

Meeting summary

18 November 2021

A meeting of the citrus sub-group of the Fruit and Vegetables Market Observatory (F&V MO) took place on 18 November 2021.

An update of the World and EU citrus market trends for the 2019/20 and 2020/21 campaigns was presented.

During the market campaign 2019/20, the trade of soft citrus registered a recovery in Eastern EU, a stable growth in the USA and Asia, and a decrease in the Middle East. Concerning the imports in EU 27, UK, NO & CH, the winter season remains around 1.6 M T, with unchanged suppliers (70% ES & 10% Morocco). A slight decrease regarding the clementine and an increase of late hybrids were observed. The summer season registered a significant take off compared to the period since 2017/18 with 250 k T, with unchanged suppliers (70-75% RSA & 25-30% Peru).

The oranges sector has observed a big trade decrease for the past two years, but imports in EU 27, UK, NO & CH were almost stable. The EU market is estimated at 2.45 M T. During the winter season, more low-price oranges were preferred for juices, which made ES lose ground against Egypt. No big changes are expected during the summer season, where RSA remains dominant.

The global market trend remained positive for lemons. The imports in EU 27, UK, NO & CH have increased, most probably due to the COVID impact. In the EU, the 2020/21 campaign shows a slower growth trend with stable volumes and a stable market trend for the winter, with unchanged suppliers. The summer season shows the same trend, with RSA replacing Argentina.

The grapefruit sector has registered a slight increase during the campaign 2019/20 due to the demand linked to COVID. In the EU, the imports continued to decrease. The 2020/21 campaign indicates a possible stable trend. The winter season seems to register stable quantities, but important changes for

suppliers (USA out, Israel almost halved their exports). Same stable trend is noticed for the summer, with South Africa still dominant.

Experts noted that the market is impacted by the climate conditions, the COVID pandemic and the costs and availability of sea freight.

As regards the 2021/22 forecast for the Northern Hemisphere (excl. China), a slight decrease in total citrus production is estimated compared to 2020.

The forecast for 2021/22 citrus crop for the main Mediterranean producing countries is very close to the average (23.9 M T). The production is expected to be above the average for soft citrus (+7%) and lemon (+12%), with ES showing a decreasing trend (-8% yoy), so the supply will be below the average in the EU27. It will be an average crop for oranges and grapefruit, with ES having an average campaign, IT showing a negative trend (-3% yoy, to be adapted based on impact of storm in Sicily) and EL as well (-9% yoy).

Experts raised issues for EU producers linked to the overlap with the end of the SH campaign combined with increased input costs, big difficulty to find labour, issue with access to water and lower production.

The current situation on citrus consumption in the EU was discussed, based on a presentation of data estimates on consumption for ES, DE, NL, PL, DK, UK and NO (until 2019). The sector has observed overall a fairly stagnant citrus consumption for the period 2012-2020, excepting PL where more dynamism has been registered. Higher consumption has been noticed in producing countries. Lemon remains the most dynamic category, grapefruit has registered a boom in NL and orange remains the largest category with almost 50% of consumption in most of the countries.

DG AGRI presented the test version of a new application, which will publish different types of prices for fruit and vegetables.