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Friday, June 21, 2024
Fruit & Vegetable Market Observatory
Sub-group Tomatoes

Crop 2024
Tomatoes for processing
Forecast

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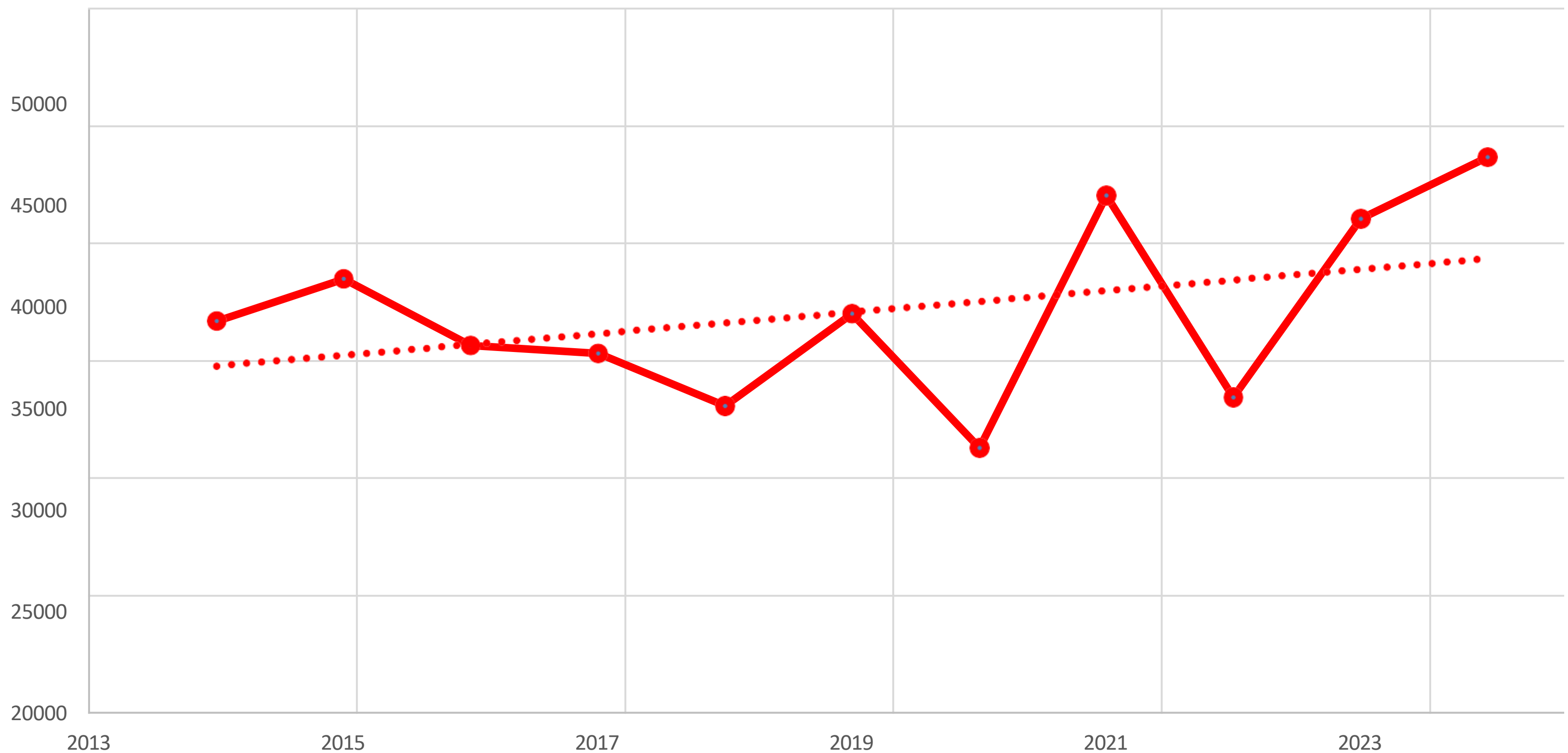
Major producing countries and total world production (final 2023 and forecast 2024 x.000 tons)

	Average 2019/2023	FINAL 2020	FINAL 2021	FINAL 2022	FINAL 2023	FORECAST 2024	VARIATION 2024 vs 2023	VARIATION 2024 vs average 2019/2023
California	10.247	10.258	9.761	9.514	11.556	10.433	-9,7%	1,8%
China	5.880	5.800	4.800	6.200	8.000	11.000	37,5%	87,1%
Italy	5.380	5.166	6.059	5.476	5.400	5.500	1,9%	2,2%
Turkey	2.390	2.500	2.200	2.350	2.700	2.700	0,0%	13,0%
Spain	2.752	2.650	3.185	2.125	2.600	2.800	7,7%	1,7%
Iran	1.510	1.300	1.300	1.300	2.000	1.900	-5,0%	25,8%
Brazil	1.486	1.421	1.525	1.632	1.650	1.713	3,8%	15,3%
Portugal	1.436	1.262	1.596	1.414	1.500	1.500	0,0%	4,4%
Algeria	1.070	1.000	1.000	1.200	1.350	1.350	0,0%	26,2%
Chile	1.060	907	1.174	971	1.150	1.300	13,0%	22,6%
Russia	578	515	523	638	660	650	-1,5%	12,5%
Tunisia	838	961	940	689	795	800	0,6%	-4,6%
Egypt	463	420	440	456	600	780	30,0%	68,4%
Argentina	531	454	596	626	586	631	7,7%	18,7%
Ukraine	588	800	800	120	500	600	20,0%	2,0%
Canada	468	438	399	548	520	509	-2,1%	8,8%
USA excluding California	444	463	462	450	475	475	0,0%	7,0%
Greece	394	420	420	340	390	500	28,2%	26,9%
Others	1.957	1.655	2.004	1.940	1.984	2.124	7,1%	8,6%
WORLD	39.472	38.390	39.184	37.989	44.416	47.265	6,4%	19,7%

Historical evolution of World production of processing tomatoes (x.000 ton)



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World production 2023 - Final Considerations

- Strong increase in production of our main extra-European competitors (California, China, Turkey)
- Production growth continues in North Africa
- Strong recovery of Ukrainian production

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Forecast 2024 – First Considerations

- Stabilization of strong production in the main producing countries, but the explosion of Chinese production dominates everything
- Constant growth of producing countries in North Africa (especially Egypt)
- The recovery of Ukrainian production continues

