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Report Highlights:

The current situation in Europe is influenced by a strong competition, overall prices relatively low and stagnating citrus consumption due also to higher temperatures in Europe. For MY 2013/14 EU-28 citrus production is projected to decline 4 percent more than previously anticipated reaching 10.5 MMT, mainly due to an 8 and 6 percent reduction in production of European oranges and lemons, respectively.

On May 27 2014, the Plant Health Standing Committee of the European Commission decided to increase the control measures on South African citrus exports to the EU resulting in an uncertain situation for South African citrus imports in MY 2013/14. For MY 2013/14 higher citrus exports to the United States and Asia are expected due to the Californian frost. Instead, Russian market is uncertain for MY 2013/14.

Disclaimer: This report presents the situation for citrus (orange juice, oranges, grapefruits, lemons, tangerines, mandarins and other citrus) in the EU-28. This report contains the views of the authors and does not reflect the official views of the U.S. Department of Agriculture (USDA). The data are not official USDA data.

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Abbreviations used in this report:

- CMO Common Market Organization
- EC European Commission
- EU European Union
- FAS Foreign Agricultural Service
- FCOJ Frozen Concentrated Orange Juice
- GTA Global Trade Atlas

HS Codes: Harmonized System codes for commodity classification used to calculate trade data

- Oranges 080510
- Tangerines/Mandarins 080520
- Lemons 080550
- Grapefruit 080540
- Orange Juice 200911, 200912, 200919

- MS EU Member State(s)
- MT Metric ton (1,000 kg)
- TMT Thousand Metric Tons
- MMT Million Metric Tons
- MY Marketing year
 - Orange November/October
 - Tangerine November/October
 - Lemon November/October
 - Grapefruit November/October
 - Other Citrus November/October
 - Orange Juice November/October
- PS&D Production, Supply and Demand
- USD U.S. Dollar

Oranges, Fresh

Production:

EU orange production is concentrated in the Mediterranean region. Spain and Italy represent nearly 80 percent of the EU’s total production of oranges. The remaining 20 percent is distributed among other Member States (MS), mainly Cyprus, Greece and Portugal. For MY2013/14, an EU-wide orange crop has been revised down by 8 percent reaching 6 MMT driven by lower production mainly in Spain due to unfavorable weather conditions and plant health issues.

In **Spain**, last official estimations made by the Spanish Ministry of Agriculture, Environment and Food (MAGRAMA) on April 2014 for Spanish orange production is expected to be higher than the previous year reaching 3.682 MMT or 25.7% more. However, according to the citrus industry, the last drought which occurred in September/October 2013 produced several consequences. As predicted in the [Citrus Annual Report 2013](#), fruit quality was low due to size and color problems. Also, high temperatures during several months in a row and the lack of rain has caused the appearance of two physiological disorders, the “clareta” and cracked, that have reduced production and commercial output. Final Spanish orange production in MY 2013/14 has been revised down by almost 12 percent compared to previous estimates, reaching 3MMT, representing 50 percent of the EU’s orange production.

All these factors have contributed to lower prices. In addition, there has also been fruit of optimum quality that has not reached the market value. The sector describes the current campaign as terrible because prices have remained at rock bottom. Orange prices at origin were about 50 percent lower, well below the production costs which increased in MY 2013/14 due to higher energy costs derived from more irrigation. In addition, consumption levels have remained very low due to high temperatures. With such low prices at origin producers considered not harvesting part of them. After several years in a row of an economic crisis in the orange sector, orange producers in the Region of Valencia have decided to abandon orange production substituting it with more profitable productions such as persimmon (*Diospyros kaki*) and kiwi.

Producers try to cover the whole marketing year by growing very early and very late varieties, which extends the fruit availability. Oranges are grown with the objective of being consumed fresh and oranges of the *Navel* group are the most appreciated, especially *Navelina* and *Navelate*. *Valencia Late* variety is used to boost supply in the later part of the season. *Valencia late* varieties have a brighter color, and are more adequate for juice.

The main Spanish regions of orange production are the Region of Valencia, Andalusia and Region of Murcia. Valencia and Andalusia cover the 90 percent of the total Spanish orange production.

Italy’s MY 2013/14 orange production is expected to increase by 4 percent compared to the previous year, reaching 1.8 MMT. A shortage of big size (size $\frac{3}{4}$) oranges is expected as there will be more small size oranges. Fruit quality is expected to be good, despite the unfavorable weather conditions. According to ISTAT (Italian Institute of Statistics); orange area in Italy has been revised down from 100,000 ha to 83,000 ha. Sicily and Calabria are the main orange-producing areas, accounting for 59 and 22 percent, respectively. *Tarocco*, *Moro*, *Sanguinello*, *Naveline*, and *Valencia* are the chief varieties grown in Italy.

Greece’s MY 2013/14 orange production is expected to increase by 4.3 percent compared to the previous year thanks to favorable weather. Fruit size is forecast to be on average. Peloponnese and

Aitoloakarnaia (western Greece) are the main orange-producing areas. *Washington Navel*, *Commons*, *Valencia*, *Navelina*, and *Newhall* are the major orange varieties grown in Greece.

In **Portugal**, the MY2013/14 season has developed within the normal parameters. Production of 208,000 MT is expected to be similar to last year’s level with good calibers and qualities.

