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POLICY

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Report Highlights:

Italy's MY (Marketing Year) 2016/17 orange and tangerine productions are forecast to drop severely by 38 and 25 percent respectively compared to MY 2015/16 due to lack of summer rains and the citrus tristeza virus (CTV) that affected approximately 45,000 hectares (ha) of citrus groves in the provinces of Catania and Siracusa (Sicily). Italy's MY 2016/17 lemon production is forecast to be average compared to the poor MY 2015/16 campaign, thanks to autumn rainfall that proved particularly beneficial for fruit quality and calibers.

ITALY

I. ORANGES

Table 1: Area (Hectares), Supply and Distribution (Metric Tons)

| Oranges | 2014 | 2015 | 2016 |
|---------------------------|---------------------|---------------------|--------------------|
| | Estimates 2014/2015 | Estimates 2015/2016 | Forecast 2016/2017 |
| | Post Data | Post Data | Post Data |
| Area Planted | 86,200 | 86,840 | 86,842 |
| Area Harvested | 84,530 | 84,291 | 84,237 |
| Production | 1,360,000 | 1,937,000 | 1,200,000 |
| Imports | 214,085 | 112,000 | 145,000 |
| Total Supply | 1,574,085 | 2,049,000 | 1,345,000 |
| Exports | 119,565 | 128,000 | 114,000 |
| Fresh Dom. Consumption | 1,212,420 | 1,576,214 | 1,017,400 |
| For Processing | 242,100 | 344,786 | 213,600 |
| Total Distribution | 1,574,085 | 2,049,000 | 1,345,000 |

Sources: Italian industry; ISTAT (Italian Institute of Statistics); GTA (Global Trade Atlas)

PRODUCTION

Italy is the second largest European orange producer after Spain. Sicily and Calabria are the main orange-producing areas, accounting for 59 and 22 percent of total production, respectively. *Tarocco*, *Moro*, *Sanguinello*, *Naveline*, and *Valencia* are the leading orange varieties grown in the country. Moreover, *Ippolito* and *Meli* cultivars are gaining popularity. Italy's MY (Marketing Year) 2016/17 (October/September) orange production is forecast to drop severely by 38 percent compared to MY 2015/16 due to lack of summer rains and the citrus tristeza virus (CTV) that affected approximately 45,000 hectares (ha) of citrus groves in the provinces of Catania and Siracusa (Sicily). However, rainfall in September and October proved particularly beneficial for fruit calibers and quality that is expected to be excellent. Italy's MY 2015/16 orange production recovered significantly from the previous campaign thanks to ideal weather conditions. Furthermore, the introduction of new varieties and rootstocks of great quality enabled Italy to extend the production calendar.

CONSUMPTION

Most oranges are consumed fresh. Blood varieties (*Tarocco*, *Moro*, and *Sanguinello*) are used primarily for fresh consumption. Late varieties (*Ovale* and *Valencia*) are destined to both processing and fresh markets.

TRADE

Italy's MY 2014/15 orange imports (214,085 MT) went up by 37 percent compared to the previous campaign, mainly due to increased volumes from Spain (+47 percent), the leading supplier to the Italian orange market, accounting for approximately 67 percent of total imports. Italy's MY 2014/15 orange exports remained flat at 119,565 MT, mainly to Germany, Switzerland, Austria, and France, accounting for approximately 26, 14, 11, and 9 percent of total exports, respectively.

