

THE TOMATO PROCESSING INDUSTRY IN ARGENTINA



PLANTING	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
HARVESTING	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Production	2014			2015			2016					
Volume of tomatoes processed (in metric tonnes)			391 000			535 000	405 000					
Surface planted (in hectares)			7 228			7 790	7 905					
Average field yield (in t/ha)			57			69	51					
Average tomato price (for tomato paste in €/t field gate)			71			85	84					
Number of growers					350	472						
Number of processors					15	18						
Trade balance	2013			2014			2015					
Tomato paste (HS 200290 in metric tonnes)			-23 724			-21 624	-20 575					
Canned tomatoes (HS 200210 in metric tonnes)			-243			-1 073	-24					
Tomato sauces (HS 2103 in metric tonnes)			1 170			1 340	865					

Over the last 5 years, Argentina's annual production of processing tomatoes has averaged 420 000 tonnes.

In Argentina, the harvest period stretches from the 20th of November to the 30th of May, starting in the north-west of the country (Santiago del Estero, Salta, Catamarca) and finishing in the region of San Juan, after a second crop. Most of the industry (65% of total volume) is located in Cuyo region.

The use of transplants is totally adopted. Hybrids accounted for 100 % of the total acreage and mechanical harvest accounted 50% of the total acreage. Processors provide financial support for growers, covering half of their direct expenses. There is also a self insurance system paid by growers who belong to the Tomato 2000 Association against hail that cover all cash costs and a GAP system implemented by the same organisation.

The main processors, nurseries and growers have been jointly financing the "Tomato 2000" program. INTA (National Institute of Agricultural Technology) La Consulta Experiment Station) is in charge of research and transference of technology project of the Association. Each processor who takes part in

the program includes growers and its payment is according to the volume of raw material processed. Growers are required to apply all of the technical recommendations according to crop directives and are weekly visited by an extensionist belonging to the Tomato 2000 Association. Growers incorporate the technology being studied and adjusted by INTA to the program, and they pay a fee according to their acreage. This program also has integrated pest management practices with field books, the raw material of the canneries that participate is free from phosphoric, chlorate and carbamate pesticides, only registered pesticides are used and processors are able to make traceability of their products.

In 2015, 405,000 tonnes of fresh tomatoes were sent to processors in Argentina for a total installed capacity of 550,000 tonnes, which means that only two thirds of the installed capacity is used. The total surface harvested was 7,700 ha, with an average country yield of 55 t/ha, of which Tomato 2000 Association members represented 2,100 ha for a yield of 75 t/ha. The price of tomatoes was 105 US\$/t and freight costs of 14 US\$/Mt. The cost of production was evaluated at US\$ 6000 per hectare in March 2016.

There are 21 tomato processing plants in Argentina, down from 34 in 2002. Only 30% of tomatoes are used to produce tomato paste, a greater share of the crop is processed in puree direct from fresh tomatoes. In the last few years, local processors have readily invested in updating their equipment, particularly in technology for making peeled and diced tomato products, and in packing equipment rather than capacity development.

Consumer demand has slightly increased in Argentina, with a total volume of about 620,000 tonnes of fresh tomato equivalent used on the domestic market. Paste has to be imported (c. 24,000 tonnes) mainly from Chile to reprocess to puree the main product in the local market. The export market is small and consists mainly of finished products sent to Mercosur countries such as, Paraguay, Uruguay, Bolivia and Brazil; however, whole peeled tomatoes (5,000 tonnes) in cans have been sent to Australia, Japan and United Kingdom. The per capita year-ly consumption is approximately 14 kg, with an annual growth rate of 3 to 4%. Sauces (18.3%) consumption has increased in the local market and exports.



WPTC member: Association Tomate 2000

Tomato processors and growers are represented by Association Tomate 2000