Last update : 3 December 2020

Meeting summary

23 November 2020

The second meeting of the citrus sub-group of the Fruit and Vegetables Market Observatory (F&V MO) took place on 23 November 2020.

The meeting started with a discussion on the Italian citrus 2019/2020 season which came about with a total production of 3.2M tonnes for citrus fruit. For oranges (1.9M tonnes of which 1.2M tonnes from Sicily) the 2019/2020 campaign was characterized by lower production, good quality of the products and boom in the demand due to the Covid sanitary crisis, which pushed up the prices and corrected a slow and low sales first part of the campaign. The Covid situation resulted also however in supply difficulties (high variability in demands), higher costs due to the new sanitary measures and reduced workforce availability which however did not stop the supply of the products from the producers. Finally, it was reported that due to the “tristeza” bug a replanting of orange trees is currently undergoing in Sicily.

A very good season price-wise was also presented for the whole EU for soft citrus and oranges and a regular one for lemons but in a very special context with: i) low production of the key exporters (orange and above all soft citrus); ii) positive impact on the demand (especially oranges and lemons) from Covid sanitary crisis which however also had an impact on costs and; iii) low interaction with the Southern Hemisphere (SH).

The citrus production for the leading Mediterranean countries (Spain, Turkey, Egypt, Italy, Morocco, Greece, Tunisia, Israel, Cyprus) in 2019/20 was around 22.3M tonnes which was the lowest in 5 years due to strong alternate bearing (the previous season was the highest ever) and some climatic issues affecting the region.

Given the alternate bearing, a very large crop was expected for the 2020/21 campaign but the production is forecasted to 22.6M tonnes only, i.e. the second lowest in the last 4 seasons. This is due to climatic issues that have affected both the eastern/western part of the Mediterranean. The uncertainties for the ongoing marketing campaign are linked to whether the effects on demand from Covid will persist and what will be the impact of the weather conditions which are currently not very favourable for either the production or the consumption.

With regards to oranges, the Northern Hemisphere production for this new season is estimated at around 16M tonnes (-3% YoY) with EU producers (Spain, Italy and Greece) at 6.2M tonnes (+6%), other Mediterranean countries at 5.6M tonnes (-4%) and the USA at 4.2M tonnes (-11%). Whereas with regards to the SH (Chile, Peru, Argentina, Uruguay, South Africa and Australia), there has been an overall stability of production in 2020 (at 3.6M tonnes) and exports (at 1.5M tonnes) over the last 5 years.

A common challenge cited by the experts for citrus sector both for NH and SH is the competition with other categories (share of citrus in global exports in last 3 decades dropped from 30% to 18,5% at 16M) and increased global production (with growth of citrus export slower than production).

In terms of consumption trends, the experts also confirmed increases in volumes and prices for citrus at retail level during the lock-down periods in the EU and clear preference given to packed products rather than in bulk.

Finally the Commission informed the exports about the planned update of its Regulation on Statistics on Agricultural Input and Output concerning crop statistics. The revision will include organic area and production for a number of fruit and vegetable products (including citrus fruits as a whole and oranges). The revision will also look at some correctional adjustments including the citrus category to make it more compatible with the combined nomenclature for trade. Experts were invited to provide their feedback.