



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Required Report - public distribution

Date: 5/30/2001

GAIN Report #GR1008

Greece

Tomatoes and Products

Annual

2001

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Report Highlights:

Production data, for total 2000 tomato production (fresh table and industrial) has been revised downwards to 1,900,000 MT from the earlier estimate of 1,960,000 MT. Total industrial tomato production is estimated at 1,150,000 MT. Quality varied from good to average. Under new EU guidelines, Greece's quota for industrial tomato production was increased 12.3 percent to 1,211,241 MT. Fresh table production has stabilized at about 750,000 MT and trade contacts estimate production of industrial tomatoes at close to 1,290,000 MT for the 2001 season, which would slightly exceed the quota.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Annual Report
Rome [IT1], GR

SECTION I. SITUATION AND OUTLOOK	1
SECTION III. NARRATIVE ON SUPPLY AND DEMAND, POLICY & MARKETING	3
Production	3
Consumption	4
Stocks	4
Trade	4
Policy	4
SECTION II. STATISTICAL TABLES	6
PS&D Table, Fresh Tomatoes	6
PS&D Table, Canned Tomatoes	7
Export Trade Matrix, Canned Tomatoes	8
Import Trade Matrix, Canned Tomatoes	9
PS&D Table, Tomato Paste, 28-30% TSS Basis	10
Export Trade Matrix, Tomato Paste, 28-30% TSS Basis	11
Import Trade Matrix, Tomato Paste 28-30%, TSS Basis	12

SECTION I. SITUATION AND OUTLOOK

Based on recent production data, total tomato production for 2000 (fresh table and industrial) has been revised downwards to 1,900,000 MT from the earlier estimate of 1,960,000 MT shown in report GR0036 of Dec.15, 2000. Despite late spring rains in 2000 in the Macedonia area and generally high summer temperatures, the overall quality of the crop was fair to good, much better than that of the prior year (1999). Total industrial tomato production is presently estimated at 1,150,000 MT of which about 88.6 percent (1,019,000 MT) has already been delivered to processors for tomato paste, passata and juice and about 3.8 percent (43,550 MT) has been processed for canned tomatoes (whole, crushed/chopped and diced). The balance of about 7.6 percent (87,500 MT) was either sold in the fresh market (40,000 MT) or categorized as farm use, losses and waste (47,500 MT). The quality of this year's industrial tomato crop varied from good to average, with the Brix content ranging between 4.3 and 5.6, averaging about 5.39. This is relatively good compared to the poor quality of the 1999 crop where the Brix content averaged 5.15. Tomato paste quality was also good to average and the color and mold count were within normal acceptable levels.

Based on EU Reg. 2699/2000 of Dec.4, 2000, for 2001/02 the minimum grower price for industrial tomatoes as well as for the processing aid to the canners have been abolished. However, this regulation now establishes a support price for industrial tomatoes paid directly to the growers, who will then negotiate through producer associations with the processors to establish a market price. This price support to growers is set at 34.5 Euro per Metric Ton. At the present rate of exchange of 340.75 drs per 1 Euro, the actual grower support price is 11.76 drs/kg. In order to be eligible for this payment, the grower must sign a contract with a processor.

Regulation. No. 2699/2000 also sets new allocation quotas for industrial tomatoes to be processed by each member country. The new EU quota for industrial tomatoes has been upped to 8,251,455 MT compared to 6,865,823 in 2000/01, representing an average increase of about 20.2 percent. In the case of Greece, the quota was increased 12.3 percent to 1,211,241 MT compared to 1,078,169 MT in the 2000 season. See section II - Statistical Tables.

Total tomato paste production in 2000 has been revised to 178,000 MT, converted to 28-30 TSS, plus another 2,000 MT converted to the same concentration of tomato juice and passata. Production of canned tomatoes is presently estimated at about 9,000 MT of whole peeled tomatoes plus 27,900 MT of crushed/chopped and diced product.

Minimum grower prices for industrial tomatoes delivered to processors as well as the processing aid to canners for the 2000 campaign were given in detail in our report GR0036 of Dec.15, 2000.

