WORLD PROCESSING TOMATO COUNCIL

WPTC Crop update as of 30 March 2018

Southern hemisphere members

In *Argentina*, harvest is still under way about 75% completed, the weather is dry so quality is good,. The forecast remains about 420,000 tonnes from 6,100 ha. Final field gate prices are not established yet.

In *Australia*, the crop is still being harvested and the forecast remains at 245,000 tonnes.

In *Chile*, the harvest is approximately 60% completed, which is according with plans. Conditions have generally been very good , except for some light rain in the southern area in mid-March, but which did not affect the yield estimated. The yield per hectare is slightly above 90 tonnes. Tomato paste colour is above the standard and in general the quality of the product is good. The season will finish at the end of April and the final production should be 1.08 million tonnes as initially expected.

In *South Africa*, the growing conditions in the Northern production area are currently good.

AMITOM members in EU countries

According to participants in the inter-professional organization SONITO meeting on 22 March, the planted area in *France* is expected to be 2,112 hectares in 2018, of which 1,852 are conventional and 270 are organic. This is a general decrease of 15% compared to 2017 but an increase of 5% of organic, to nearly 13% of the total production. The contracts envisaged should lead to a production of 185,000 tonnes of which 12,000 tonnes will be organic. Prices are not yet fixed but should remain stable compared to 2017.

In *Greece*, the weather has been quite unstable until now which has caused some delays in transplanting especially in the south where it will start in a week to ten days. The total surface will see a small decrease this year but yields should hopefully be higher which would mean a crop size of about 420,000 tonnes. The price is set independently by al processors but should be around 82-83 euros per tonne delivered.

In *Northern Italy*, the situation is quite normal at the moment. The rain in the winter was good and there will be good water availability. Transplanting will start next week with no delay. The cool spring conditions, and notably cold morning temperatures are however worrying and could affect the young transplant. The surfaces to be planted are about 5% lower than last year but the quantity expected is similar at about 2.5 million tonnes: while other areas have reduced their intentions, in the Ferrara region production will increase with the reopening of the factory which did not operate last year.

In the *Centre and South of Italy*, there is still no agreement on price. Processors want to reduce the premium paid for long tomatoes and reduce the price for round tomatoes slightly: in 2017 these were 97 and 87 euros per tonne ex field respectively, the highest in Europe. Whereas serious concerns were expressed about water availability in January, dams were filled due to the heavy rainfall since and the situation is now fine. The rains have however delayed planting which was scheduled to start on 20 March in the Caserta area and it has now be postponed until the first week of April. The water availability will lead to an increase in the surfaces planted which will finally only be reduced by 5 to 10% compared to last year with a volume of 2.4 million tonnes requested by the factories.

The total forecast for *Italy* consequently stands at 4.9 million tonnes.

The current forecast in *Portugal* is for 14,700 hectares to be planted for a production of 1.4 million tonnes. Following a very dry winter which lead to worries about water availability, it rained a lot in March which means that planting which should have started a couple of weeks ago could not start. More rain is expected this week and next week which mean further delays which will lead to a late start in early April.

In *Spain*, the situation is pretty complex. The contracts signed at the end of January where for very low surfaces as the water reserves were drastically reduced due to the severe drought in Andalusia, and to a lower extent in Extremadura. The situation has however changed since it rained most days in March. The water availability therefore improved but the rains have prevented planting. In Andalusia, transplanting which should have started around 10 March has not yet started, and as more rain is forecast over the next weekend it means in will start at least three weeks late. Rains also stops preparation activities for the surfaces which could have been added due to water availability which will mean that planting will be very late. In Extremadura, planting should only be starting now so there is no delay yet due to rain, and there will be no issue if the rain stops now. Surfaces in this region were no reduced significantly so should remain as initially planned. Because of these issues, there is still a lot of uncertainty over the total surface which will be planted and the crop size which could be increased compared with the initial 2.6 million forecast to maybe 2.7 million tonnes.

Other AMITOM members

In *Tunisia*, the area planned for the seasonal tomato crop is 14,000 hectares, which with an estimated average yield of 70 t/ha is expected to produce about 980,000 tonnes, of which 700,000 tonnes are for tomato paste production and 30,000 tonnes for the production of canned tomatoes. The estimated production of 28/30 paste is 110 000 tonnes and canned 22 000 tonnes. Inter-professional negotiations (between UTICA and UTAP) are underway for an agreement on the price of tomato for the processing campaign. The last purchase price of the tomato (2017 season) was 147 DT / TM≈ 50 € / MT. The transplanting of tomato plants has started since the end of February in the central regions (Gafsa and Kairouan) and in Cap Bon. The areas planted until 26 March reached 4,500 hectares against 4,200 at the same date of 2017. The significant rainfall of this current month of March is very favourable to the cultivation of tomatoes and to water resources (groundwater, dams). ...). The actual start of the harvest is scheduled for the 1st week of July.

