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Italian Processed Tomato Overview

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Tomatoes and Products

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Report Highlights:

Italy is a world leading processed tomato producer, representing approximately 13 percent of the global production and 48 percent of Europe's production, with a sector turnover of more than €3.2 billion. According to the latest data released by the National Association of the Canned Vegetables Industry (Anicav), Italy's processed tomato production totaled 5.1 million metric tons (MMT) in 2016, a 5.5 percent decrease from the previous year, mainly due to adverse weather in central-southern provinces 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 percent of the global production and 48 percent of Europe's production, with a sector turnover of more than €3.2 billion. Acreage to processed tomatoes amounts to nearly 68,640 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 5.1 million metric tons (MMT) in 2016, a 5.5 percent decrease from the previous year, mainly due to adverse weather in central-southern provinces during summer. Processed tomato production reached 2.8 MMT in northern Italy (+6 percent over 2015) and 2.3 MMT in the centre-south (-13 percent over 2015). Overall quality is good, with average brix (4.82) and exceptional color.

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 May 17, 2016, 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 €85.20/ton of tomatoes. On June 13, 2016, Italian tomato processors and Producers' Organizations (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 2015, Italy's prepared tomato exports remained steady at 1.8 MMT (valued at \$1.7 billion), mainly to Germany, the United Kingdom, France, the United States, and Japan. Italian exports of processed tomato products across the board rose 6 percent in the first seven months of 2016, in the wake of strong demand for peeled and chopped tomatoes. In 2015, Italy's prepared tomato imports remained flat at 180,044 MT (valued at \$175 million), mainly from China, the United States, and Spain.

Table 1: Italy's leading exports of prepared tomatoes (January-December 2015)

Partner Country	Unit	2013		2014		2015	
		USD	Quantity	USD	Quantity	USD	Quantity
World	T	1,915,454,745	1,889,428	1,983,668,265	1,838,662	1,703,986,625	1,882,674
Germany	T	347,808,670	383,997	380,671,147	374,993	323,328,900	375,820
United Kingdom	T	309,610,283	311,420	309,335,116	287,206	252,462,480	278,492
France	T	178,483,846	157,621	186,649,825	157,132	139,380,573	141,662
United States	T	99,342,510	109,858	106,697,241	110,195	102,715,716	118,651
Japan	T	110,252,094	101,510	113,472,095	102,453	88,793,762	98,820
Netherlands	T	58,942,631	58,728	66,242,789	62,642	73,114,494	89,558
Australia	T	68,091,533	73,342	73,287,111	72,831	63,399,014	75,322
Libya	T	54,005,365	40,494	57,409,705	43,004	58,210,413	48,272
Belgium	T	65,433,016	69,677	65,110,510	70,621	54,095,315	65,188
Switzerland	T	44,891,389	37,600	48,283,229	37,189	41,545,008	36,972
Sweden	T	35,327,190	30,605	44,207,451	36,602	38,110,394	36,577
Austria	T	31,206,159	30,187	34,398,610	30,931	29,697,774	31,850
Canada	T	24,632,542	26,865	21,446,964	22,380	22,753,215	27,995
Poland	T	26,404,901	29,138	28,828,756	28,770	22,696,409	28,807
Denmark	T	23,223,705	21,005	25,014,311	20,819	22,091,613	22,513

Source: Global Trade Atlas (GTA)

Table 2: Italy's leading exports of prepared tomatoes (January-July 2016)

