Global Coalition of Fresh Produce -

Report calls for urgent policy measures to safeguard supply of fresh produce to consumers

The Global Coalition of Fresh Produce published the final results of its survey into the increasing costs of fruits and vegetable production around the world and their impacts on the whole produce industry and end consumers, conducted in the spring of 2023.

Ron Lemaire, Chairman of the Coalition: "We conducted this global survey to shed light on the challenges experienced by actors in the fresh produce supply chain worldwide. The narrative highlighted in this report will help the industry, its partners and all government levels understand the current impacts of the increase in production and operating costs, and work together to address them"

According to the Coalition's report:

Producers of fresh fruits and vegetables the world over experienced unprecedented increases in production and operating costs during the COVID-19 pandemic, regardless of their region of operation. The increases were led by fertilizer (up 60 percent worldwide), construction (48 percent), fuel and gas (41 percent), shipping (40 percent) and electricity (40 percent).

Most operators were able to increase their selling prices, with rises of 11 percent in Europe, 13 percent in Oceania and South America, 14 percent in North America and 23 percent in Africa. However, these increases were not enough to compensate for the rise in production and operating costs, leaving nearly three fifths of the global industry selling at a loss or breaking even.

Spiking costs have affected strategic and operational choices. Certain producers have reduced their output, while some traders have reduced their export activities or switched to produce with lower shipping costs.

Eighty percent of respondents noted that they are delaying or cancelling investments in their businesses, not only in capital and equipment but also in innovation and expansion. This means that the impacts of the rise in costs will be felt for years to come. The final report is now available on the Global Coalition of Fresh Produce website at https://producecoalition.net/publications. The data collected will be used to develop global and national perspectives on the rise in production and operating costs in North and South America, Europe, Africa and Oceania, and work together with all stakeholders, including government, to address their impacts.



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