

Review of the summer campaign 2023

and

forecasts for 23/24 campaign



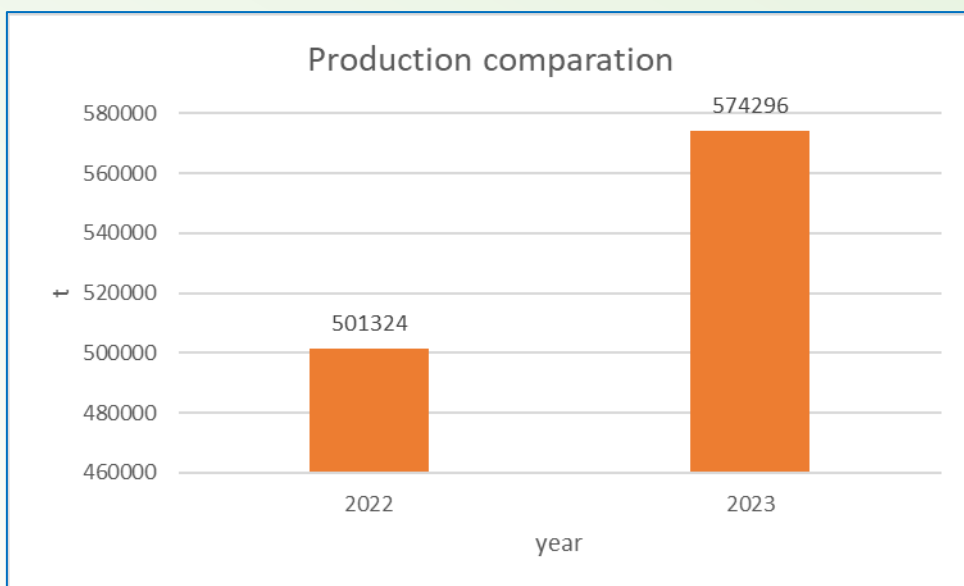
## Topics:

1. Balance of the summer campaign.
2. Expectation of the winter campaign.
3. Competitiveness of the other extra-EU suppliers .
4. Update on the Tomato brown rugose fruit virus (ToBRFV).

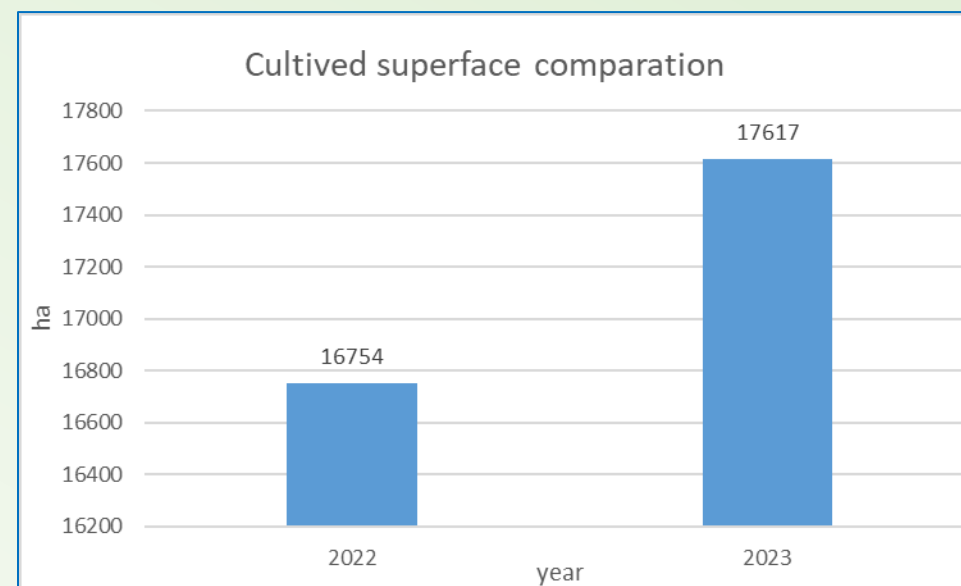


# 1. Balance of the summer campaign.

Despite the climate change, with temperatures exceeding those of the previous decade, and the significant challenge in sourcing manpower, production has increased by approximately 14% compared to the same period of the previous year. Additionally, the production area has expanded by approximately 5%.