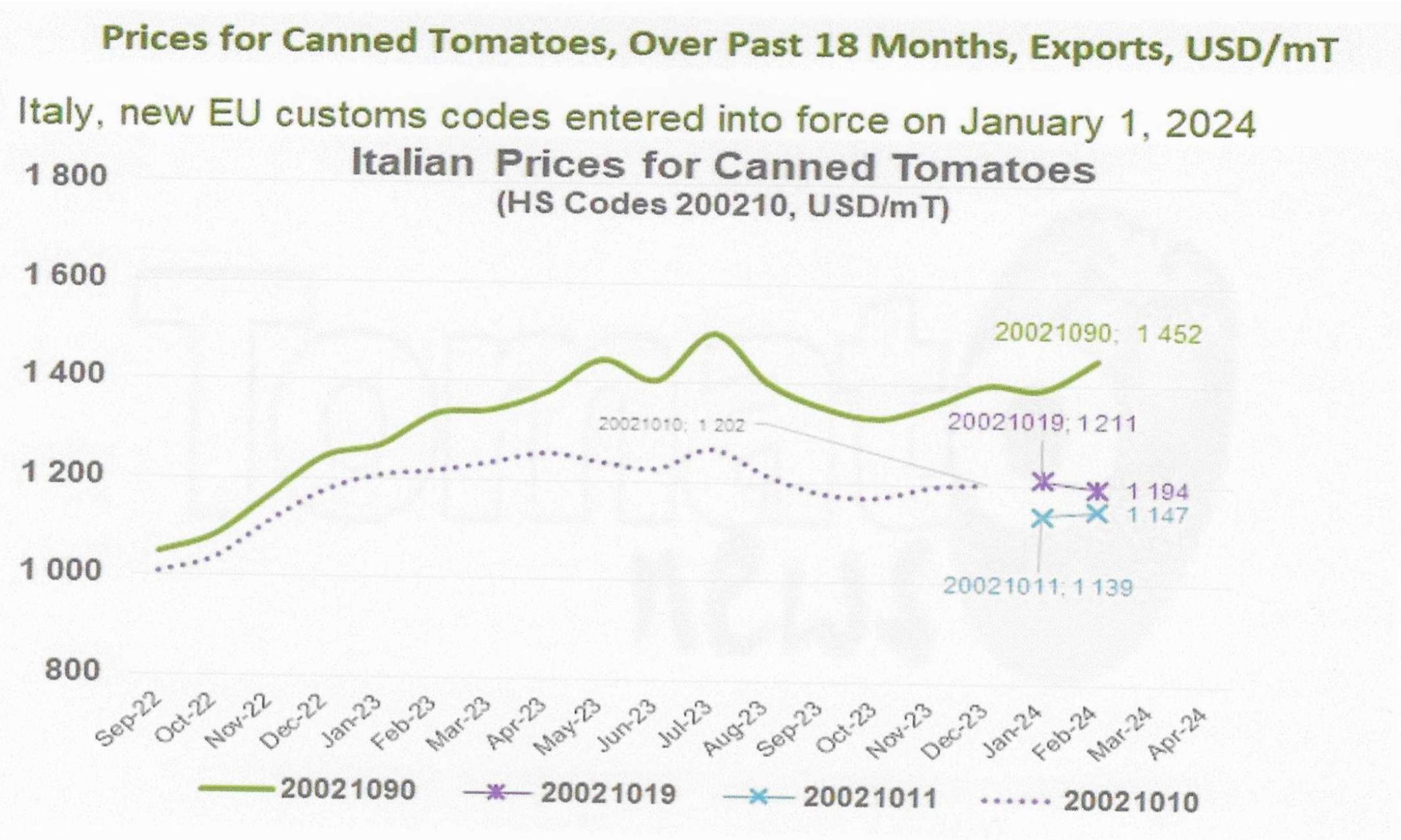
Key question:

- Is there a restoration of stocks or an increase in consumption or is the growth cyclically motivated by the strong price recoveries of past years?