Table: Tonnage Allocation Quota for Industrial Tomatoes for Greece and the Entire EU by Product for the 2000/01 year and 2001/02 (EU Reg. No564/2000 and 2699/2000)

Tomato Products	For Greece		Total EU	
	2000/01	2001/02	2000/01	2001/02
Metric Tons				
Tomato Paste	1,033,367	-	4,614,814	-

Whole Peeled Canned	14,660	-	1,321,119	-
Other Products	30,142	-	929,890	-
TOTAL	1,078,169	1,211,241	6,865,823	8,251,455

Note: Beginning in 2001/02, the EU will no longer set specific quotas for the different tomato products (tomato paste, whole peeled canned and other products).

Table: Indicative Average Quarterly Prices Received by Growers for Fresh Table and Industrial Tomatoes for 1999:

1999 First Quarter (Jan-March)

Table Tomatoes	Drs/Kg	\$/Kg
a) Field Grown	155.8	0.51
b) Greenhouse (Under cover)	186.3	0.61

Second Quarter (Apr-June)

Table Tomatoes	Drs/Kg	\$/Kg
a) Field Grown	146.6	0.48
b) Greenhouse (Under cover)	203.6	0.67
Industrial Tomatoes	150.0	0.49

Third Quarter (July-Sept)

Table Tomatoes	Drs/Kg	\$/Kg
a) Field Grown	146.8	0.48
b) Greenhouse (Under cover)	126.7	0.41
Industrial Tomatoes	28.5	0.09

Fourth Quarter (Oct-Dec)

Table Tomatoes	Drs/Kg	\$/Kg
a) Field Grown	188.9	0.62
b) Greenhouse (Under cover)	225.3	0.74
Industrial Tomatoes	30.2	0.10

Note: Comparable prices for 2000 are not yet available.

The exchange rate conversion applied is \$1.00=305.85drs.

Table: Amount of Industrial Tomatoes Delivered and Processed in 1999, 2000 and Forecast for 2001

	1999	2000	2001
	Metric Tons		
Raw Material for:			
Tomato Paste, Tomato Juice and Passata	1,205,000	1,019,000	1,169,000
Canned, Whole Peeled and Crushed/Chopped/Diced Tomatoes	40,500	43,550	41,000
Final Products			
Tomato Paste, Tomato Juice and Passata (given in 28-30 TSS)	203,000	180,000	207,000
Canned, Whole Peeled and Crushed/Chopped/Diced Tomatoes	31,800	36,900	33,000

SECTION III. NARRATIVE ON SUPPLY AND DEMAND, POLICY & MARKETING

Production

As indicated in past reports, fresh table tomato production has stabilized at about 750,000 MT annually of which 250,000 MT is produced under cover (greenhouse), with the balance field grown. In regard to industrial tomatoes, Greece can be expected to fill or only slightly exceed its new national quota that was established by EU Reg. No2699/2000 as indicated earlier in this report. In prior years Greece routinely exceeded its quota, but it is difficult to estimate what the impact on production the new program conditions calling for free negotiations between processors and growers will have. At present, trade contacts estimate production at close to 1,290,000 MT of industrial tomatoes to be planted and processed for the 2001 season. When Greece exceeds its quota, producers are subject to co-responsibility levies the following year.

Yields of tomato paste (28-30% TSS basis) in 2000 averaged 5.93 Kg of tomatoes per 1 Kg of tomato paste compared to 5.96 the prior year. Over 85 percent of the tomato paste production continues to be packed aseptically in 210 to 220 Kg net weight drums at 28-30% TSS basis (hot break product) and at 36-38% TSS basis (cold break product) while the balance goes in 5 Kg and consumer size cans.

There were 38 plants that processed tomato paste during the 2000 season compared to 40 that operated in 1999. Seven of these plants processed over 50,000 MT each (Heinz – Kopais in two plants processed over 150,000 MT), 18 plants processed between 10,000 and 50,000 MT and the remaining 13 plants processed less than 10,000 MT each. Out of the 38 plants that processed tomatoes, 13 plants processed canned tomatoes (whole peeled, crushed/chopped and diced) as well as tomato paste. As in 1999, no plant produced tomato flakes in

2000.

