

Required Report: Required - Public Distribution

Date: June 04, 2024

Report Number: MX2024-0028

Report Name: Tomatoes and Products Annual

Country: Mexico

Post: Guadalajara

Report Category: Tomatoes and Products

Prepared By: Manuel Mandujano

Approved By: Abigail Nguema

Report Highlights:

Mexico's 2024 tomato production is forecast at 3.30 million metric tons (MMT), a two percent increase over 2023, driven by export demand and investment in protected agriculture systems. Production in 2023 is estimated at 3.22 MMT, down eight percent compared to the previous year due to water constraints from drought conditions in some production areas. Drought and adverse weather impacts remain the main challenges for Mexico's tomato production. While some producers in Mexico have invested in protected production, other regions continue to produce in open fields, with lower yields and more exposure to climatic factors.

Executive Summary

Mexico's 2024 tomato production is forecast at 3.30 million metric tons (MMT), a two percent increase over 2023, driven by export demand. Production in 2023 is estimated 8 percent lower than the previous year at 3.22 MMT due to drought conditions limiting access to water. Production data reflects Mexico's robust tomato production sector, capable of maintaining substantial output despite weather and drought challenges across Mexico. Sinaloa remains the leading state in tomato production, contributing 22 percent of national production.

The United States is Mexico's top tomato export market, with 1.82 MMT in exports valued at USD 2.7 billion in 2023, up by one percent in terms of volume and ten percent in value compared to 2022. Investments in greenhouse technology in recent years has enabled producers to deliver better quality products.

Production

Mexico's tomato production is forecast to increase two percent year-on-year in 2024 to 3.30 MMT, due to strong export demand, mainly from the United States. Production in 2023 showed an 8 percent decline compared with 2022, falling to 3.22 MMT. The top five tomato production states deliver over 51 percent of national production. Sinaloa remains the leading tomato producer with 22 percent of national production, followed by San Luis Potosí (13 percent) and Michoacán (7 percent). Baja California Sur, Jalisco, and Sonora each contribute 5 percent to total production.

Table 1: Mexico Tomato Area and Production

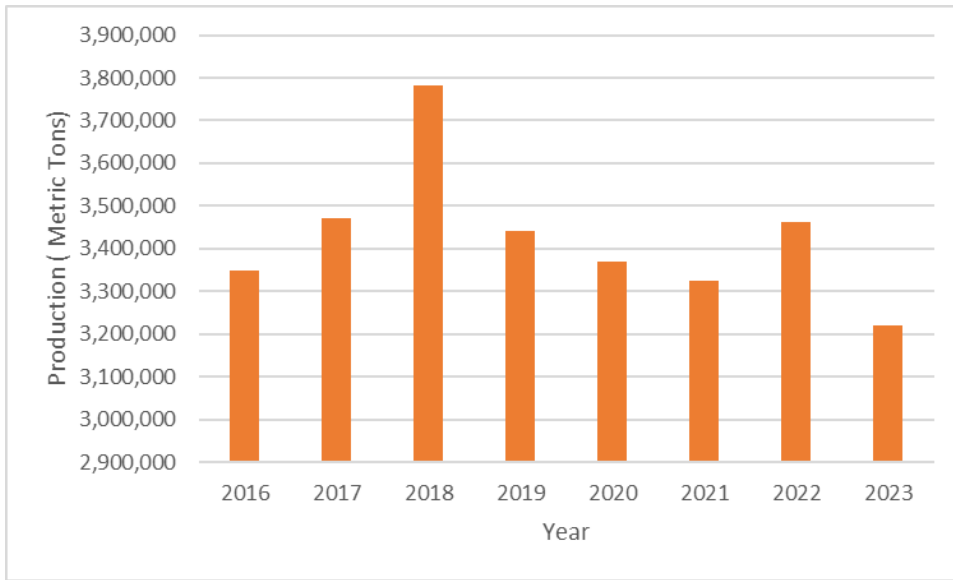
Year	Planted Area (ha)	Harvested Area (ha)	Production (MT)
2016	51,861	51,299	3,349,154
2017	50,373	50,226	3,469,707
2018	49,416	49,209	3,780,950
2019	47,373	46,257	3,441,639
2020	45,285	45,168	3,370,827
2021	48,042	47,940	3,324,263
2022	49,287	49,196	3,461,766
2023	47,245	46,319	3,220,048