Historical evolution of Tomato Paste prices

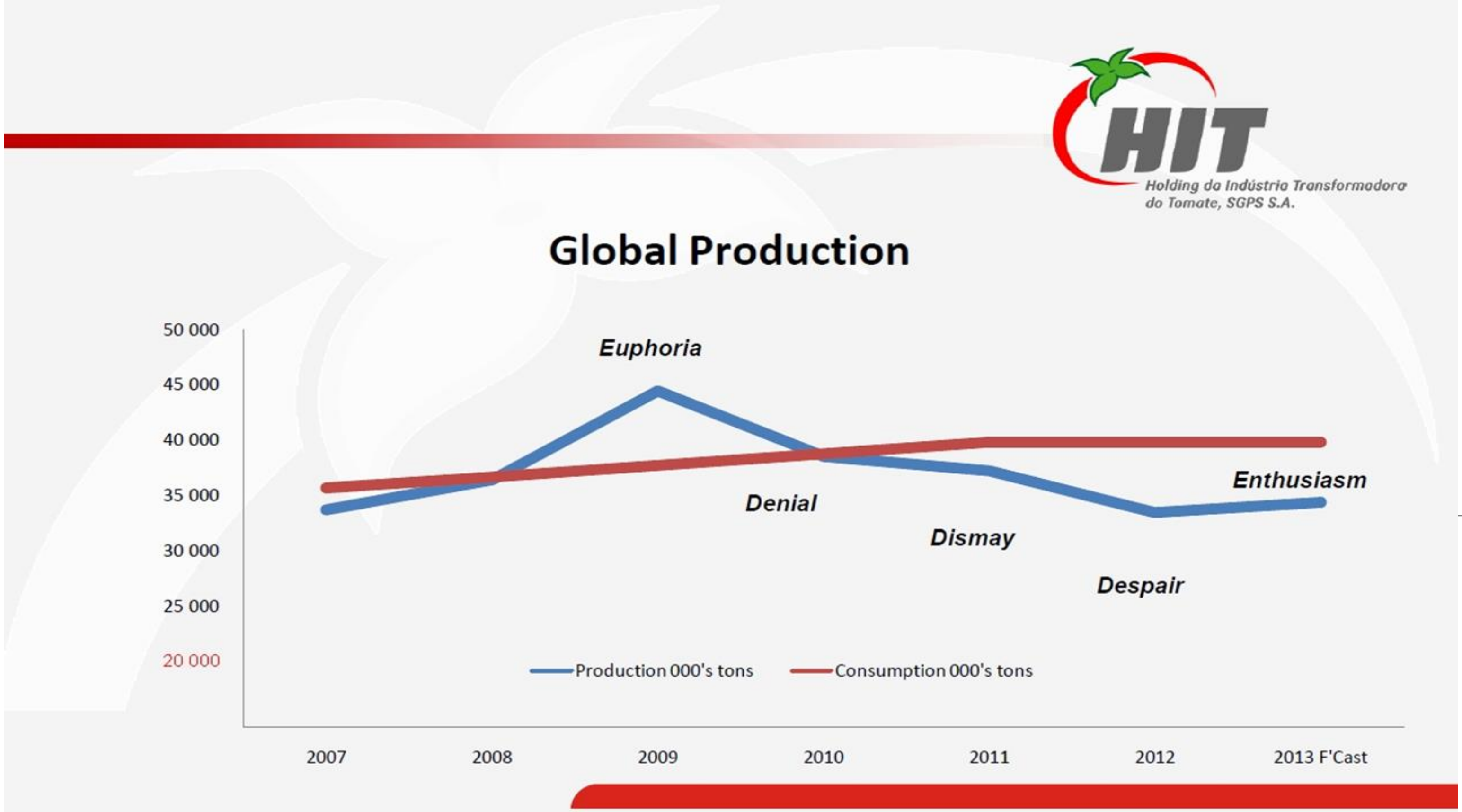
Source: Tomato News

Historical evolution of Canned Tomatoes prices

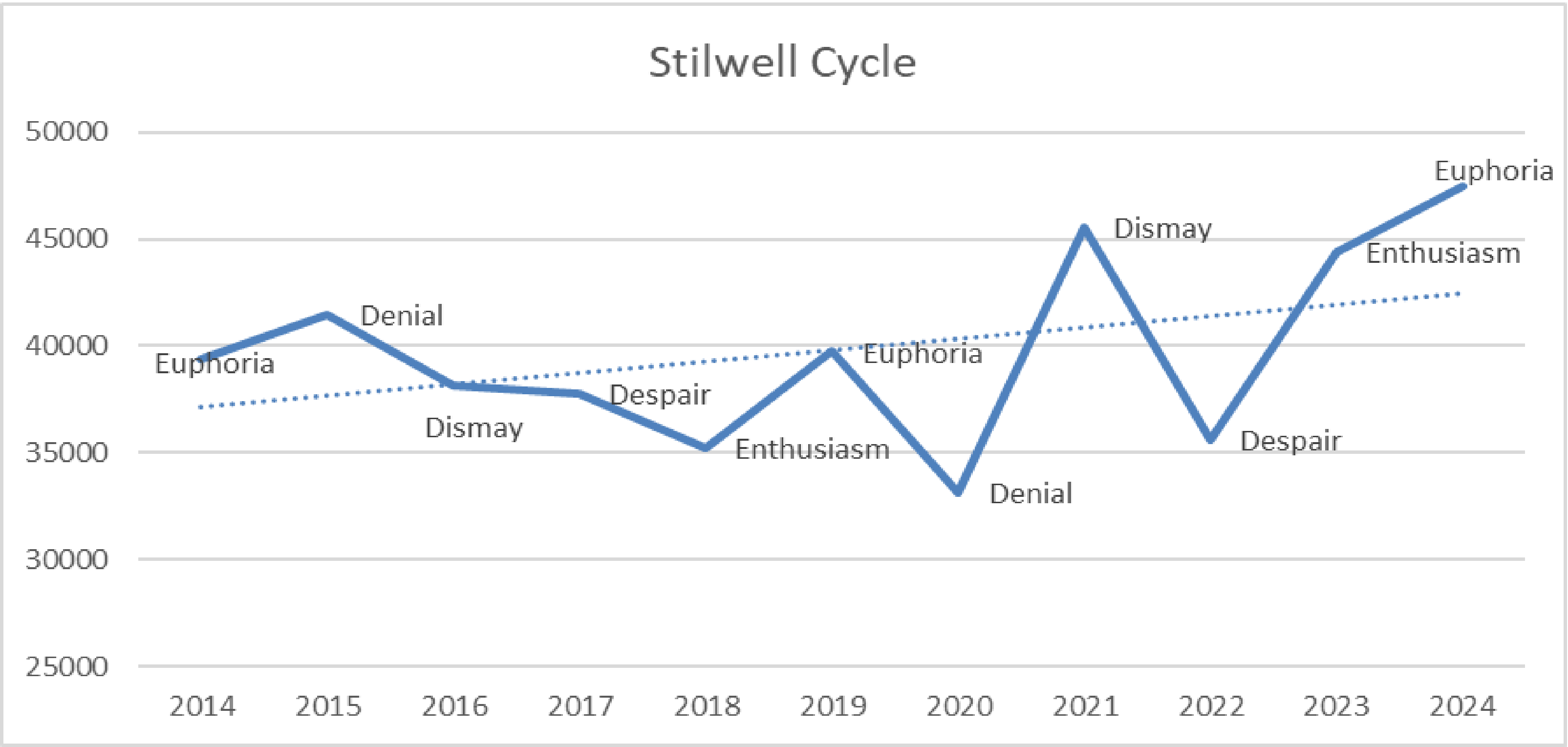


Source: Tomato News

5 years world production cycle - The "Stilwell Cycle"



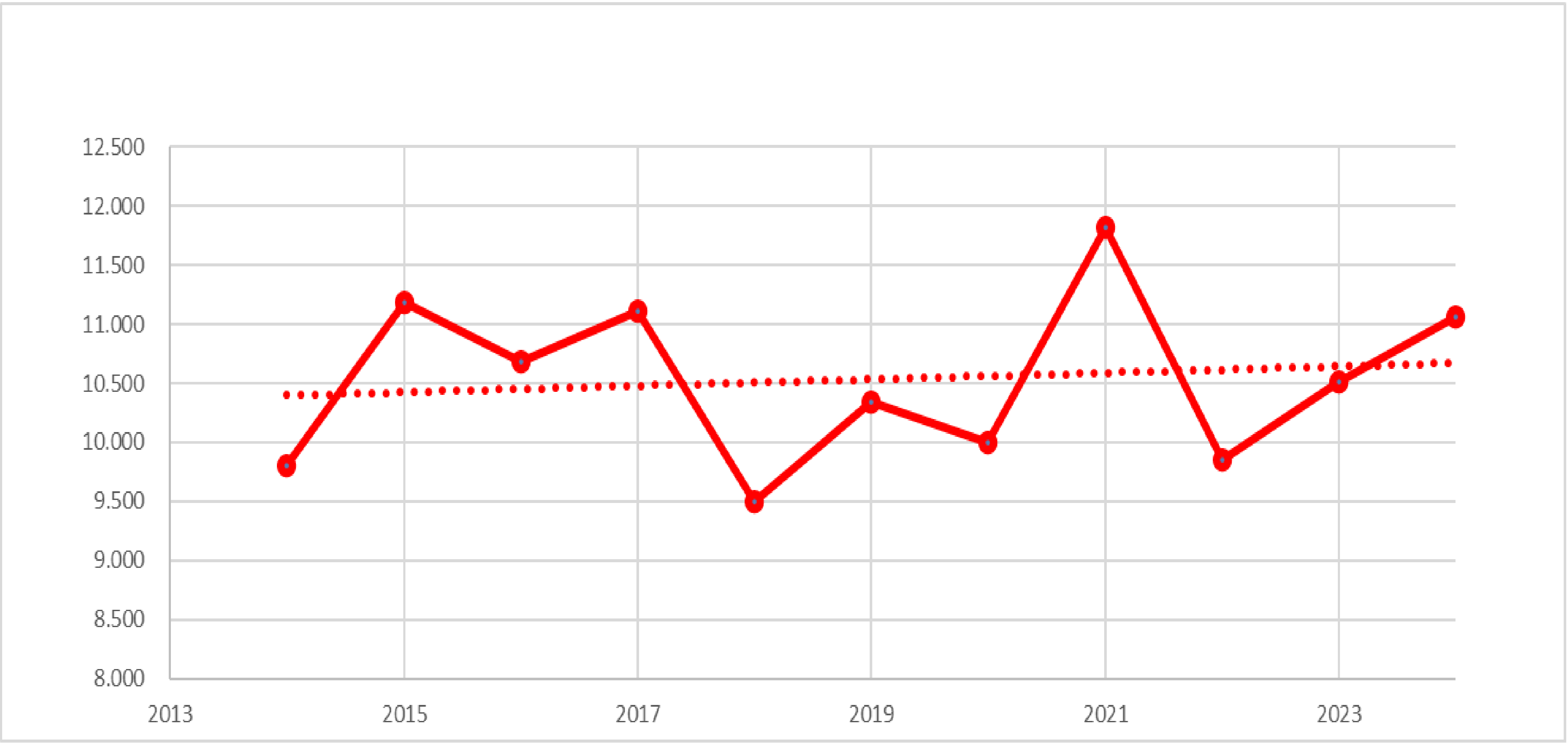
Stilwell Cycle “Extremized” by Geopolitical Tensions and Climate Change?



EU Processing tomatoes
Crop 2024 Forescast
(x .000 tons)
(highlighted in yellow are members of Tomato Europe)

	Average 2019/2023	FINAL 2020	FINAL 2021	FINAL 2022	FINAL 2023	FORECAST 2024	VARIATION 2024 vs 2023	VARIATION 2024 vs average 2019/2023
Italy	5.380	5.166	6.059	5.476	5.400	5.500	1,9%	2,2%
Spain	2.752	2.650	3.185	2.125	2.600	2.800	7,7%	1,7%
Portugal	1.436	1.262	1.596	1.414	1.500	1.500	0,0%	4,4%
Greece	394	420	420	340	390	500	28,2%	26,9%
France	151	136	164	142	160	170	6,3%	12,4%
Hungary	97	82	115	80	110	125	13,6%	28,3%
TOMATO EUROPE	10.211	9.716	11.539	9.577	10.160	10.595	4,3%	3,8%
Malta	7	8	7	5	8	8	0,0%	11,1%
Bulgaria	39	40	40	40	37	44	18,9%	11,7%
Czech Republic	25	25	25	25	25	25	0,0%	0,0%
Poland	190	175	175	175	250	250	0,0%	31,6%
Slovakia	20	20	20	20	20	20	0,0%	0,0%
Croatia	10	10	10	10	10	10	0,0%	0,0%
Total EU	10.503	9.994	11.816	9.852	10.510	10.952	4,2%	4,3%

Historical evolution of European production of processing tomatoes (x.000 ton)