Table 2: Italy's leading orange imports

| Partner Country | Unit | Quantity | | | % Share | | | % Change |
|-----------------|----------|----------------|----------------|----------------|---------------|---------------|---------------|--------------|
| | | 2013 | 2014 | 2015 | 2013 | 2014 | 2015 | 2015/2014 |
| World | T | 222,936 | 156,377 | 214,085 | 100.00 | 100.00 | 100.00 | 36.90 |
| Spain | T | 143,526 | 96,941 | 142,781 | 64.38 | 61.99 | 66.69 | 47.29 |
| South Africa | T | 34,300 | 33,364 | 34,412 | 15.39 | 21.34 | 16.07 | 3.14 |
| Egypt | T | 7,575 | 3,808 | 10,308 | 3.40 | 2.44 | 4.81 | 170.69 |
| Germany | T | 9,612 | 4,440 | 7,398 | 4.31 | 2.84 | 3.46 | 66.64 |
| Netherlands | T | 4,890 | 2,341 | 5,589 | 2.19 | 1.50 | 2.61 | 138.72 |
| Greece | T | 7,768 | 7,018 | 4,350 | 3.48 | 4.49 | 2.03 | - 38.01 |
| France | T | 3,461 | 1,596 | 2,501 | 1.55 | 1.02 | 1.17 | 56.71 |
| Uruguay | T | 5,697 | 2,104 | 2,065 | 2.56 | 1.35 | 0.96 | - 1.88 |
| Argentina | T | 3,147 | 2,766 | 1,711 | 1.41 | 1.77 | 0.80 | - 38.14 |
| Zimbabwe | T | 694 | 1,214 | 795 | 0.31 | 0.78 | 0.37 | - 34.49 |

Source: Global Trade Atlas (GTA)

Table 3: Italy's leading orange exports

| Partner Country | Unit | Quantity | | | % Share | | | % Change |
|-----------------|----------|----------------|----------------|----------------|---------------|---------------|---------------|---------------|
| | | 2013 | 2014 | 2015 | 2013 | 2014 | 2015 | 2015/2014 |
| World | T | 126,584 | 120,260 | 119,565 | 100.00 | 100.00 | 100.00 | - 0.58 |
| Germany | T | 39,593 | 36,282 | 30,858 | 31.28 | 30.17 | 25.81 | - 14.95 |
| Switzerland | T | 20,120 | 17,305 | 17,324 | 15.89 | 14.39 | 14.49 | 0.11 |
| Austria | T | 14,347 | 13,028 | 12,782 | 11.33 | 10.83 | 10.69 | - 1.89 |

| | | | | | | | | |
|----------------|---|-------|--------|--------|------|------|------|--------|
| France | T | 8,569 | 11,153 | 10,637 | 6.77 | 9.27 | 8.90 | - 4.63 |
| Romania | T | 5,802 | 4,784 | 4,494 | 4.58 | 3.98 | 3.76 | - 6.06 |
| Sweden | T | 5,618 | 4,309 | 4,427 | 4.44 | 3.58 | 3.70 | 2.75 |
| Slovenia | T | 4,273 | 4,554 | 4,328 | 3.38 | 3.79 | 3.62 | - 4.96 |
| Belgium | T | 3,838 | 4,090 | 4,110 | 3.03 | 3.40 | 3.44 | 0.48 |
| Poland | T | 2,989 | 3,833 | 4,045 | 2.36 | 3.19 | 3.38 | 5.51 |
| United Kingdom | T | 2,179 | 2,172 | 3,292 | 1.72 | 1.81 | 2.75 | 51.59 |

Source: GTA

II. ORANGE JUICE

Table 4: Production and Processing (MT)

| Orange Juice | 2014 | 2015 | 2016 |
|-------------------------|---------------------|---------------------|--------------------|
| | Estimates 2014/2015 | Estimates 2015/2016 | Forecast 2016/2017 |
| | Post Data | Post Data | Post Data |
| Delivered to Processors | 242,100 | 344,786 | 213,600 |
| Production | 16,947 | 24,135 | 14,952 |

Sources: Italian industry

Italy is preliminarily forecast to process approximately 213,600 MT of oranges in MY 2016/17 and produce 14,952 MT of concentrate. The total volume of oranges channeled to processing depends on crop quality and quantity of oranges destined for the fresh market, both domestic and foreign.