Partner Country	Unit	2014		2015		2016	
		USD	Quantity	USD	Quantity	USD	Quantity
World	T	1,169,692,026	1,054,149	1,010,992,822	1,093,668	984,797,262	1,148,389
Germany	T	224,304,881	214,078	182,445,633	209,356	187,070,035	229,397
United Kingdom	T	179,681,139	162,608	149,017,917	161,695	136,629,772	165,135
France	T	115,418,399	95,115	85,553,409	85,444	82,063,976	86,736
Libya	T	24,989,652	17,969	44,801,017	36,451	64,569,024	58,017
Japan	T	76,478,624	67,569	58,805,972	64,821	59,206,522	68,705
United States	T	58,298,842	59,541	57,680,334	64,004	53,870,378	66,356
Netherlands	T	36,055,839	32,424	40,758,537	49,464	38,031,934	47,724
Australia	T	42,880,884	41,245	37,557,375	44,733	35,349,208	43,301
Belgium	T	40,257,029	44,926	31,108,048	37,018	28,160,498	38,979
Switzerland	T	28,195,315	21,296	24,023,822	21,078	23,544,049	22,248
Sweden	T	25,624,075	20,169	21,004,584	19,565	22,601,614	21,406
Austria	T	20,883,616	17,934	17,850,303	18,810	17,581,423	19,136
Poland	T	17,206,511	16,403	13,098,283	16,446	14,417,689	19,090
Canada	T	10,640,753	10,220	13,000,050	14,677	13,183,372	17,130
Denmark	T	14,797,069	11,699	12,437,554	12,487	12,957,421	13,634

Source: GTA

Table 3: Italy's leading imports of prepared tomatoes (January-December 2015)

Partner Country	Unit	2013		2014		2015	
		USD	Quantity	USD	Quantity	USD	Quantity
World	T	140,143,954	155,687	170,037,386	177,587	175,057,322	180,044
China	T	29,948,791	31,774	15,475,226	14,066	68,971,864	67,451
United States	T	63,020,021	75,654	82,089,099	91,593	42,845,848	44,674
Spain	T	33,708,759	32,806	49,003,595	50,436	37,982,075	42,276
Portugal	T	8,165,811	9,841	7,908,826	7,157	8,766,288	9,525
Chile	T	-	-	3,337,814	2,348	8,461,508	7,646
Canada	T	17,963	13	760,613	635	3,175,331	3,960
Egypt	T	870,017	788	1,383,062	1,218	1,962,741	1,863
Greece	T	2,843,008	3,429	5,713,949	6,561	1,245,094	1,547
France	T	226,178	126	886,074	595	531,494	342
Germany	T	400,817	223	268,094	143	323,857	114
Austria	T	182,094	108	167,434	98	149,619	113
Czech Republic	T	44,852	50	17,244	13	116,488	157
Turkey	T	70,520	13	210,379	139	104,529	20
Libya	T	-	-	-	-	103,853	96
Algeria	T	-	-	-	-	92,825	73

Source: GTA

Table 4: Italy's leading imports of prepared tomatoes (January-July 2016)

Partner Country	Unit	2014		2015		2016	
		USD	Quantity	USD	Quantity	USD	Quantity
World	T	87,247,228	94,494	122,016,894	125,651	96,663,014	113,257
China	T	8,118,311	7,562	52,308,284	49,763	41,541,169	53,256
Spain	T	24,239,109	25,821	15,606,468	19,759	28,440,660	30,917
United States	T	46,497,194	54,094	34,074,260	35,711	17,783,472	20,097
Portugal	T	3,349,038	2,730	5,454,767	6,173	5,679,978	5,634
Egypt	T	232,811	221	1,737,513	1,624	819,821	1,066
Chile	T	1,088,684	759	8,356,993	7,548	650,910	618
France	T	540,402	327	287,702	242	416,317	611
Japan	T	255,908	213	12,160	16	380,973	276
Serbia	T	-	-	-	-	224,368	222
Germany	T	204,971	129	147,402	49	177,567	66
Greece	T	862,269	1,096	392,358	469	125,568	195
Turkey	T	164,521	131	66,852	13	112,030	32
Austria	T	104,531	62	94,178	78	81,228	56
Peru	T	-	-	-	-	46,883	10
Australia	T	1,337,271	1,103	-	-	37,696	54

Source: GTA

Abbreviations and definitions used in this report**HS Codes:**

Prepared Tomato: 200210, 200290

MT: Metric ton = 1000 kg**MMT:** Million Metric Tons

Ha: hectare; 1 ha = 2.471 acres
PO: Producers Organizations