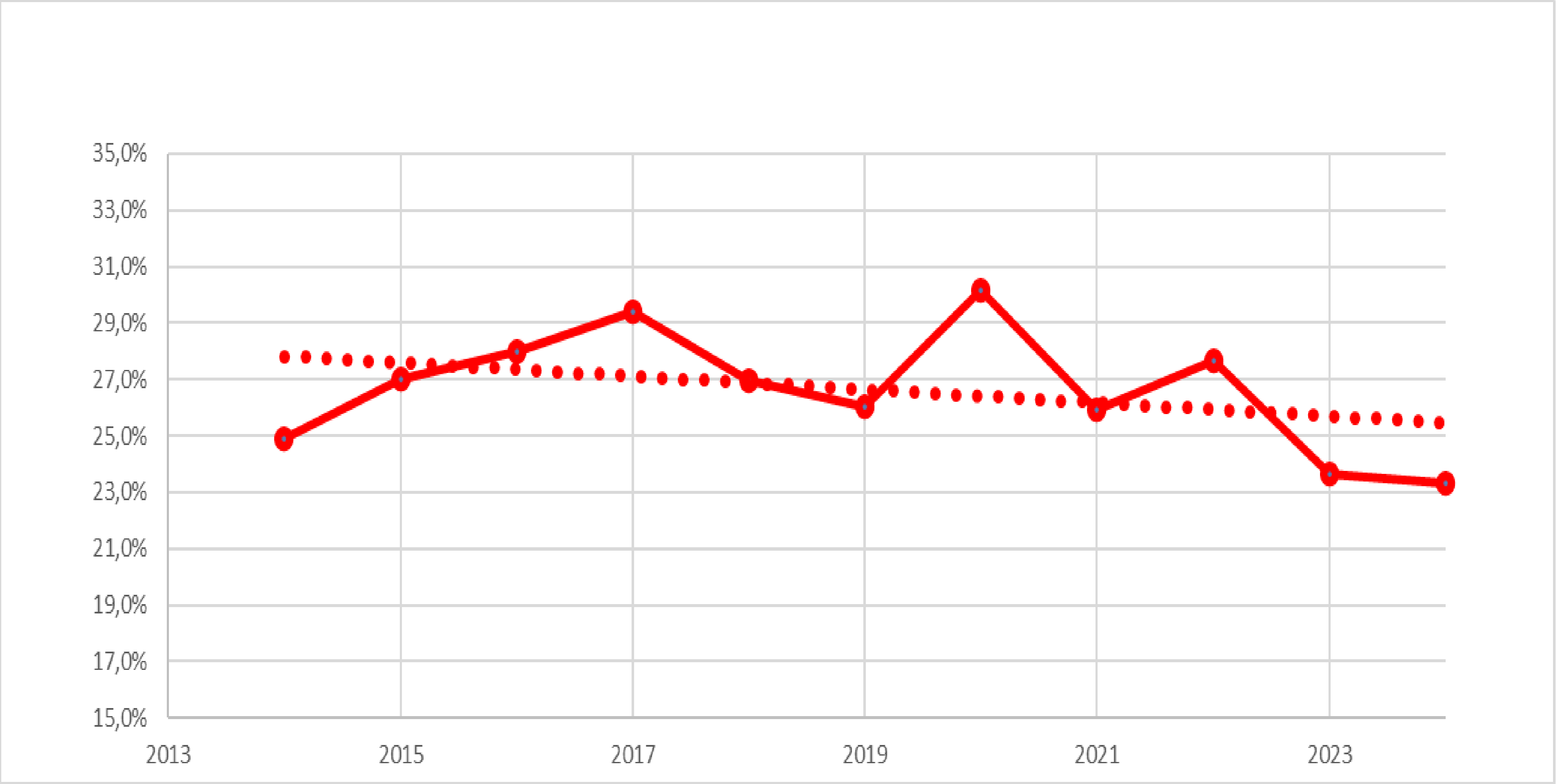


Consequently, in the 2024, the percentage of European production, compared to world production, should confirm the decline in 2023

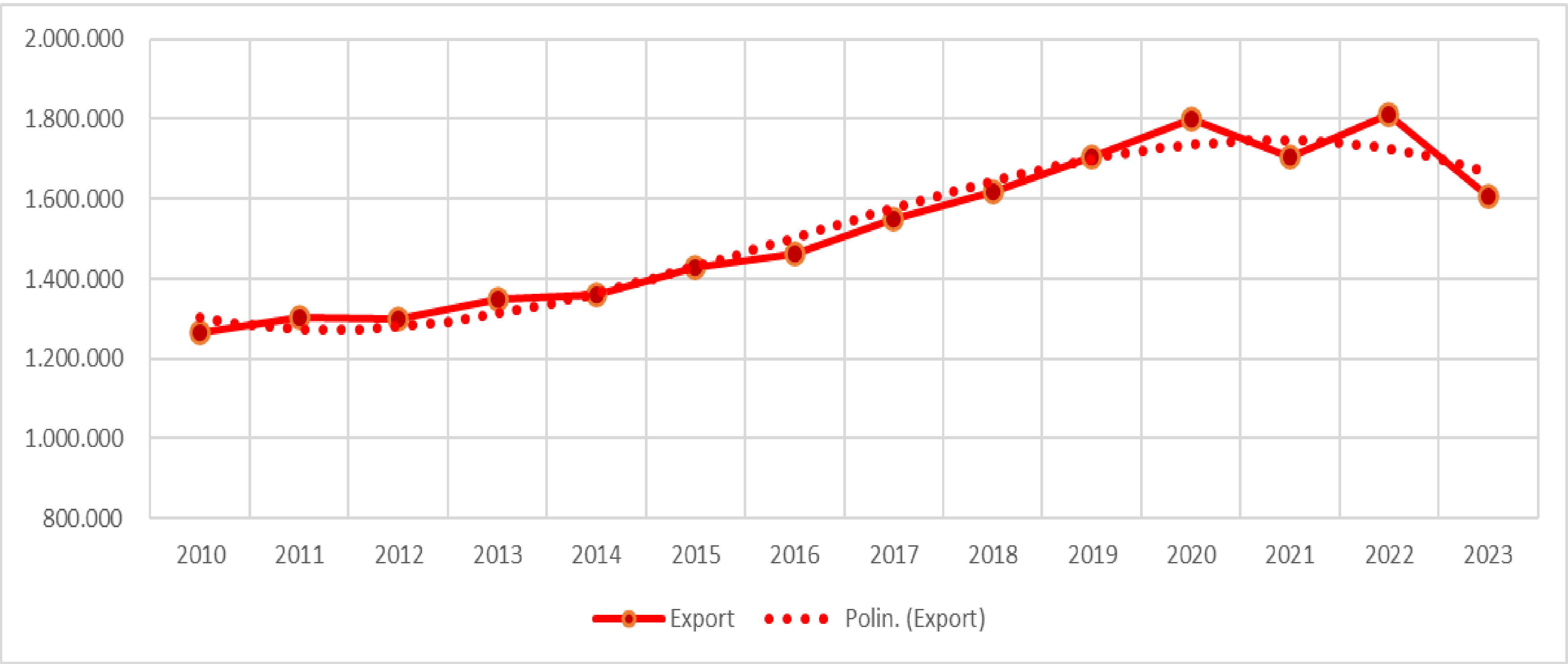
EU vs World
Tomatoes for processing
(Final 2023 and Forecast 2024 – x.000 ton)

	Average 2019/2023	FINAL 2021	FINAL 2022	FINAL 2023	FORECAST 2024	VARIATION 2024 vs 2023	VARIATION 2024 vs average 2019/2023
European Union	10.503	9.852	10.510	10.510	10.952	4,2%	4,3%
Other Countries	28.969	28.137	27.479	33.906	36.313	7,1%	25,3%
GENERAL TOTAL	39.472	37.989	37.989	44.416	47.265	6,4%	19,7%
% UE	26,6%	25,9%	27,7%	23,7%	23,2%		

Evolution of percentage European production of processing tomatoes compared to total world production