III. TANGERINES

Table 5: Area (Hectares), Supply and Distribution (Metric Tons)

| Tangerines | 2014 | 2015 | 2016 |
|----------------|---------------------|---------------------|--------------------|
| | Estimates 2014/2015 | Estimates 2015/2016 | Forecast 2016/2017 |
| | Post Data | Post Data | Post Data |
| Area Planted | 35,514 | 35,921 | 35,924 |
| Area Harvested | 34,772 | 34,365 | 34,368 |
| Production | 866,000 | 836,000 | 626,000 |

| | | | |
|---------------------------|----------------|----------------|----------------|
| Imports | 98,714 | 72,250 | 95,000 |
| Total Supply | 964,714 | 908,250 | 721,000 |
| Exports | 88,119 | 85,220 | 75,000 |
| Fresh Dom. Consumption | 815,975 | 764,510 | 602,180 |
| For Processing | 60,620 | 58,520 | 43,820 |
| Total Distribution | 964,714 | 908,250 | 721,000 |

Sources: Italian industry; ISTAT; GTA

PRODUCTION

Italy's tangerine production consists of over 80 percent seedless clementines and nearly 20 percent mandarins. Calabria, Sicily, and Apulia are Italy's main tangerine-producing areas, accounting for 50, 23, and 14 percent of total production, respectively. *Comune* or *Oroval* and *Monreal* are the leading clementine varieties grown in the country. *Avana* and *Tardivo di Ciaculli* are the chief mandarin cultivars. Italy's MY 2016/17 (October/September) tangerine production is forecast to drop by 25 percent compared to the previous campaign due to lack of summer rains and CTV that affected approximately 45,000 hectares (ha) of citrus groves in the provinces of Catania and Siracusa (Sicily). Both MY 2016/17 clementine (510,000 MT) and mandarin (116,000 MT) productions are forecast to decrease by approximately 25 percent from MY 2015/16. However, quality is forecast to be good, thanks to beneficial late summer rainfall. Italy's MY 2015/16 tangerine production went slightly down, 3.5 percent lower than the previous campaign, mainly due to an 8 percent decrease in clementine production (681,000 MT compared to 740,000 MT in MY 2014/15), not entirely compensated by the 23 percent growth in mandarin supply (155,000 MT compared to 126,000 MT in MY 2014/15).

CONSUMPTION

Most tangerines are consumed fresh. Italians consume large quantities of clementines and mandarins during winter holidays when the bulk of production hits the market.

TRADE

Italy's MY 2014/15 tangerine imports reached 98,714 MT, a 22 percent surge from the previous campaign, mainly thanks to increased volumes from Spain (+21 percent), the leading supplier to the Italian tangerine market, accounting for 84 percent of total imports. In MY 2014/15, Italy exported approximately 88,119 MT of tangerines, 14 percent more than MY 2013/14, mainly because of increased quantities to Poland (+38 percent) and Romania (+25 percent), the leading destinations for Italian tangerines, accounting for 17 and 11 percent of total exports, respectively.

Table 6: Italy's leading tangerine imports

| Partner Country | Unit | Quantity | | | % Share | | | % Change |
|-----------------|------|----------|--------|--------|---------|--------|--------|-----------|
| | | 2013 | 2014 | 2015 | 2013 | 2014 | 2015 | 2015/2014 |
| World | T | 90,892 | 80,644 | 98,714 | 100.00 | 100.00 | 100.00 | 22.41 |
| Spain | T | | | | 87.13 | 84.79 | 84.16 | 21.50 |

| | | | | | | | | |
|-------------|---|--------|--------|--------|------|------|------|---------|
| | | 79,195 | 68,377 | 83,080 | | | | |
| France | T | 3,671 | 5,302 | 5,778 | 4.04 | 6.57 | 5.85 | 8.98 |
| Germany | T | 2,831 | 1,529 | 3,419 | 3.11 | 1.90 | 3.46 | 123.55 |
| Israel | T | 1,669 | 1,676 | 2,139 | 1.84 | 2.08 | 2.17 | 27.65 |
| Cyprus | T | 1,136 | 2,048 | 1,838 | 1.25 | 2.54 | 1.86 | - 10.22 |
| Morocco | T | 24 | 142 | 577 | 0.03 | 0.18 | 0.58 | 306.56 |
| Netherlands | T | 254 | 331 | 554 | 0.28 | 0.41 | 0.56 | 67.33 |
| Uruguay | T | 384 | 541 | 375 | 0.42 | 0.67 | 0.38 | - 30.70 |
| Croatia | T | 15 | 69 | 254 | 0.02 | 0.09 | 0.26 | 265.50 |
| Greece | T | 635 | 7 | 145 | 0.70 | 0.01 | 0.15 | 2053.67 |