Consumption

Consumption of fresh table tomatoes in recent years averages about 700,000 to 750,000 MT annually and is spread throughout the year as a result of the continued supply from tomatoes under cover during the period from November through June. Consumption of canned products stands between 57,000 – 62,000 MT net weight annually. (For more details, see page 10 of our report GR0012 of May 30, 2000).

Stocks

Although there are no official sources for data on stocks, information gathered through industry and trade indicate that stocks of tomato paste at the end of the marketing year (June 30, 2001) will be close to 21,000 MT, appreciably lower than the revised June 30, 2000 level of 43,000 MT. It should be noted that a good portion of these stocks are committed but not yet shipped. Stocks of other tomato products (canned tomatoes, passata, and juice) are at normal low levels.

Trade

The foreign demand for tomato paste at present is low because of large world production levels in 2000. Early in the marketing year there was some interest from foreign buyers but this eased as the season progressed. Export ex-factory prices for tomato paste, 28-30% TSS basis, aseptically packed in drums during October-November 2000 ranged between 200,000 and 225,000 drs/MT (\$515 to \$575/MT). At present, prices have declined further and the product is offered between 180,000 and 200,000 drs/MT (\$480 to \$535/MT) due to the limited demand by foreign buyers. These prices are marginal for the processors.

Policy

With respect to tomatoes, the GOG continues to implement policies based on EU guidelines. The EU issued Reg. No2699/2000 dated Dec.4, 2000 by which it revises: a)Reg. No2200/96 for the Common organization of marketing of fruits and vegetables, b)Reg. No2201/96 for the common organization of marketing for the processed fruits and vegetables and c)Reg. No2202/96 for the support of certain citrus growers. With the above regulation, both the EU allocation quota for tomatoes to be processed as well as the national quota by country have been increased as shown in the table section.

As of Jan.1, 2001 the quantities of tomatoes to be withdrawn were set at no more than 20 percent of the fruit marketed by the group of growers. This percentage will be further lowered to 10 percent as of Jan.1, 2002. The withdrawal price for tomatoes for the 2000 year was set at 5.47 Euros/MT and was furthered lowered to 5.15 Euros/MT for the 2001 year. It will again be lowered to 4.83 Euros/MT on Jan.1, 2002.

In addition, the EU issued Reg. No2880/2000 of Dec.27, 2000 which sets a maximum ceiling of withdrawal for the entire EU at 360,000 MT for the period Nov.1, 2000 to Oct.31, 2001. This level has remained unchanged for the last few years. However, for all practical purposes there were no quantities of tomatoes withdrawn in Greece during the last few years.

Exchange Rates

1999	\$1.00 = 308.85 drachmas
2000	\$1.00 = 365.41 drachmas
2001 Jan-Apr	\$1.00 = 372.13 drachmas

SECTION II. STATISTICAL TABLES**PS&D Table, Fresh Tomatoes**

PSD Table						
Country	Greece					
Commodity	Fresh Tomatoes			(HA)(MT)		
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Plnt For Fresh Consump	0	17500	0	17300	0	17200
Plnt For Processing	0	22500	0	19500	0	21500
TOTAL Area Planted	0	40000	0	36800	0	38700
Harv. For Fresh Cons.	0	17500	0	17300	0	17200
Harv. For Processing	0	22500	0	19500	0	21500
TOTAL Area Harvested	0	40000	0	36800	0	38700
Fresh Sale Production	0	745000	0	750000	0	755000
Processing Production	0	1350000	0	1150000	0	1290000
TOTAL Production	0	2095000	0	1900000	0	2045000
TOTAL SUPPLY	0	2095000	0	1900000	0	2045000