**+14,6%**

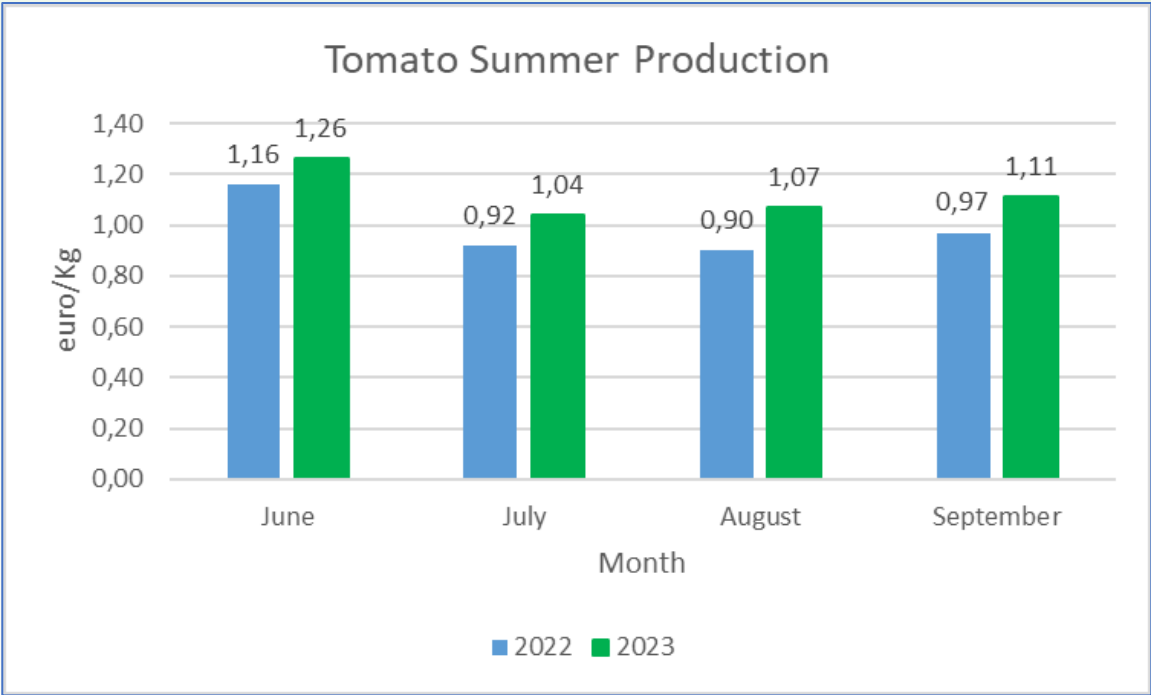


**+5,1%**



# 1. Balance of the summer campaign.

The average price of tomatoes in general tends to increase. The increase in the same period of the previous year, however, is not reassuring. The approximately 13.5% increase in the average selling price is the same as that of the last two years and does not justify all the production cost increases experienced during the same period, which have surged by approximately 35%



AVERAGE PRODUCTION COST PER 1 HA OF TOMMATOES			
cost items	2023 (€)	2021 (€)	% variation
irrigation system	450	200	125%
Diesel fuel	1.700	800	113%
plants	1.260	1.140	11%
fertilizer	1.900	850	124%
pesticides	1.750	1.300	35%
Grand total	10.660	7.890	35%