Source: GTA

Table 7: Italy's leading tangerine exports

| Partner Country | Unit | Quantity | | | % Share | | | % Change |
|-----------------|----------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| | | 2013 | 2014 | 2015 | 2013 | 2014 | 2015 | 2015/2014 |
| World | T | 89,477 | 77,323 | 88,119 | 100.00 | 100.00 | 100.00 | 13.96 |
| Poland | T | 18,602 | 10,783 | 14,884 | 20.79 | 13.95 | 16.89 | 38.03 |
| Romania | T | 10,338 | 7,661 | 9,606 | 11.55 | 9.91 | 10.90 | 25.38 |
| Germany | T | 6,472 | 5,572 | 8,403 | 7.23 | 7.21 | 9.54 | 50.81 |
| Slovenia | T | 5,478 | 7,022 | 6,942 | 6.12 | 9.08 | 7.88 | - 1.15 |
| Hungary | T | 7,643 | 5,908 | 6,050 | 8.54 | 7.64 | 6.87 | 2.39 |
| Slovakia | T | 4,507 | 3,603 | 4,930 | 5.04 | 4.66 | 5.59 | 36.81 |
| Lithuania | T | 7,813 | 3,567 | 4,763 | 8.73 | 4.61 | 5.41 | 33.54 |
| France | T | 2,493 | 3,080 | 4,528 | 2.79 | 3.98 | 5.14 | 47.00 |
| Austria | T | | | | 6.89 | 8.25 | 5.11 | - 29.37 |

| | | | | | | | | |
|---------|---|-------|-------|-------|------|------|------|---------|
| | | 6,162 | 6,379 | 4,505 | | | | |
| Albania | T | 3,510 | 5,451 | 4,118 | 3.92 | 7.05 | 4.67 | - 24.44 |

Source: GTA

IV. LEMONS

Table 8: Area (Hectares), Supply and Distribution (Metric Tons)

| Lemons | 2014 | 2015 | 2016 |
|---------------------------|---------------------|---------------------|--------------------|
| | Estimates 2014/2015 | Estimates 2015/2016 | Forecast 2016/2017 |
| | Post Data | Post Data | Post Data |
| Area Planted | 25,924 | 25,466 | 25,464 |
| Area Harvested | 20,584 | 20,620 | 20,618 |
| Production | 429,000 | 394,000 | 490,000 |
| Imports | 126,399 | 110,000 | 95,000 |
| Total Supply | 555,399 | 504,000 | 585,000 |
| Exports | 39,640 | 38,000 | 44,000 |
| Fresh Dom. Consumption | 438,539 | 395,080 | 452,800 |
| For Processing | 77,220 | 70,920 | 88,200 |
| Total Distribution | 555,399 | 504,000 | 585,000 |

Sources: Italian industry; ISTAT; GTA

PRODUCTION

Italy is the second largest European lemon producer after Spain. Sicily is the main lemon-producing area, accounting for 86 percent of domestic production. *Femminello Commune (F. Zagara Bianca, F. Siracusano, and F. S.Teresa), Monachello, and Interdonato* are the leading lemon varieties grown in the country. Italy's MY 2016/17 (October/September) lemon production is forecast to be average compared to the poor MY 2015/16 campaign, thanks to autumn rainfall that proved particularly

beneficial for fruit quality and calibers.

CONSUMPTION

Italy's lemon production is mostly destined for the fresh market.

TRADE

Italy's MY 2014/15 lemon imports reached 126,399 MT, a 38 percent surge from the previous campaign due to increased volumes from Spain (+41 percent) and Argentina (+38 percent), accounting for 57 and 21 percent of total imports, respectively. In MY 2014/15, Italy exported 39,640 MT of lemons, a decrease of 11 percent compared to the previous year, mainly due to reduced volumes to Germany (-25 percent), and Greece (-8.5 percent), the leading destinations for Italian lemons, accounting for 30 and 11 percent of total exports, respectively.