Focus – declining trend in extra-EU export



Source: Dashboard Processed Tomatoes trade

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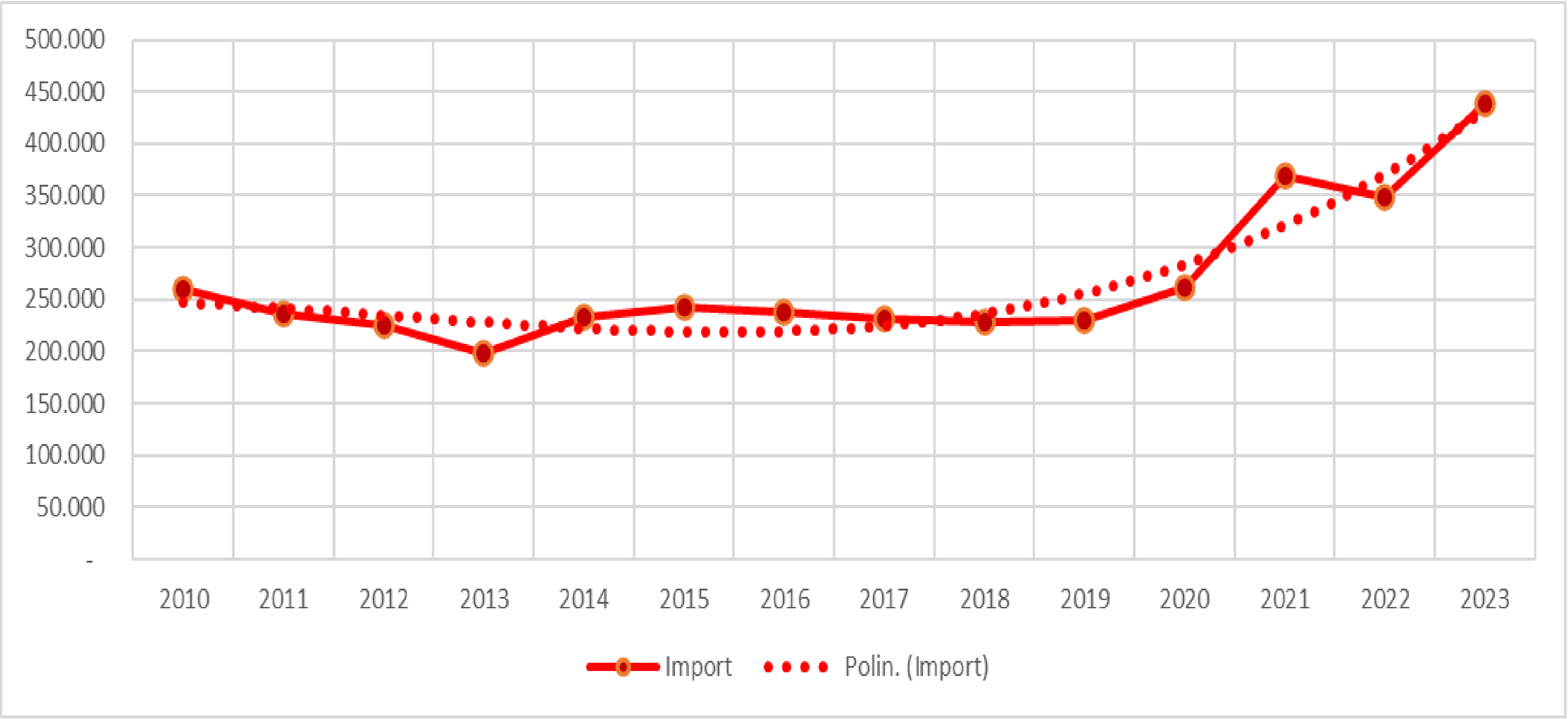
Focus – Steady growth of extra-EU imports



Source: Dashboard Processed Tomatoes trade

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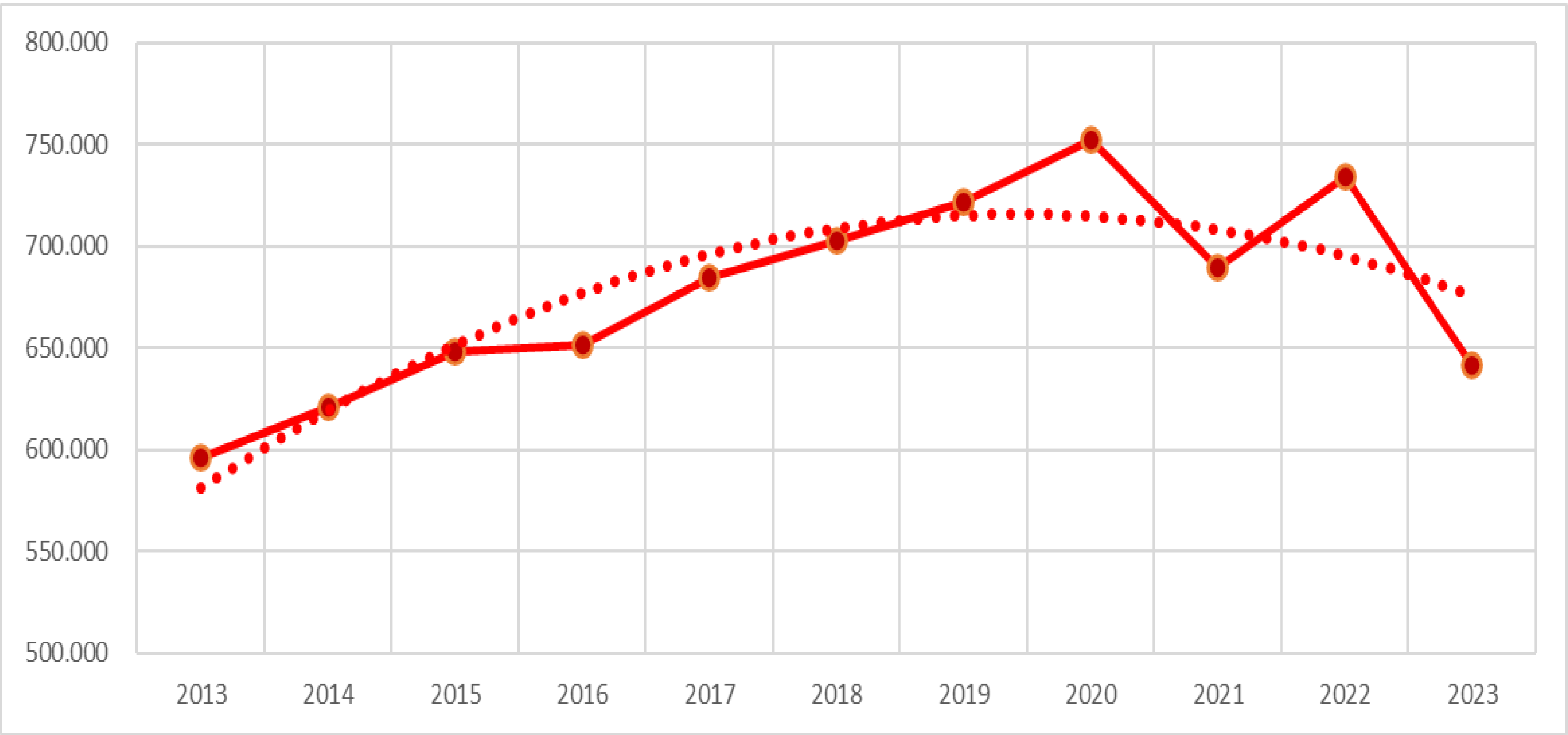
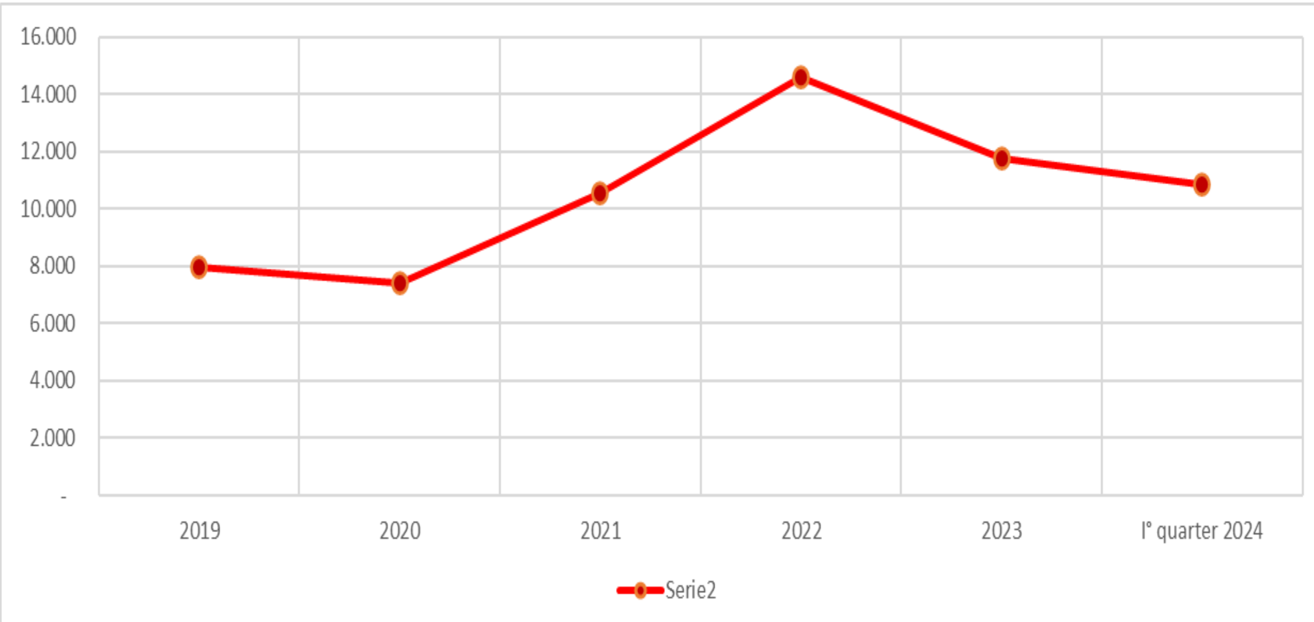
Focus - After Brexit, are EU exports to the UK destined for an inevitable "collapse"?



