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Italian Processed Tomato Overview 2018

Report Categories:

Tomatoes and Products

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Report Highlights:

Italy is a world leading processed tomato producer, representing approximately 13.6 percent of the global production and 49 percent of Europe's production, with a sector turnover of more than €3.1 billion. According to the latest data released by the National Association of the Canned Vegetables Industry (Anicav), Italy's processed tomato production totaled 4.6 million metric tons (MMT) in 2018, 11.5 percent down from the previous year due to planted area reductions (-5.9 percent), spring rains, and sudden alternations of temperature during summer. Italy is both a leading exporter and importer of tomato products.

Italian Processed Tomato Overview

Production

Italy is a world leading processed tomato producer, representing approximately 13.6 percent of the global production and 49 percent of Europe's production, with a sector turnover of more than €3.1 billion. Acreage dedicated to processed tomatoes amounts to nearly 60,627 hectares split mainly among the central-southern provinces of Foggia, Caserta, and Potenza, and the northern districts of Parma, Ferrara, and Piacenza. According to the latest data released by the National Association of the Canned Vegetables Industry (Anicav), Italy's processed tomato production totaled 4.6 million metric tons (MMT) in 2018, 11.5 percent down from the previous year. This was due to planted area reductions (-5.9 percent), spring rains, and sudden alternations of temperature during the summer. In 2018, processed tomato production reached 2.4 MMT in northern Italy (-10.2 percent over 2017) and 2.2 MMT in the centre-south (-12.7 percent over 2017).

Generally, conditions in Italy allow for production of tomatoes throughout the year, although the bulk of the processing takes place between the months of July and December. Growing conditions vary substantially between the different regions. In the South, water is plentiful but expensive to use. Many farms utilize drip systems or sprinklers. Growers have set up cooperatives, which are part of larger producer organizations, whose main task is to make joint offers, sign contracts with processing firms, supply seeds, fertilizers and other treatments, and own harvesters. Production in the North is completely mechanized and hybrids are predominantly used. The majority of the plantings are plug-seeding transplants. Direct seeding is rare and only used for the cultivation of paste tomatoes, which are sown with precision machines using coated seeds. For peeling tomatoes, the acreage is planted with plug seedlings. Tomatoes for paste are all machine harvested, but those for the production of canned tomatoes are mostly harvested manually.

The Italian tomato processing industry produces passata, sauces, and pastes and is entirely separate from the fresh-market industry. Specific characteristics differentiate the two types of tomatoes: fresh market varieties are juicier and harvested prior to being ripe, while processing varieties contain higher percentages of solids, are vine ripened, and typically have a thicker skin.

Raw material base price

Processed tomatoes are mainly produced on a contractual basis, with individual agreements between farmers and the industry. On February 13, 2018, Italian tomato processors and Producers' Organizations (POs) representing growers in northern Italy (mainly from Lombardy and Emilia Romagna) set the raw material base price for the coming crop at €79.75/ton of tomatoes. On May 15, 2018, Italian tomato processors and POs representing growers in southern Italy (Calabria, Campania, Puglia, and Molise) set the raw material base price for the coming crop at €87/ton for round tomatoes and €97/ton for the long variety.

Trade

Italy is both a leading exporter and importer of tomato products. In the period January-July 2018, Italy's prepared tomato exports grew by 10 percent (1.2 MMT valued at \$1 billion) from the same period in 2017. This was mainly due to increased volumes to Germany (+29 percent), the United Kingdom (+10 percent), and France (+28 percent), the leading destinations, accounting for 19, 16, and 8 percent of total exports, respectively. In the period January-July 2018, Italy's prepared tomato imports went up by 5 percent (111,580 MT valued at \$80 million) from the same period in 2017. This was mainly due to increased quantities from Spain (+24 percent), the leading supplier, accounting for 37 percent of total imports.

Table 1: Italy's leading exports of prepared tomatoes (January-July 2018)

