



## PRESS RELEASE

### **The Global Coalition of Fresh Produce releases preliminary report on costs of production**

June 30, 2023 (Ottawa, Ontario)- The Global Coalition of Fresh Produce today published the results of its survey conducted in the spring of 2023 to highlight the increasing costs of fruits and vegetable production around the world and their impacts on the whole produce industry and end consumers.

“We conducted this global survey to shed light on the challenges experienced by the fresh produce supply chain worldwide,” says Ron Lemaire, Global Coalition of Fresh Produce Chair. “The narrative highlighted in this report will help the industry, its partners, and all government levels understand the current impact of the increase in production costs and work together to address them.”

According to the Coalition’s preliminary report:

- On a global level, organizations within the supply side of the fresh produce industry experienced unprecedented increases in costs during the COVID-19 pandemic regardless of the region of their operation. The increases were led by fertilizer, construction, fuel, shipping, and electricity. While most were able to increase their selling prices, it was not enough to overcome the increases in production and operating costs, leaving approximately 57% of the global industry selling at a loss or breaking even.
- Selling prices have gone up over the past two years by 11 % in Europe, 14 % in North America, 13% in Oceania, 23% in Africa, 13% in South America. Unfortunately, the increase in selling price has not kept pace with high production and operating costs for majority of respondents.
- The rise in costs for production and operations has impacted respondents’ investments not only in capital and equipment but also in innovation and expansion.
- Spiking costs have also affected strategic and operational choices. Some operators are choosing to import from countries with lower shipping costs.

The preliminary report is available on the [Global Fresh Produce website](#). The data collected will be used to develop a global and national perspective on the rising costs of production in North America, Europe, Africa, Oceania and South America.

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## Global Coalition of Fresh Produce

### **About the Global Coalition of Fresh Produce**

The Global Coalition of Fresh Produce brings together fresh produce associations from around the world, based on their joint vision to create resilient global value chains for fruits and vegetables that bring a myriad of economic, environmental, and societal benefits. The Coalition's mission is to voice solutions to address disruptions in global supply chains for fresh produce, including – but not limited to – rising costs, and share and promote best practices.