Data Source: Agri-Food and Fisheries Information Service (SIAP)

Adverse climate conditions have contributed to a shift towards protected production during the last decade, mainly production in greenhouses, shade houses, and high tunnels instead of open field cultivation. This shift decreased production in the short-term, while resulting in increased production over time as yields and produce quality rose. In the areas where open field cultivation predominates,

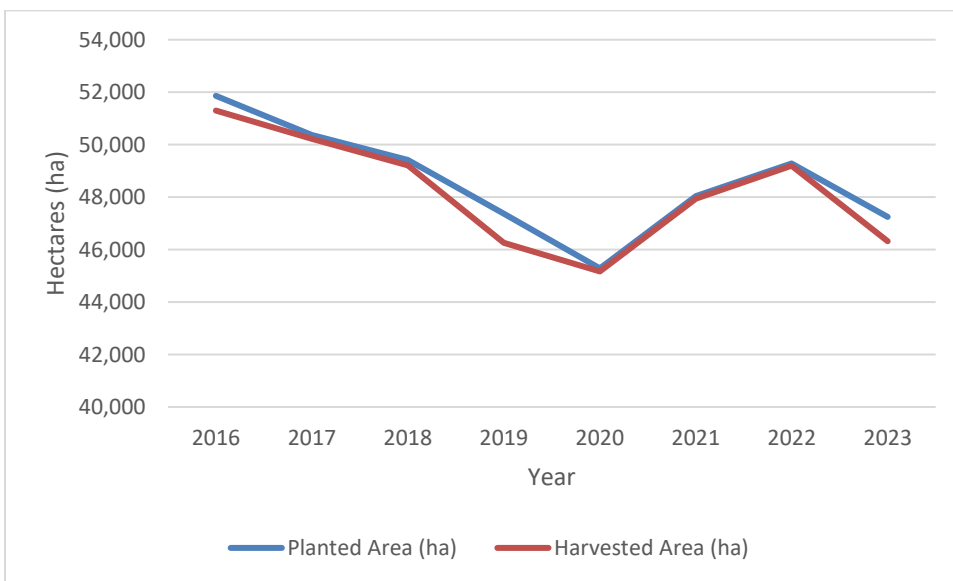
adverse weather conditions such as drought, excessive rain, or abrupt temperature changes usually cause significant production losses. The shift towards protected tomato production in Mexico began in the early 2000s but accelerated during the beginning of the 2010s. The trend has been steadily increasing since then, as producers look to increase their yields.

Graph 1: Mexico Tomato Production



Data Source: SIAP

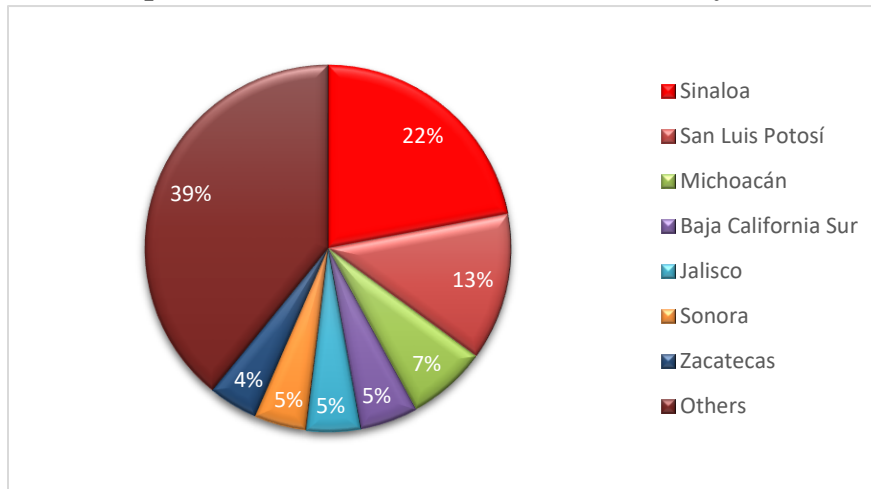
Graph 2: Mexico Tomato Planted and Harvested Area