Partner Country	Unit	2016		2017		2018	
		USD	Quantity	USD	Quantity	USD	Quantity
World	T	997,403,455.0	1,162,704.0	892,034,296.0	1,068,893.0	1,051,832,324.0	1,178,660.0
Germany	T	188,402,410.0	231,748.0	136,963,461.0	178,424.0	192,391,617.0	229,580.0
United Kingdom	T	145,320,538.0	173,289.0	139,431,948.0	168,855.0	160,888,222.0	186,133.0
France	T	82,258,461.0	86,822.0	68,558,140.0	78,824.0	99,199,714.0	100,726.0
United States	T	53,955,720.0	66,468.0	59,374,048.0	73,171.0	65,367,210.0	76,033.0
Japan	T	59,192,078.0	68,690.0	52,879,700.0	63,954.0	56,599,677.0	62,069.0
Netherlands	T	38,361,821.0	48,169.0	32,930,196.0	43,093.0	43,966,057.0	51,055.0
Australia	T	35,371,766.0	43,330.0	37,357,297.0	47,625.0	42,198,265.0	49,284.0
Belgium	T	28,198,519.0	39,002.0	24,748,957.0	33,408.0	30,062,412.0	35,674.0
Sweden	T	22,789,880.0	21,670.0	20,189,611.0	19,860.0	26,960,375.0	23,459.0
Switzerland	T	23,512,704.0	22,227.0	21,059,963.0	20,464.0	23,925,743.0	21,766.0

Source: Global Trade Atlas (GTA)

Table 2: Italy's leading exports of prepared tomatoes (January-December 2017)

Partner Country	Unit	2015		2016		2017	
		USD	Quantity	USD	Quantity	USD	Quantity
World	T	1,704,535,003	1,879,640	1,715,325,945	2,023,076	1,688,057,629	1,984,396
Germany	T	323,541,569	375,272	318,760,453	401,548	302,692,573	383,400
United Kingdom	T	252,452,654	278,445	246,507,949	300,517	261,434,843	314,239
France	T	139,403,747	140,796	136,790,719	147,672	140,028,736	152,924
United States	T	102,733,980	118,673	97,913,343	120,783	104,773,953	125,557
Japan	T	88,796,201	98,836	88,213,895	103,581	85,431,616	100,105
Netherlands	T	73,081,630	88,888	69,078,596	87,781	70,433,134	88,183
Australia	T	63,410,944	75,342	59,017,780	73,399	62,767,333	78,013
Belgium	T	54,133,897	64,774	49,947,135	66,905	51,568,079	65,673
Libya	T	58,210,413	48,272	119,647,228	106,010	49,580,028	43,667
Sweden	T	38,149,192	36,550	40,880,637	39,750	42,894,050	40,676

Source: GTA

Table 3: Italy's leading imports of prepared tomatoes (January-July 2018)

Partner Country	Unit	2016		2017		2018	
		USD	Quantity	USD	Quantity	USD	Quantity
World	T	96,689,576	113,212	79,114,351	106,278	79,855,489	111,580
Spain	T	28,463,105	30,942	24,419,792	33,106	31,679,721	41,157
United States	T	17,783,472	20,097	27,863,846	38,662	20,535,760	33,126
Portugal	T	5,679,978	5,634	6,376,542	8,449	11,905,894	17,393
China	T	41,541,169	53,256	17,887,016	23,287	11,401,626	15,309

Egypt	T	819,821	1,066	241,273	296	1,841,446	2,396
Chile	T	650,910	618	672,396	682	554,871	528
France	T	416,317	611	549,968	526	546,324	328
United Kingdom	T	8,219	6	26,416	4	398,342	256
Turkey	T	112,030	32	75,856	19	244,052	463
Germany	T	181,252	67	224,324	284	242,997	180

Source: GTA

Table 4: Italy's leading imports of prepared tomatoes (January-December 2017)

Partner Country	Unit	2015		2016		2017	
		USD	Quantity	USD	Quantity	USD	Quantity
World	T	175,082,168	180,067	172,906,267	212,236	126,794,646	168,988
United States	T	42,845,848	44,674	45,456,112	57,041	41,294,521	59,975
Spain	T	38,007,036	42,299	41,651,022	46,480	39,335,908	51,248
China	T	68,971,864	67,451	69,911,346	91,820	25,320,515	33,406
Portugal	T	8,766,288	9,525	9,196,398	9,596	13,715,261	17,053
Chile	T	8,461,508	7,646	650,910	618	3,426,427	3,408
Egypt	T	1,962,741	1,863	2,384,413	3,085	1,238,808	1,501
France	T	531,494	342	927,900	1,140	767,502	726
Australia	T	-	-	705,399	1,008	501,660	716
Germany	T	323,820	114	315,534	104	368,224	377
Turkey	T	104,529	20	239,222	92	215,447	58

Source: GTA

Abbreviations and definitions used in this report

Ha: Hectare - 1 ha = 2.471 acres

MT: Metric Ton - 1MT = 1,000 kg
MMT: Million Metric Tons
PO: Producers Organizations

MY: Marketing Year

Prepared tomato: January/December

Harmonized System (HS) Codes

Prepared tomato: 200210, 200290