Table 9: Italy's leading lemon imports

| Partner Country | Unit | Quantity | | | % Share | | | % Change |
|-----------------|----------|---------------|---------------|----------------|---------------|---------------|---------------|--------------|
| | | 2013 | 2014 | 2015 | 2013 | 2014 | 2015 | 2015/2014 |
| World | T | 99,227 | 91,830 | 126,399 | 100.00 | 100.00 | 100.00 | 37.64 |
| Spain | T | 42,178 | 51,126 | 72,098 | 42.51 | 55.67 | 57.04 | 41.02 |
| Argentina | T | 38,550 | 19,068 | 26,394 | 38.85 | 20.76 | 20.88 | 38.42 |
| Turkey | T | 3,484 | 3,878 | 5,587 | 3.51 | 4.22 | 4.42 | 44.09 |
| Netherlands | T | 4,269 | 4,705 | 5,096 | 4.30 | 5.12 | 4.03 | 8.32 |
| South Africa | T | 2,512 | 5,375 | 4,906 | 2.53 | 5.85 | 3.88 | - 8.72 |
| Germany | T | 2,628 | 2,633 | 4,066 | 2.65 | 2.87 | 3.22 | 54.46 |
| Uruguay | T | 1,865 | 1,770 | 2,431 | 1.88 | 1.93 | 1.92 | 37.37 |
| France | T | 1,209 | 1,128 | 1,773 | 1.22 | 1.23 | 1.40 | 57.13 |
| Chile | T | 1,098 | 758 | 923 | 1.11 | 0.83 | 0.73 | 21.78 |
| Slovenia | T | 101 | 142 | 518 | 0.10 | 0.15 | 0.41 | 265.14 |

Source: GTA

Table 10: Italy's leading lemon exports

| Partner Country | Unit | Quantity | | | % Share | | | % Change |
|-----------------|----------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| | | 2013 | 2014 | 2015 | 2013 | 2014 | 2015 | 2015/2014 |
| World | T | 40,297 | 44,707 | 39,640 | 100.00 | 100.00 | 100.00 | - 11.33 |
| Germany | T | 13,813 | 15,614 | 11,732 | 34.28 | 34.93 | 29.60 | - 24.86 |
| Austria | T | 4,853 | 4,733 | 5,818 | 12.04 | 10.59 | 14.68 | 22.93 |
| Greece | T | 1,799 | 4,924 | 4,508 | 4.47 | 11.01 | 11.37 | - 8.46 |
| France | T | 2,722 | 2,653 | 2,706 | 6.75 | 5.93 | 6.83 | 2.02 |
| Slovenia | T | 2,657 | 2,730 | 2,173 | 6.59 | 6.11 | 5.48 | - 20.43 |
| Croatia | T | 1,514 | 1,369 | 1,716 | 3.76 | 3.06 | 4.33 | 25.38 |
| United Kingdom | T | 1,533 | 1,427 | 1,431 | 3.80 | 3.19 | 3.61 | 0.26 |
| Romania | T | 1,909 | 2,030 | 1,345 | 4.74 | 4.54 | 3.39 | - 33.74 |
| Hungary | T | 2,684 | 1,628 | 1,234 | 6.66 | 3.64 | 3.11 | - 24.20 |
| Switzerland | T | 1,192 | 1,116 | 1,203 | 2.96 | 2.50 | 3.04 | 7.81 |

Source: GTA

V. GRAPEFRUITS

Table 11: Area (Hectares), Supply and Distribution (Metric Tons)

| Grapefruits | 2014 | 2015 | 2016 |
|------------------------|---------------------|---------------------|--------------------|
| | Estimates 2014/2015 | Estimates 2015/2016 | Forecast 2016/2017 |
| | Post Data | Post Data | Post Data |
| Area Planted | 324 | 269 | 267 |
| Area Harvested | 274 | 269 | 265 |
| Production | 5,400 | 4,900 | 5,000 |
| Imports | 29,627 | 28,000 | 27,950 |
| Total Supply | 35,027 | 32,900 | 32,950 |
| Exports | 2,809 | 2,250 | 2,260 |
| Fresh Dom. Consumption | 32,218 | 30,650 | 30,690 |

| | | | |
|---------------------------|---------------|---------------|---------------|
| For Processing | 0 | 0 | 0 |
| Total Distribution | 35,027 | 32,900 | 32,950 |

Sources: Italian industry; ISTAT; GTA

PRODUCTION

Italy's MY 2016/17 (October/September) grapefruit production is forecast at 5,000 MT, a two percent increase from the previous campaign.