Data Source: SIAP

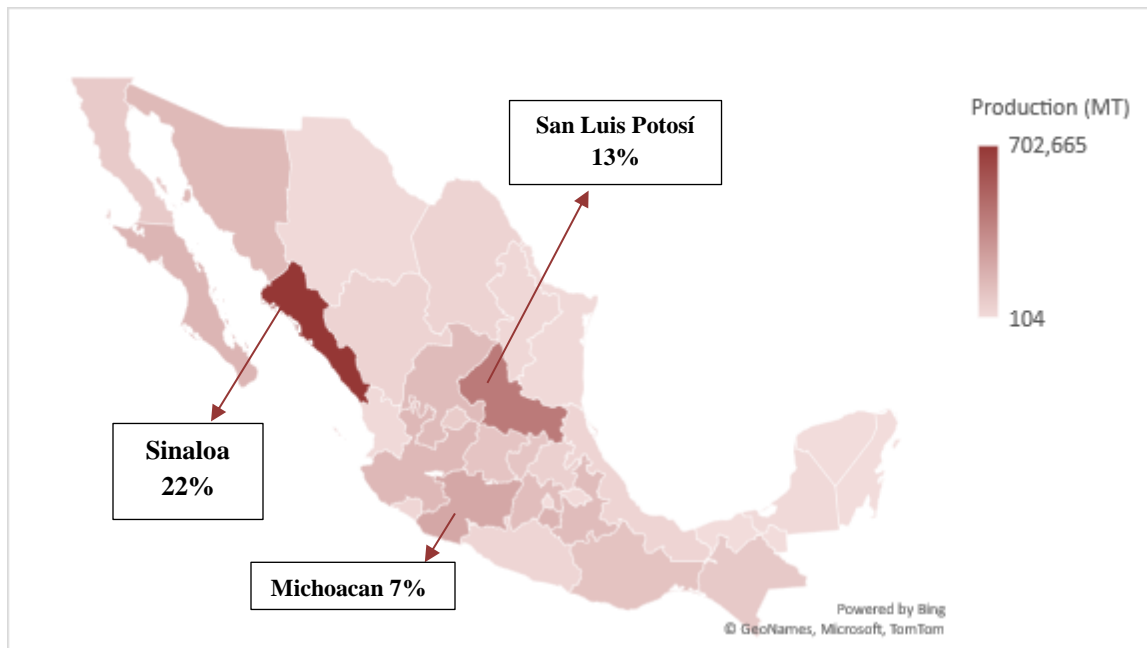
Mexico’s tomato production occurs throughout the year across several geographic regions. From December to April, the state of Sinaloa, Mexico’s largest open-field and shade house tomato producer, dominates the domestic market and exports over 80 percent of its crop to the United States. From May to November, the major producing states include San Luis Potosi, Michoacan, Baja California Sur, Jalisco, and Sonora.

Graph 3: 2023 Mexican Tomato Production by State



Data Source: SIAP

Map 1: Main Tomato Production Areas 2023



Data Source: SIAP

Mexico produces a wide variety of tomatoes, with the most common being the cherry, bola, and saladette varieties, which are popular for their sweet flavor and versatility. Other high end or gourmet tomatoes varieties, including grape and cocktail, are grown almost exclusively for export to the United States. A wide variety of tomatoes are used in the processing industry due to their intense flavor and high yield.

Production varies seasonally, with peak production in October and the lowest production period in March. Local producers report efforts to extend their growing and harvesting season from 28 to 40 weeks, partly through the use of substrates growing material. For example, production of saladette tomatoes in Jalisco state begins in July and stretches into January, at which point the plants are transplanted to a new substrate to promote continued production.

