%	26%	30%	39%
% destined to exports EU	77%	75%	66%	62%	44%
% destined to exports non-EU	6%	6%	8%	8%	17%



Estimation for the Summer Campaign

- **Predicted Stability and Production:** Growing Tobrfv-resistant varieties has stabilized production, though these varieties are less productive.
- **Price Challenges:** Persistent bad weather and lower consumption are keeping prices low. Price recovery depends on better weather or extreme conditions in Europe.
- **Production Dynamics:** Stable but not exceptionally high production expected. Resistant varieties are reducing crop termination.



Evolution of Consumer Preference and Consumption

- **Inflation and Consumption:** Recent decrease in inflation has influenced total consumption and product mix in BE and EU. Consumers are more price-conscious.
- **Organic Production:** Sales of organic products are stabilizing as consumers prioritize price over principles.
- **Retailer Influence:** Big chains/retailers are guiding consumer behavior through marketing, often at the expense of local growers. Promotions are poorly coordinated with producer associations.
- **Demand Trends:** 'Local' and ecolabels are prominent in marketing, but actual origin importance has diminished due to supermarket price wars.



Competitiveness of Extra-EU Suppliers

- **Major Competitors:** Spain remains a major competitor with low-cost, low-tech production extending the winter season. Weather and disease impact their pricing.
- **North African Production:** Increasing production in North Africa, where labor costs are significantly lower, poses a challenge. Regulatory differences create unfair competition.
- **Market Impact:** Production and trade conditions in these regions directly affect pricing and profitability in the BE sector.



Organization in the Tomato Sector in Belgium

- **Market Structure:** About 90% of tomato sales in Belgium go through auctions. Increasing trend towards direct sales from producer organizations.
- **Retail Practices:** Wholesalers buy directly from producers to minimize costs, while retailers use service providers to manage risks and buffer price fluctuations.
- **Unfair Trading Practices:** Unfair trading practices and their economic impacts are significant. Producers face challenges with client negotiations and market conditions.
- **Pest Management:** Updates on Tomato brown rugose fruit virus (ToBRFV) management. Availability of resistant varieties and ongoing challenges with other pests.

