THE TOMATO PROCESSING INDUSTRY IN BRAZIL

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	2013	2014	2015
Volume of tomatoes processed (in metric tonnes)	1 500 000	1 400 000	1 300 000
Surface planted (in hectares)	19 100	n/a	17 250
Average field yield (in t/ha)	82	n/a	75
Average tomato price (for tomato paste in €/t field gate)	60	n/a	61
Number of growers	n/a	n/a	n/a
Number of processors	12	12	12
Trade balance			
Tomato paste (HS 200290 in metric tonnes)	- 43 750	-22 317	-15 042
Canned tomatoes (HS 200210 in metric tonnes)	-10 657	-12 069	-12 328
Tomato sauces (HS 2103 in metric tonnes)	-3 136	-1 186	-512

Over the last ten years the average production of tomatoes for processing in Brazil was about 1.3 million tonnes.

The Brazilian tomato production and processing sectors have experienced remarkable changes in the past two decades. The mean yield between 1995 and 2015 increased from 50 t/ha to 85 t/ha. This growth is attributed mainly to a greater concentration of production in the favourable agro-ecological conditions of the cerrados (Goiás and Minas Gerais states represent 80% of the volumes) and to the contract strategy of the processors which started to finance the necessary inputs for tomato production in this region. Other important factors that contributed to boost the tomato processing industry in the cerrados zone are related to the high technology used by growers, favorable logistics, and the policy of financial incentives offered by the state government. New technologies were introduced like mechanical transplanting and harvesting, and weather stations for disease risk assessment. Hybrids now represent 100% of the contracted surfaces by processors in the region and the operations of mechanized transplanting and harvesting were consolidated in recent years. However, it is imperative to make adjustments or improvements in the cropping management, including planting date period, better irrigation management with central pivot, fertilization levels, crop rotation, soil preparation suitable for mechanical harvest, weed management, and integrated pest management.

The industry has largely restructured and consolidated and today, twelve of the current industrial tomato processing plants of the 23 operating in Brazil are located in Goiás. The other factories are installed in the states of São Paulo (seven), Minas Gerais (two) and Pernambuco (two). Most companies are involved in the primary and secondary transformation segments.

The increased consumption of tomato products in recent years is remarkable with annual growth ranging above 10% due to the increase in people's purchasing power and economic stability. The market competition for tomato-based products in Brazil has become fiercer with well-known brands disputing the market with a large number of brands belonging to companies which appeared after 2000. Major changes were also observed in the packaging sector of tomato-based products. Traditional steel cans and glass jars and cups, common a few years ago, have been increasingly replaced by aseptic carton packs and stand up pouches.

The increased consumption of tomato-based products in Brazil has contributes to a substantial increase in the import of tomato paste and of finished products since the local production is insufficient to cover the domestic needs. Regarding the export of paste and other tomato-based finished products, Brazil has been losing competitiveness since the middle of the last decade as a consequence of the government rate exchange policy that makes Brazilian tomato products with little competitiveness in the international market.

WPTC member: ABRATOP

The Brazilian growers and processors are represented within WPTC by ABRATOP.

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