TRADE

Italy's MY 2014/15 grapefruit imports reached 29,627 MT, mainly from South Africa, Israel, and Spain, accounting for 39, 14, and 12 percent of total imports, respectively. In MY 2014/15, Italy exported 2,809 MT of grapefruits, mainly to Slovenia and France.

Table 12: Italy's leading grapefruit imports

| Partner Country | Unit | Quantity | | | % Share | | | % Change |
|-----------------|----------|---------------|---------------|---------------|---------------|---------------|---------------|-------------|
| | | 2013 | 2014 | 2015 | 2013 | 2014 | 2015 | 2015/2014 |
| World | T | 28,604 | 28,990 | 29,627 | 100.00 | 100.00 | 100.00 | 2.20 |
| South Africa | T | 11,582 | 9,948 | 11,613 | 40.49 | 34.32 | 39.20 | 16.74 |
| Israel | T | 4,924 | 4,562 | 4,271 | 17.21 | 15.74 | 14.42 | - 6.38 |
| Spain | T | 1,532 | 1,856 | 3,440 | 5.36 | 6.40 | 11.61 | 85.42 |
| Turkey | T | 1,806 | 4,981 | 3,347 | 6.32 | 17.18 | 11.30 | - 32.80 |
| Cyprus | T | 3,513 | 3,555 | 2,890 | 12.28 | 12.26 | 9.75 | - 18.71 |
| Netherlands | T | 2,008 | 1,300 | 1,686 | 7.02 | 4.49 | 5.69 | 29.64 |
| China | T | | | | 5.53 | 4.36 | 3.22 | - 24.68 |

| | | | | | | | | |
|---------|---|-------|-------|-----|------|------|------|---------|
| | | 1,581 | 1,265 | 953 | | | | |
| France | T | 401 | 577 | 686 | 1.40 | 1.99 | 2.31 | 18.95 |
| Germany | T | 408 | 440 | 324 | 1.43 | 1.52 | 1.09 | - 26.34 |
| Mexico | T | 21 | 19 | 122 | 0.07 | 0.07 | 0.41 | 535.94 |

Source: GTA

Table 13: Italy's leading grapefruit exports

| Partner Country | Unit | Quantity | | | % Share | | | % Change |
|-----------------|----------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|
| | | 2013 | 2014 | 2015 | 2013 | 2014 | 2015 | 2015/2014 |
| World | T | 2,638 | 3,071 | 2,809 | 100.00 | 100.00 | 100.00 | - 8.53 |
| Slovenia | T | 627 | 599 | 439 | 23.77 | 19.50 | 15.62 | - 26.74 |
| France | T | 357 | 318 | 407 | 13.52 | 10.34 | 14.49 | 28.15 |
| Croatia | T | 237 | 398 | 353 | 8.97 | 12.97 | 12.56 | - 11.45 |
| Netherlands | T | 373 | 429 | 302 | 14.14 | 13.96 | 10.75 | - 29.60 |
| Spain | T | 183 | 32 | 186 | 6.95 | 1.06 | 6.63 | 474.59 |
| Romania | T | 204 | 192 | 175 | 7.73 | 6.24 | 6.23 | - 8.66 |
| Greece | T | 19 | 46 | 171 | 0.71 | 1.51 | 6.09 | 270.13 |
| Hungary | T | 137 | 156 | 148 | 5.19 | 5.08 | 5.26 | - 5.29 |
| Germany | T | 103 | 216 | 145 | 3.91 | 7.04 | 5.16 | - 33.04 |
| Bulgaria | T | 56 | 121 | 105 | 2.13 | 3.95 | 3.74 | - 13.25 |

Source: GTA

Abbreviations and definitions used in this report

MY Marketing year

Oranges, Tangerines, Lemons, Grapefruit, Orange Juice: October/September

HS Codes

Oranges: 080510

Tangerines: 080520

Lemons: 080550

Grapefruit: 080540

Orange juice: 200911; 200912; 200919

MT Metric ton = 1000 kg

Ha hectare; 1 ha = 2.471 acres

EU European Union