In *Turkey*, the forecast is only 1.4 million tonnes as the industry is keen to contract but growers are reluctant to plant as other crops are more attractive for them. The current price is 340 TRL per tonne delivered (approx. 70 €/t).

It was extremely warm and dry winter in *Ukraine*. Precipitation was even lower than last winter which was considered as the driest. Warm winter months allowed diseases and pathogenic organisms to survive (what is already clear with winter cereals) and we expect some surprises form their side this season. It is a late and strange spring with a lot of snow in the middle of March which only melted on Monday. As the top layer of the fields is quite wet now intense preparation period is expected before transplanting which should start on the last week of April. There are some old-school growers who do direct seeding and they may face delay with their seeding operations of a week or two. The 2018 crop forecast in general remains the same : 750,000 tonnes of tomatoes should be processed in Ukraine. Accurate figures on actual growing area will be available in second half of May.

Other WPTC countries

In *Brazil*, for this season the total acreage will be around of 16,558 hectares, a reduction of 2,452 hectares compared with 2017. The main reason for this acreage reduction is the over production during the last season and the resulting high inventory in the industries. Last season, average yields were high due to excellent weather conditions during the season and low pests/diseases pressure. For this coming season, the weather forecast is for a cooler than the normal tropical winter, around 19° Celsius in the Cerrado region (Midwest) and the expected yield are high again. The prices paid today by the industries to the growers are on average of U$78/tonne and the exchange ratio is currently 3.30BRL = U$ 1.00 USD.

In *California,* March was a wetter month than historical averages. This has delayed some plantings due to the wet conditions about 7-10 days on average. A warmer than normal spring could make this delay irrelevant. There is some concern about planting in wetter conditions but good weather this week and no rain in the forecast for the next 10 days should help. No change to the estimate at this time.

2018 intentions have not yet been communicated in *Ontario*.

In *China*, the temperature is little higher and the snow and rain is less than previous spring, and some expert think pests will be more likely in this summer. The seeds have been planted in greenhouse in Xinjiang, and the first tomato plants will be transplanted around 10th of April in south of Xinjiang. Currently, the anticipated surface is around 630,000 mu (42,000 hectares) but the final and actual area will be collected in May. It is expected that there will be great changes in the Chinese tomato processing industry, and some factories may not process at all this year, partly because of the strict new emissions regulations for which major investments is needed. The picture will only be clearer when all planting has been finalized.

In *Japan*, the estimated surface planted is 450 hectares for a forecast of total volume of 32,000 tonnes.

Non-member countries

In *Hungary*, spring has been cold so far with big amount of rain and even snow in March. As weather gets better now all plans are on time. The total estimate is about 125,000 tonnes.

In *Poland* the surface planted should be 2,900 hectares for a production of 170,000 tonnes of fresh tomatoes. Price is expected to be 385 PLN/t (91,7 €/t). The low USD exchange rate increases competitiveness of local production compared with Chinese, US and Ukrainian paste. Paste production expected to be 25,000 tonnes. Seedling production started on time about the middle of March.

The crop estimate for the *US Midwest States* remains in the order of 500,000 short tons i.e. 450,000 metric tonnes. The weather remains cold, with still some snowfalls and field operations will only start in late April. Red Gold recently settled pricing at 1 USD above that of last year and other processors should follow so pricing should be basically stable with a small increase.

WPTC World production estimate of tomatoes for processing

(in 1000 metric tonnes)