PS&D Table, Canned Tomatoes

PSD Table						
Country	Greece					
Commodity	Canned Tomatoes				(MT)(MT, Net Weight)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		07/1999		07/2000		07/2001
Deliv. To Processors	40500	40500	41000	43550	0	41000
Beginning Stocks	1999	1999	799	1799	299	2199
Production	30300	31800	31000	36900	0	33000
Imports	16000	16000	16000	14000	0	15000
TOTAL SUPPLY	48299	49799	47799	52699	299	50199
Exports	16000	16000	16000	18000	0	17000
Domestic Consumption	31500	32000	31500	32500	0	32500
Ending Stocks	799	1799	299	2199	0	699
TOTAL DISTRIBUTION	48299	49799	47799	52699	0	50199

Export Trade Matrix, Canned Tomatoes

Export Trade Matrix			
Country	Greece		
Commodity	Canned Tomatoes		
Time period		Units:	MT
Exports for:	1999		2000
U.S.	4	U.S.	80
Others		Others	
France	433	France	671
Holland	3105	Holland	1907
Germany	1378	Belgium-Lux	623
U.K.	7051	U.K.	10255
Other EU	1054	Other EU	850
>Sub Total EU	13021	>Sub Total EU	14306
Poland	420	Poland	167
Cyprus	200	Cyprus	196
		Lebanon	146
Total for Others	13641		14815
Others not Listed	211		420
Grand Total	13856		15315

Import Trade Matrix, Canned Tomatoes

Import Trade Matrix			
Country	Greece		
Commodity	Canned Tomatoes		
Time period		Units:	MT
Imports for:	1999		2000
U.S.		U.S.	
Others		Others	
Italy	6137	Italy	8615
Spain	664	Spain	262
Other EU	395	Other EU	277
>Sub Total EU	7196	Germany	395
		>Sub Total EU	9549
Total for Others	7196		9549
Others not Listed	2		7
Grand Total	7198		9556

PS&D Table, Tomato Paste, 28-30% TSS Basis

PSD Table						
Country	Greece					
Commodity	Tom. Paste, 28-30% TSS Basis				(MT)(MT, Net Weight)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		07/1999		07/2000		07/2001
Deliv. To Processors	1205000	1205000	1181000	1019000	0	1169000
Beginning Stocks	4000	4000	34500	43000	31500	21000
Production	202000	203000	209000	180000	0	207000
Imports	4000	4000	3500	3500	0	3500
TOTAL SUPPLY	210000	211000	247000	226500	31500	231500
Exports	160000	152500	200000	190000	0	190000
Domestic Consumption	15500	15500	15500	15500	0	15500
Ending Stocks	34500	43000	31500	21000	0	26000
TOTAL DISTRIBUTION	210000	211000	247000	226500	0	231500

Export Trade Matrix, Tomato Paste, 28-30% TSS Basis

Export Trade Matrix			
Country	Greece		
Commodity	Tom. Paste,28-30 % TSS Basis		
Time period		Units:	MT
Exports for:	1999		2000
U.S.	60	U.S.	
Others		Others	
Holland	15278	Holland	14709
Germany	20300	Germany	12076
Italy	19986	Italy	23611
U.K.	49014	U.K.	36142
Other EU	12126	Other EU	9055
>Sub Total EU	116704	>Sub Total EU	95593
Poland	1911	Poland	1629
Romania	1643	Romania	1381
Latvia	3837	Latvia	1272
Libya	9028	Libya	11772
Total for Others	133123		111647
Others not Listed	7711		7839
Grand Total	140894		119486

Import Trade Matrix, Tomato Paste 28-30%, TSS Basis

Import Trade Matrix			
Country	Greece		
Commodity	Tom. Paste,28-30 % TSS Basis		
Time period		Units:	MT
Imports for:	1999		2000
U.S.		U.S.	
Others		Others	
Italy	1037	Italy	2014
U.K.	2794	U.K.	192
Other EU	620	Germany	450
>Sub Total EU	4451	Other EU	213
		>Sub Total EU	2869
Total for Others	4451		2869
Others not Listed	91		214
Grand Total	4542		3083