Source: Dashboard Processed Tomatoes trade

Focus – Growth of Turkish Import of Tomato Products with Higher Added Value



In the first quarter of 2024, the same amount of imports was almost reached as in the entire year 2023.

2019	2020	2021	2022	2023	I° quarter 2024
7.940	7.418	10.550	14.588	11.750	10.834

Source: Dashboard Processed Tomatoes trade

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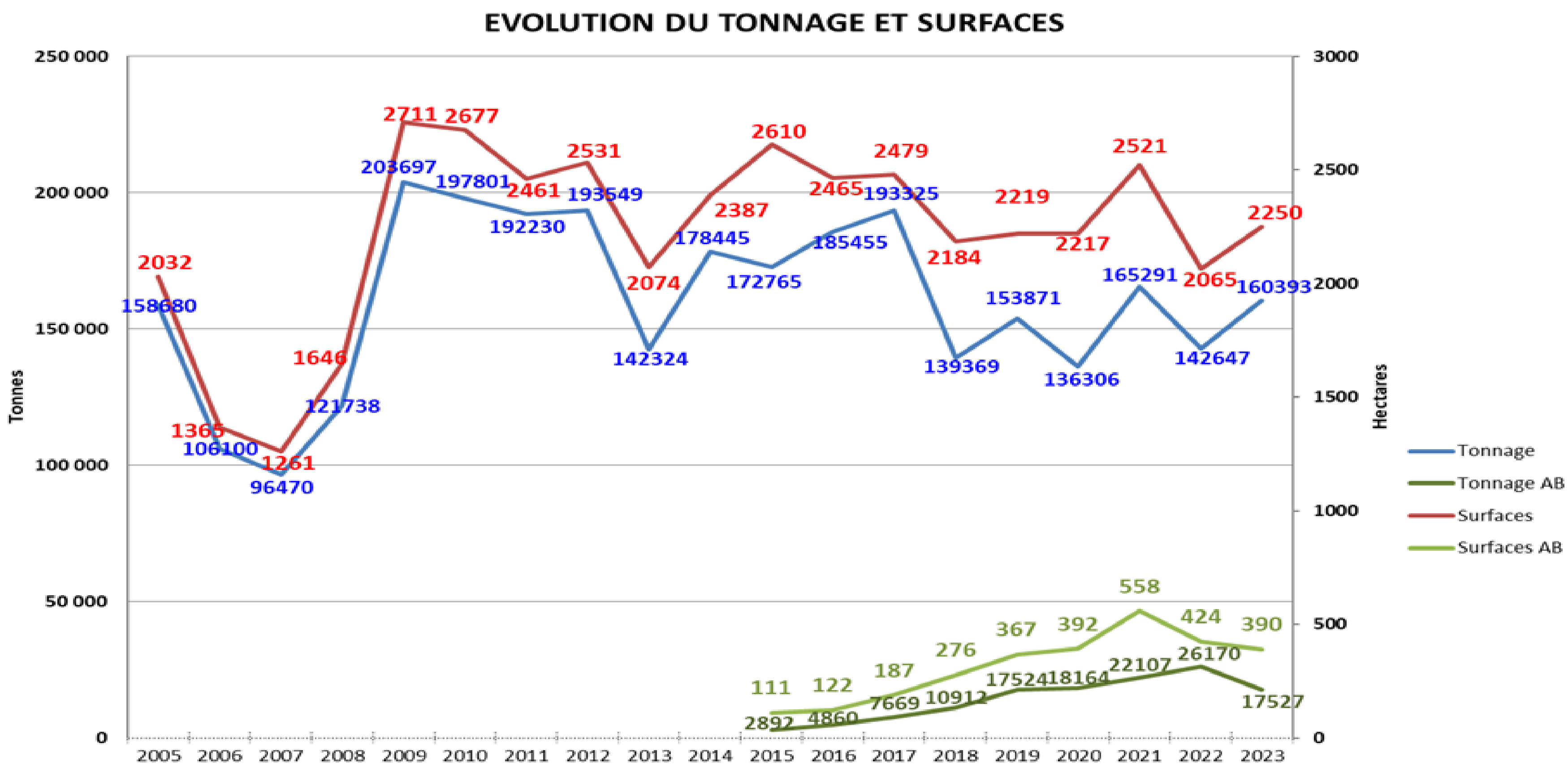
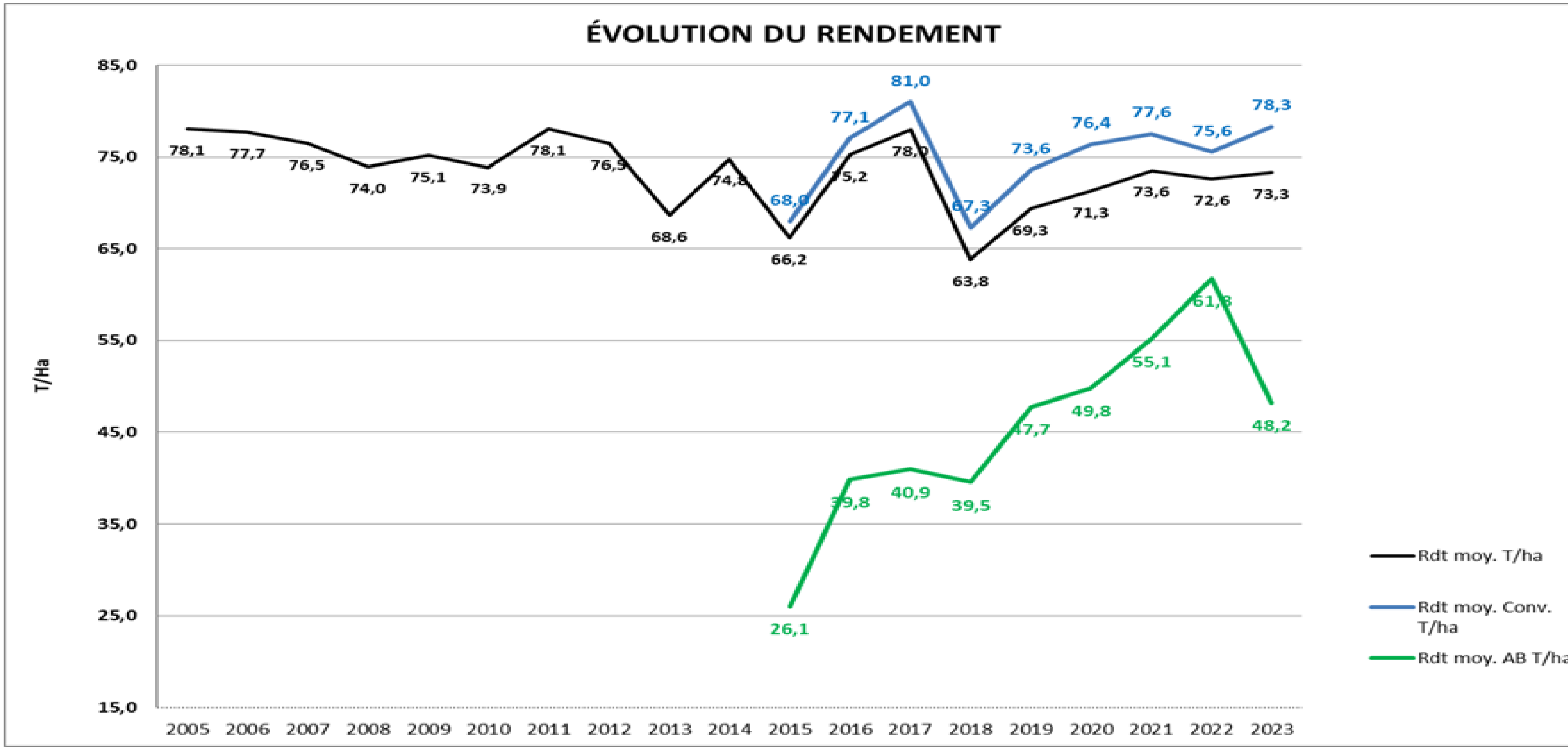
Focus -The difficulties of organic production - the French case