Date of last update: 30/03/2018

Hemisphere	Group	Country	2015 FINAL		2016 FINAL		2017 FINAL		2018 FORECAST		AVERAGE 2015-2017	VARIATION 2018 vs 2017
NORTHERN HEMISPHERE*	MEMBERS IN MEDITERRANEAN AREA (AMITOM)	Algeria**	500	Mem.	550	Mem.	600	Misc.	600	Est.	550	0%
		Egypt	250	Est.	350	Misc.	300	Est.	300	Est.	300	0%
		France	170	Mem.	183	Mem.	195	Mem.	185	Mem.	183	-5%
		Greece	500	Mem.	440	Mem.	400	Mem.	420	Mem.	447	5%
		Iran**	1 350	Mem.	1 150	Mem.	980	Mem.	1 600	Mem.	1 160	63%
		Israel	220	Mem.	200	Mem.	200		200	Mem.	207	0%
		Italy	5 393	Mem.	5 180	Mem.	5 200	Mem.	4 900	Mem.	5 258	-6%
		Malta**	8	Mem.	8	Mem.	8	Mem.	8	Mem.	8	0%
		Portugal***	1 660	Mem.	1 507	Mem.	1 554	Mem.	1 400	Mem.	1 574	-10%
		Russia**	90	Mem.	145	Mem.	400	Mem.	500	Mem.	212	25%
		Spain***	3 028	Mem.	2 950	Mem.	3 350	Mem.	2 700	Mem.	3 109	-19%
		Syria**	70	Mem.	70	Est.	70	Est.	70	Est.	70	0%
		Tunisia	935	Mem.	650	Mem.	643	Mem.	730	Mem.	743	14%
		Turkey	2 700	Mem.	2 100	Mem.	1 900	Mem.	1 400	Est.	2 233	-26%
		Ukraine**	550	Mem.	550	Mem.	650	Mem.	750	Mem.	583	15%
		Subtotal AMITOM	**17 424**		**16 033**		**16 450**		**15 763**		**16 636**	**-4%**
		of which members in EU	**10 759**		**10 268**		**10 707**		**9 613**		**10 578**	**-10,2%**
	OTHER MEMBERS	Brazil	1 300	Mem.	1 450	Mem.	1 450	Mem.	1 250	Mem.	1 400	-13,8%
		Canada	386	Mem.	456	Mem.	426	Mem.	430	Mem.	423	1%
		California	13 025	Off.	11 470	Mem.	9 492	Mem.	10 886	Mem.	11 329	15%
		China	5 600	Mem.	5 150	Mem.	6 200	Mem.	4 900	Mem.	5 650	-21%
		Japan	35	Mem.	33	Mem.	30	Mem.	32	Mem.	33	7%
		Subtotal Other Members	**20 346**		**18 559**		**17 598**		**17 498**		**18 834**	**-0,6%**
	NON MEMBERS	Bulgaria	60	Misc.	40	Misc.	50	Misc.	50	Est.	50	0%
		Czech Republic	25	Est.	25	Est.	25	Est.	25	Est.	25	0%
		Hungary	105	Est.	105	Est.	100	Misc.	125	Misc.	103	25%
		Morocco	130	Est.	130	Est.	130	Est.	130	Est.	130	0%
		Poland	210	Misc.	220	Misc.	200	Misc.	170	Misc.	210	-15%
		Slovakia	20	Est.	20	Est.	20	Est.	20	Est.	20	0%
		USA excluding California	350	Misc.	476	Misc.	408	Misc.	450	Misc.	411	10%
		Subtotal Non Members	**900**		**1 016**		**933**		**970**		**950**	**4,0%**
		Total Northen Hemisphere	**38 670**		**35 608**		**34 981**		**34 231**		**36 420**	**-2,1%**
		of which WPTC members	**37 770**		**34 592**		**34 048**		**33 261**		**35 470**	**-2,3%**
		of which European Union	**11 179**		**10 678**		**11 102**		**10 003**		**10 986**	**-9,9%**
SOUTHERN HEMISPHERE*	MEMBERS	Argentina	535	Mem.	405	Mem.	488	Mem.	420	Mem.	476	-13,9%
		Australia	286	Mem.	275	Mem.	185	Mem.	245	Mem.	249	32,4%
		Chile	850	Mem.	800	Mem.	1 080	Mem.	1 080	Mem.	910	0,0%
		Peru	112	Mem.	100	Mem.	110	Mem.	100	Mem.	107	-9,1%
		South Africa	140	Mem.	145	Mem.	180	Mem.	160	Mem.	155	-11,1%
		Subtotal members	**1 923**		**1 725**		**2 043**		**2 005**		**1 897**	**-1,9%**
	NON MEMBERS	Dominican Republic	210	Misc.	210	Est.	220	Est.	228	Misc.	213	3,6%
		India	130	Est.	130	Est.	130	Est.	130	Est.	130	0,0%
		Mexico	40	Misc.	40	Misc.	40	Est.	40	Est.	40	0,0%
		New Zealand	51	Misc.	51	Est.	50	Misc.	50	Est.	51	0,0%
		Senegal	80	Misc.	28	Misc.	53	Misc.	80	Misc.	54	50,9%
		Thailand	260	Est.	260	Est.	260	Est.	260	Est.	260	0,0%
		Venezuela	20	Est.	20	Est.	20	Est.	20	Est.	20	0,0%
		Subtotal non members	**791**		**739**		**773**		**808**		**768**	**4,5%**
		Total Southen Hemisphere	**2 714**		**2 464**		**2 816**		**2 813**		**2 665**	**-0,1%**
GENERAL TOTAL			**41 384**		**38 072**		**37 797**		**37 044**		**39 084**	**-2,0%**
of which members of the WPTC			39 693		36 317		36 091		35 266		37 367	-2,3%
WPTC as percentage of total production			96%		95%		95%		95%		96%	-0,3%

Sources:

Mem.= WPTC members, Off.= Official data, Misc.= Other sources (industry contacts, press, ...), Est.= WPTC estimate, in the absence of reliable data

Notes:

*Hemispheres are not defined in the strict geographic sense but as Northern Hemisphere: crop period mainly July to December & Southern Hemisphere: crop period mainly January to June

** AMITOM associate members

*** Tomatoes produced in Portugal but processed in Spain are reported in Spain

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