

# Meeting summary

**13 November 2019**

- o The first meeting of the Citrus fruit sub-group of the Fruit and Vegetables Market Observatory (F&V MO) took place on 13 November 2019. It gathered representatives of the following members organisations of the F&V MO: CEJA (European Council of Young farmers), COGECA (General Confederation of Agricultural Cooperatives), COPA (Committee of Professional Agricultural Organisations), ECVC (European Coordination Via Campesina), EUCOFEL (FruitVegetablesEUROPE), and FRESHFEL (European Fresh Produce Association). An external expert from CIRAD (Centre de coopération internationale en recherche agronomique pour le développement) delivered a presentation on the market situation for citrus fruit.
- o The structure and functioning of the F&V MO was presented. The F&V MO includes an economic board and a dedicated website containing a large set of market that will be updated regularly. The economic board is formally a Commission expert group intended to give advice on economic factors affecting market developments, to provide market information and to assess the current market situation. The board is divided in sub-groups on tomatoes, citrus fruit, stone fruit and pip fruit. There was also a demonstration of the F&V MO website online.
- o The group exchanged views about the current price monitoring at ex-packaging station and possible improvements. Experts were asked to continue the reflection. It was agreed to establish a network of experts to continue the exchange of market information between meetings of the sub-group.
- o The next item for discussion was the market situation for citrus fruit. The Mediterranean crop in the 2018-19 campaign was very large for all citrus products except grapefruit. This was especially so in Spain, Turkey, and Morocco, with increases of around 22% compared with the previous campaign, while Egypt's production was 13% higher. On the other hand, Italy and Israel crops decreased by 5%.
- o The 2018-19' bumper crop combined with weather conditions at the beginning of the campaign, low demand, quality and logistic problems resulted in very low prices for oranges and small citrus. Prices for lemons decreased to a lesser extent while the market situation for grapefruit was more favourable. Competition from Southern Hemisphere countries is shifting EU production towards a later beginning and a later end of the campaign, in particular for oranges.
- o The 2019-20' Mediterranean crop of oranges, small citrus fruit and lemons is forecasted to be much lower than the previous one. The prolonged heat wave last summer brought about important losses in the main producing areas.
- o Orange production in 2019-20 is expected to drop dramatically in Spain (-17%), Italy (-20%) and Morocco (-30%). Decreases could be higher due to the formation of "navels" in oranges. Prices for oranges were generally moderate in October and then improved in the course of November. However, some experts claimed that the prevailing prices did not reflect increases in production costs. Other experts stressed that Sicilian oranges were facing strong competition from other producing regions and from South Africa.
- o The 2019-20' small citrus crop is forecasted to fall significantly in Spain (-24%), Italy (-32%) and Morocco (-30%). Certain experts signalled a very bad start of the clementine campaign in Italy due to quality problems. The lemon crop will decrease in Spain and Italy by -15% and -6% respectively, although Spain will return to average volumes after the 2018-19' record crop. Prices in Spain are lower than last campaign and the trend is towards stability.
- o The Mediterranean grapefruit crop is expected to rise due to Turkey (+40%) and in spite of the decrease in Spain (-26%). Prices in Spain are favourable and are likely to improve in view of the good sales.
- o The 2030' mid-term outlook for oranges reflects stability of production, mainly driven by fresh product whereas production for processing tend to decrease. The area of organic production is developing steadily. EU trade projections for 2030 indicate stability of imports, with a large dependency on imported juices, and increasing trend in exports. EU consumption of fresh oranges is on the rise to the detriment of product for processing. Consumer preference for juices is shifting from concentrates to fresh ones.
- o The next meetings of the sub-group on citrus fruit is scheduled for autumn 2020 (date to be confirmed).