On average, growers can harvest around 30 kilograms per square meter over the course of the season, which equates to about 1 kilogram per square meter per week. Large producers enjoy year-round production due to improvements in water management, greenhouse production and other technology improvements.

Profits have been constrained in recent years by Mexico's strong "super peso" and the rising cost of substrates, labor, pesticides, and other inputs. Most producers obtain substrate from suppliers in Europe and Asia, while some partner with research institutions to develop their own substrate. In Mexico, greenhouse structures are made of steel, which has seen high prices in recent years but typically lasts around three years.

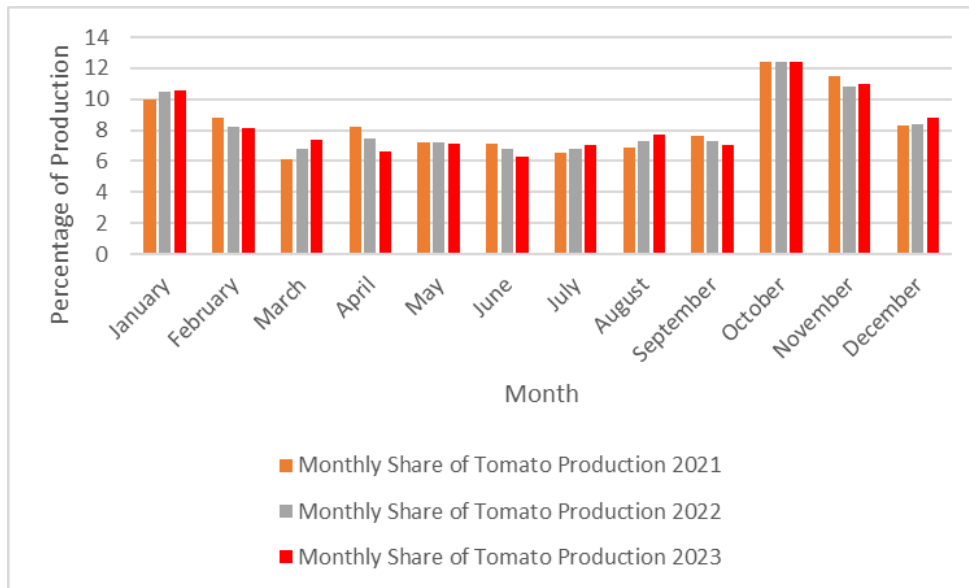
Tomato prices tend to be highest from October to December, when production is lower outside of the top producing state of Sinaloa.

Growing Conditions

Mexico's tomato production is year-round, with the October to December period accounting for 42 percent of production. In recent years Mexican tomato growers have been implementing and adapting protected growing methods to improve tomato yields. According to Government of Mexico data, approximately 66 percent of tomato production takes place in greenhouses while the remaining 34 percent is carried out in open fields. Protected production allows for better pest and disease management, resulting in better yields.

Tomatoes require well-drained loamy or sandy loam soils, with moisture holding capacity. In Mexico, the best temperatures for tomato production are between 60°F and 85°F, with temperatures above or below this range tending to slow growth and fruit maturation. Ideal conditions also include constant sunlight, humidity of 65-85%, and between one and two inches of water per week.

Graph 4: Monthly Share of Tomato Production



Data Source: SIAP

Consumption

According to the Government of Mexico, the annual per capita consumption of tomatoes is 12.7 kgs per person, making the tomato the number one vegetable consumed by Mexicans. Tomatoes are the foundation of Mexican cuisine, an integral part of the basic food basket, and essential to every Mexican household. Tomatoes are predominately used for sauces (both spicy and sweet), tacos, and stews. Tomatoes offer flavors that balance out the spicy elements of chili peppers, providing versatility to recipes used in both traditional and modern Mexican cooking.