Source: SONITO

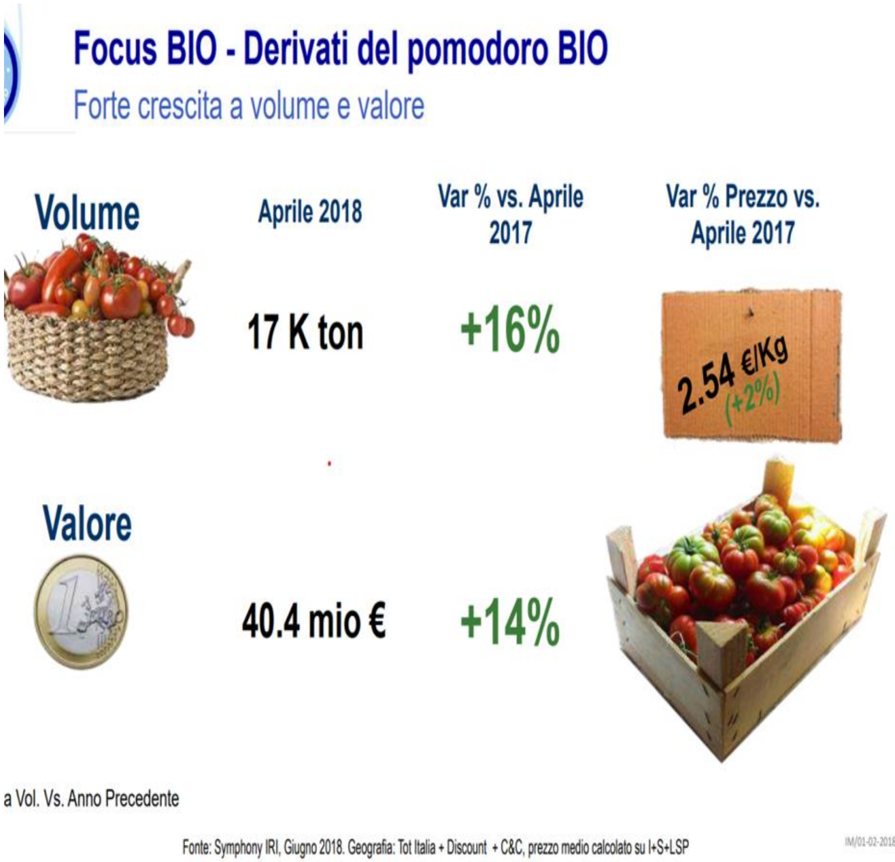
Focus -The difficulties of organic production - the French case



Source: SONITO

THE ITALIAN TOMATOPRODUCTS MARKET 2023

SAME VOLUME AS 2018 WITH MUCH MORE VALUE!



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Focus – The prices of tomato products remain today high, **but…**

	2019	2020	2021	2022	2023	I° quarter 2024
Export Value	1.410.038	1.612.165	1.642.331	2.089.957	2.292.623	677.974
Export Production	1.703.795	1.800.193	1.703.795	1.811.427	1.608.259	469.878
Export €/t	**828**	**896**	**964**	**1.154**	**1.426**	**1.443**
Import Value	214.996	236.711	320.238	408.848	611.463	192.848
Import Production	229.438	261.720	369.480	347.974	437.774	135.076
Import €/t	**937**	**904**	**867**	**1.175**	**1.397**	**1.428**

Source: Dashboard Processed Tomatoes trade

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BUT….. "BITTER" CONCLUSIONS

WITH THESE WORLD PRODUCTION FORECASTS AND THE PREDICTABLE STRONG DIFFICULTIES FOR EUROPEAN PRODUCTION:

1) THE SUFFERINGS FOR INDUSTRY BEGIN

2) NEW PRICES FOR THE GROWERS FALL *

**** The drop in tomato prices 2024 in the EU should be on average 8/9% (but the situation is a bit confusing).***
In California, a drop in tomato prices of 18% had already been agreed in March. This increases the gap between the European and Californian prices.
In China, the price differential is even higher!

3) SUPPLY CHAIN RELATIONSHIPS BECOME TIGHTER DESPITE THE HIGH LEVEL OF ORGANIZATION IN THE SECTOR

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NEW QUESTIONS FOR THE FUTURE:

- Isn’t the evolution of European regulations to promote and not disfavor the full use of Science in Agricultural production dramatically too slow compared to the very rapid evolution of markets and climate change?

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NEW QUESTIONS FOR THE FUTURE:

The European Union remains a net exporter of tomato products, but

- Have we properly assessed the effect of Brexit on the sector?

- How damaging could the possible effect of the Carbon Border Adjustment Mechanism (CBAM) also be for the food sector?

- How much could any “mirror clauses” actually work?

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NEW QUESTIONS FOR THE FUTURE:

- What is the real trend in the consumption* of tomato products in Europe in light of their increasingly versatile use?

*Very important in this regard is the work of identifying the correct conversion factors, which is being done in collaboration with DG Agri, to identify the real balance between import and export in terms of equivalent fresh tomatoes

STO 2023 – tomatoes balance sheet

Table 2.6 EU tomatoes balance sheet (thousand tonnes fresh equivalent)

	EU							% variation			
	2017	2018	2019	2020	2021	2022	2023	22/21	2022vs 5-yr. av.	23/22	2023vs 5-yr. av.
Total production	18 264	16 667	17 277	16 901	18 771	16 201	16 868	-13.7	-7.3	4.1	-0.5
Production (fresh)	7 159	7 173	6 934	6 907	6 955	6 349	6 300	-8.7	-9.5	-0.8	-9.1
Exports (fresh)	492	482	461	442	378	358	345	-5.3	-22.4	-3.7	-19.2
Imports (fresh)	528	576	583	621	705	795	804	12.8	34.0	1.1	26.3
Consumption (fresh)	7,194	7,266	7,056	7,086	7,282	6,786	6,759	-6.8	-5.5	-0.4	-5.3
Per capita consumption (kg) - fresh	*16.1*	*16.3*	*15.8*	*15.8*	*16.3*	*15.1*	*15.0*	-7.0	-5.9	-1.0	-6.1
Self-sufficiency rate (fresh) %	*100*	*99*	*98*	*97*	*96*	*94*	*93*				
Production (processed)	11 105	9 494	10 343	9 994	11 816	9 852	10 568	-16.6	-6.0	7.3	5.0
of which ES,IT, PT	10 104	8 650	9 411	9 078	10 840	9 015	9 600	-16.8	-5.4	6.5	4.7
of which other EU countries	1 001	844	932	916	976	837	968	-14.2	-11.1	15.7	7.9
Exports (processed)	4,173	4,387	4,618	4,743	4,499	4,479	3,783	-0.4	-0.5	-15.5	-16.5
Imports (processed)	1,955	1,883	1,930	2,141	2,746	2,324	2,753	-15.4	15.7	18.4	29.1
Consumption (processed)1	8,888	6,990	7,655	7,391	10,064	7,697	9,538	-23.5	-3.5	23.9	25.8
Per capita consumption (kg) - processed	*19.9*	*15.6*	*17.1*	*16.5*	*22.5*	*17.1*	*21.1*	-23.7	-3.9	23.2	24.9
Self-sufficiency rate (processed) %	*125*	*136*	*135*	*135*	*117*	*128*	*111*				

[1] consumption also includes stock variation.