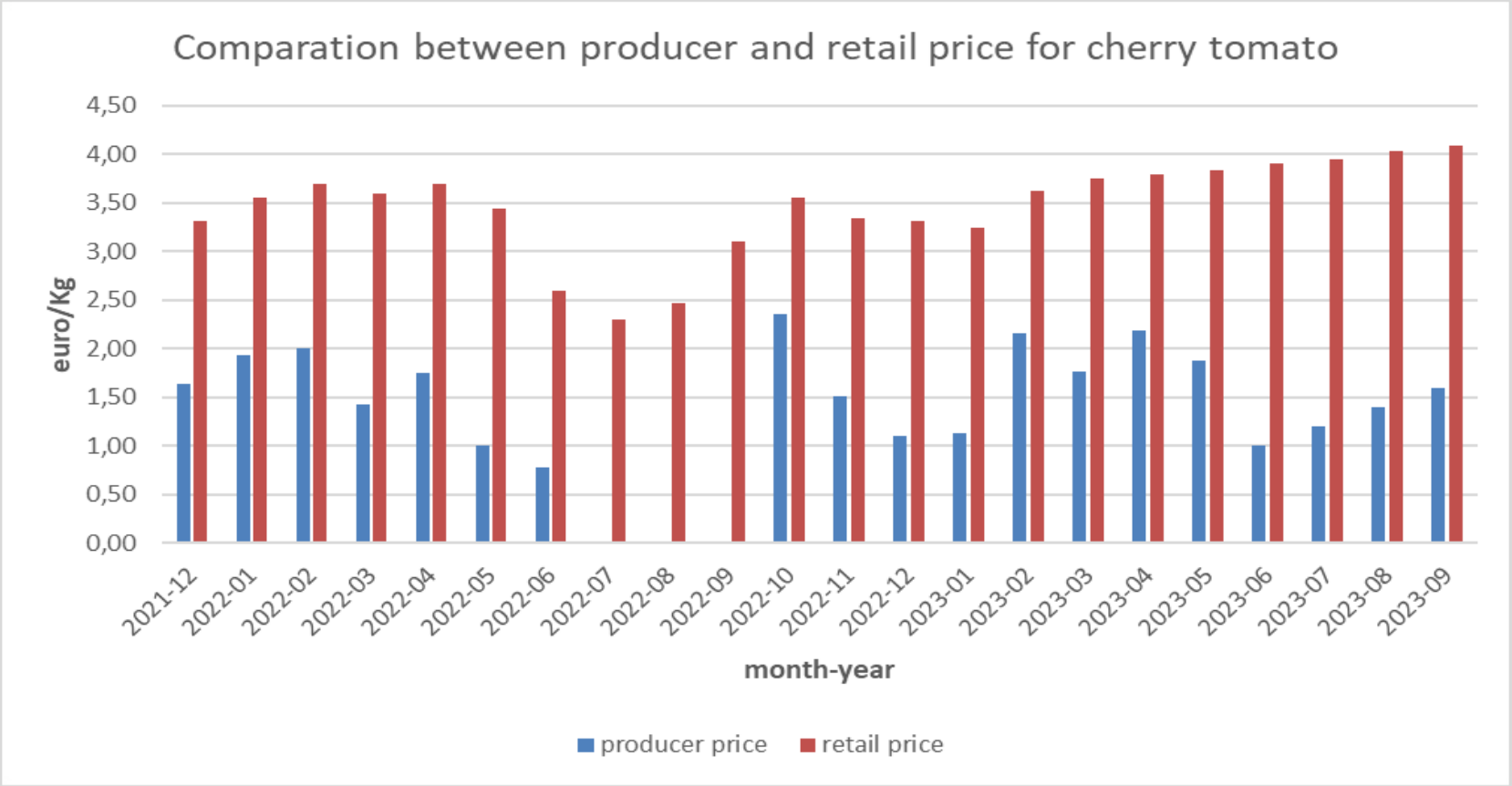




# 1. Balance of the summer campaign.

Producer price VS Retail Price

Cherry tomato data



## 2. Expectation of the winter campaign.

In September, tomato prices were much higher than the "normal," with the only exception of vine tomatoes. This marks another record month, with an average price per Kg of 1.77 euros. Cherry tomatoes and other kind of tomatoes from European countries, on average, all had higher prices.

In the upcoming winter, tomato production is expected to face the following challenges:

- Higher temperatures compared to recent years.
- Labor shortages.
- Tomato Brown virus.
- Increased production costs.
- Disappearance of small businesses.

Under the above conditions, we can predict that selling prices will increase, and production will experience a growth slowdown compared to last winter. It will be very difficult to reach production volumes of the previous season because unfortunately, many small businesses will have to give up production due to the inability to moderate production costs.

Considering that large-scale distribution is the main customer of production, they should consider reducing packaging costs to mitigate production costs increasing and not solely burden consumers.



### 3. Competitiveness of the other extra-EU suppliers .

Non-EU countries, especially Morocco and Turkey, are also grappling with the challenges of climate change and rising raw material costs. August 2023 will be a month to remember for Morocco, as it recorded an all-time high temperature of 50.4°C. The heatwave lasted for several days and was accompanied by hot, dry winds from the Greater Sahara, sandstorms, and wildfires. The impact on agricultural production is significant.

The greatest concern is for tomatoes and early vegetables, whose cultivation is concentrated in the region (Souss Massa) most affected by the heat. The production decrease of 20 to 25% is anticipated. The only advantage they have left is low labor costs.

Expectations are that their competitiveness and production will decline in the upcoming season.





## 4. Update on the Tomato brown rugose fruit virus (ToBRFV).

"The European Commission issued the new implementing regulation (EU) 2023/1032 in May 2023. The regulation establishes new measures to prevent the introduction and spread of the 'tomato brown' virus within the European Union territory. To date, there is no data proving a decrease in tomato brown infections. Since the first contaminated harvests in July 2019, we still don't know with certainty what the cause of the infection is. Currently, the sector that is making the most progress in this battle is genetics, with the research of new resistant varieties. Currently, it appears to be the only way out of this situation of uncontrolled contagion."





THANK YOU!