Trade

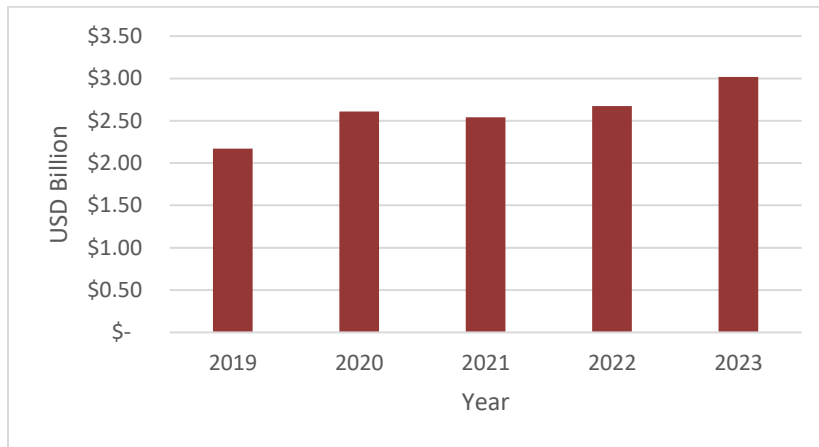
Aside from distilled spirits and beer, tomatoes are the number two agricultural product exported to the United States at USD 2.71 billion, just behind avocados at USD 2.724 billion and ahead of berries at USD 1.971 billion. Mexico fulfills 25 percent of the worldwide demand, making it the eight largest producer worldwide.

According to Trade Data Monitor, 2023 Mexican tomato exports totaled USD 3.02 billion and 2 million metric tons (MMT). The main export market is the United States with 99.8 percent of exports, followed by Canada and Japan. 2023 represented a record-breaking year for Mexican tomatoes being exported to the northern neighbor.

Approximately 90% of saladette production is exported to the United States, with cherry, grape and other high end niche varieties exported almost entirely. According to producers, transport time from Mexican fields to U.S. supermarket shelves is about two days, via border ports in Texas and Arizona.

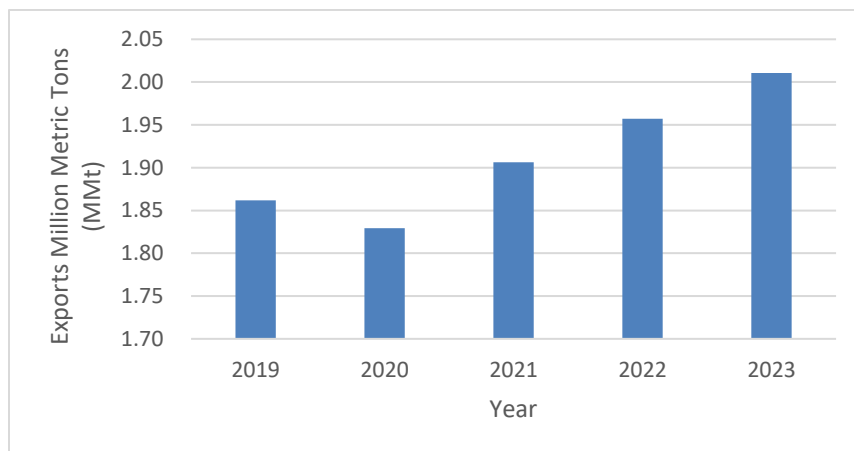
Mexico’s 2023 tomato imports totaled less than USD 1 million, primarily from the United States.

Graph 5: Mexican Tomato Exports (USD Billion)



Data Source: Trade Data Monitor

Graph 6: Mexican Tomato Exports (MMT)



Source: Trade Data Monitor

Policy

The [Tomato Suspension Agreement \(TSA\)](#) between the U.S. Department of Commerce and signatory producers/exporters of fresh tomatoes grown in Mexico ensures that signatory producers and exporters sell Mexican tomatoes at or above the TSA reference price to eliminate the injurious effects of exports of fresh tomatoes to the United States. The Agreement, which was updated effective September 19, 2019, applies to all fresh and chilled tomatoes except tomatoes for processing.

Attachments:

No Attachments