Note 1: the tomatoes marketing year is January-December (calendar year).

Note 2: trade of processed tomatoes is expressed in fresh tomato equivalent. Conversion coefficients used to convert processed products into fresh tomato weights vary between 1.13 and.19.5.

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NEW QUESTIONS FOR THE FUTURE:

- How can we estimate the quantity of tomatoes destined for processed products for the Food Service sector?

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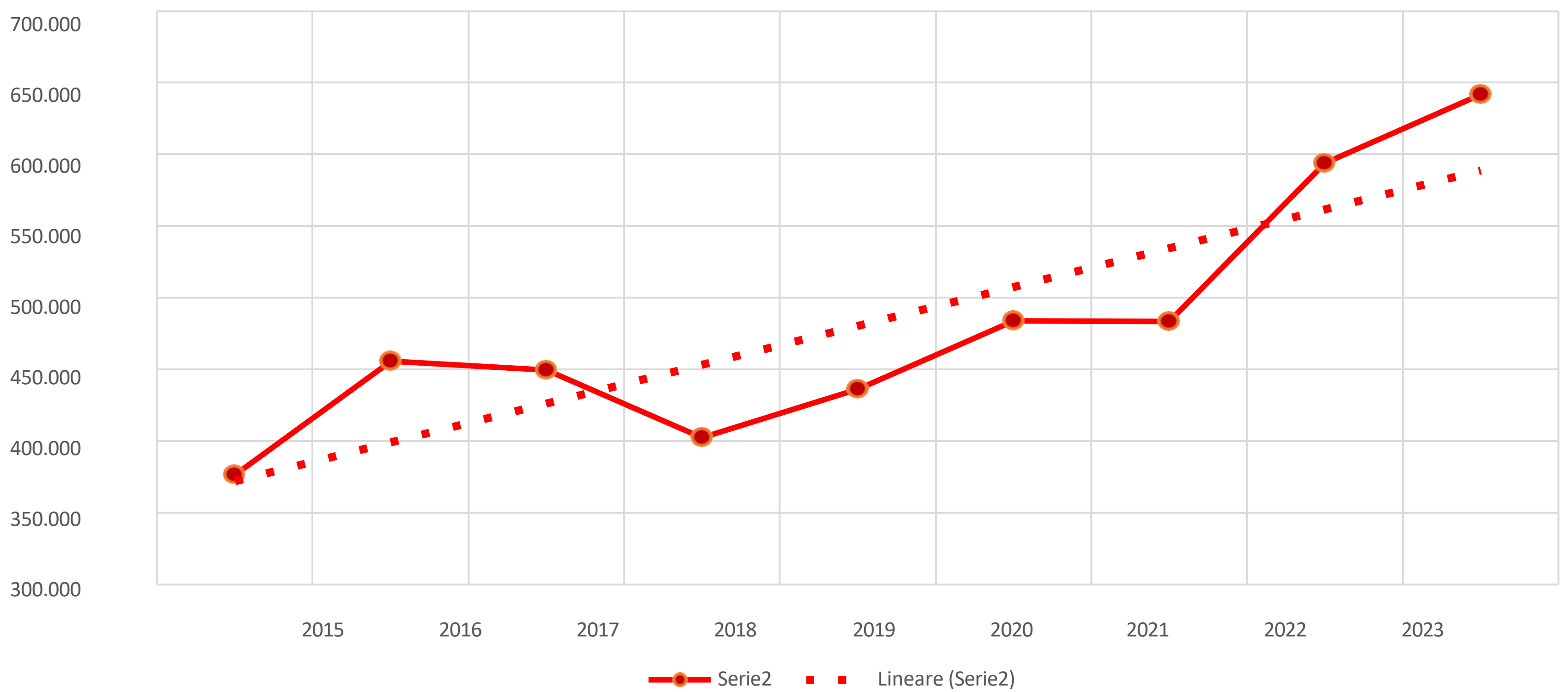
Example – Trend in the quantity of fresh tomatoes destined, in the production of Northern Italy, for processing for the Food Service (Ton)



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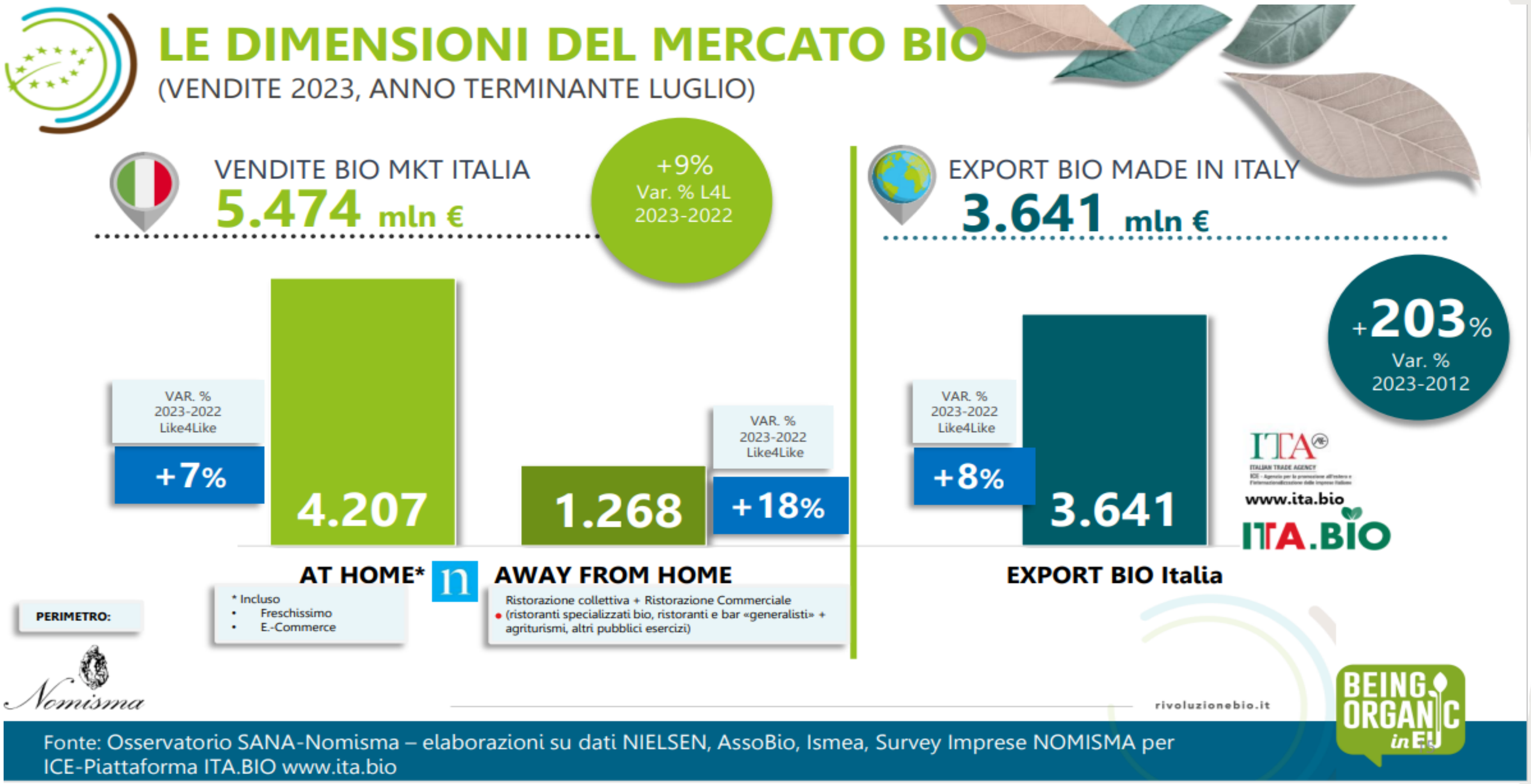
EXAMPLE -THE GROWTH OF THE ORGANIC MARKET IN ITALY DRIVEN BY FOOD SERVICE



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Thanks for your attention