GLOBAL COALITION OF FRESH PRODUCE

PRESS RELEASE

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GLOBAL COALITION OF FRESH PRODUCE CALLS FOR URGENT POLICY MEASURES TO SAFEGUARD THE SUPPLY OF FRUITS AND VEGETABLES TO CONSUMERS

The Global Coalition of Fresh Produce today 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.

"We conducted this global survey to shed light on the challenges experienced by actors in the fresh produce supply chain worldwide," says Ron Lemaire, Chairman of the Coalition. "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.

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. The Coalition's current members are Afruibana, the Association of Banana Exporters of Ecuador (AEBE), the Australian Fresh Produce Alliance, AUSVEG, the Canadian Produce Marketing Association (CPMA), the Committee Linking Entrepreneurship-Agriculture-Development (COLEAD), Freshfel Europe, the Fruit and Vegetable Growers of Canada (FVGC), the International Fresh Produce Association (IFPA), the Southern Hemisphere Association of Fresh Fruit Exporters (SHAFFE) and United Fresh New Zealand. To find out more about the Global Coalition of Fresh Produce and obtain the full report, visit our website at <u>www.producecoalition.net</u> or contact us at <u>info@producecoalition.net</u>.

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