In **Cyprus**, MY 2013/14 orange production is expected to increase by 15 percent from the previous year.

Table 1. Major EU Fresh Orange Production by Volume in MT

Country	MY 2011/12	MY 2012/13	MY 2013/14
Spain	2,818,900	2,940,000	3,000,000
Italy	2,020,000	1,730,000	1,800,000
Greece	910,000	930,000	970,000
Portugal	205,000	206,000	208,000
Cyprus	68,900	82,100	94,500
Total Production	6,022,800	5,888,100	6,072,500

Source: FAS offices

Consumption:

Consumption of oranges in the EU is expected to decrease in MY 2013/14 compared to last season due to higher temperatures during winter time in overall Europe, reaching 5.2 MMT. Consumption per capita in producing countries has traditionally been over the EU average and are consumed fresh.

Spain’s MY 2013/14 orange consumption is expected to decline. Spain shows a level of domestic per capita consumption of about 20 kg. Oranges are sold all year round due to its high demand by consumers, but in Spain around 80 percent of sales are concentrated in the months of November to May. **Italy’s** MY 2013/14 orange consumption is expected to decline slightly from MY 2011/12 as economic challenges affected consumer choice and purchase ability, whereas in **Greece** and **Portugal**, orange consumption is expected to remain steady.

In Spain and Italy, fresh orange consumption is expected to slightly decrease as a higher volume of product is expected to be destined to the processing industry.

Trade:

The EU is a net importer of oranges, with imports largely exceeding exports. Imports into the EU were valued at about US \$707 million in MY 2012/13 whereas the value of exports in MY 2012/13 was only US \$266 million. Intra-EU trade plays a key role considering that orange production is concentrated in the Mediterranean area. Other EU MS represent the main destination of the major EU producers. Spain, the major European orange producer and a net exporter, exported in MY 2012/13 a total volume

of 1.8 MMT, of which 92 percent was sent to other EU MS. Projected intra- EU trade in MY 2013/14 is expected to remain stable.

The major supplier of oranges to the European market is South Africa, which supplies the market from June until October, when the Northern Hemisphere harvest starts, followed by Egypt and Uruguay. At the end of May 2014, the Plant Health Standing Committee of the European Commission decided to increase the control measures on South African citrus exports to the EU resulting in an uncertain situation for South African citrus imports in MY 2013/14. In MY 2012/13, Uruguay has recovered from the last frosts and expects good quality oranges. EU imports from Morocco and Argentina have declined by 41 and 23 percent, respectively.

EU orange imports from the United States are showing a downward trend. In MY 2012/13, they decreased 55 percent at 215,000 MT, representing 0.02 percent of total EU imports.

The major EU export destinations are Switzerland, Serbia, and Russia. Exporters are aiming at increasing their presence in the strategic emerging markets of Saudi Arabia, United Arab Emirates, and Brazil. In MY 2013/14 exports to the United States may show a higher demand situation resulting from the Californian frost, but also in Asia as this market is usually supplied by California.

Table 2. EU-28 Imports of Oranges by Origin in MT

Country of Origin	MY 2010/11	MY 2011/12	MY 2012/13
South Africa	286,400	409,828	424,964
Egypt	102,649	141,032	179,579
Uruguay	61,813	45,271	53,848
Argentina	81,696	62,949	49,383
Morocco	99,520	83,320	48,881
Others	132,028	106,030	125,949
Total Imports	764,106	848,427	882,533

Source: Global Trade Atlas (GTA).

Table 3. EU-28 Exports of Oranges by Destination in MT

Country of Destination	MY 20010/11	MY 2011/12	MY 2012/13
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Switzerland	55,450	56,990	62,614
Serbia	43,377	34,905	42,081
Russia	27,810	32,009	37,576
Norway	27,999	29,143	31,043
Algeria	6,872	19,277	25,890
Others	129,946	107,069	123,636
Total Exports	291,454	279,391	322,838

Source: GTA

Production, Supply and Demand Data Statistics:

Table 4. Oranges, Fresh Production, Supply and Demand

Oranges, Fresh European Union	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Oct 2011		Market Year Begin: Oct 2012		Market Year Begin: Oct 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	317,919	317,919	313,539	295,555	313,283	296,660
Area Harvested	294,922	294,922	292,007	273,708	292,396	274,475
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
Total No. Of Trees	0	0	0	0	0	0
Production	6,023	6,023	5,878	5,888	6,600	6,073
Imports	821	848	876	882	900	880
Total Supply	6,844	6,871	6,754	6,770	7,500	6,953
Exports	282	279	322	322	330	320
Fresh Dom. Consumption	5,506	5,536	5,282	5,379	5,871	5,259
For Processing	1,056	1,056	1,150	1,069	1,299	1,374
Total Distribution	6,844	6,871	6,754	6,770	7,500	6,953
HECTARES, 1000 TREES, 1000 MT						

Source: FAS Offices

Please note: Area Planted and Harvested for MY 2012/13 and MY 2013/14 has been decreased compared to the 2013 Annual Report due to an update from Italy.

Tangerines/Mandarins, Fresh

Production:

Total European tangerine production in MY2013/14 has been revised up 5 percent reaching 3 MMT due mainly to the higher growth in Spain and Italy than previously estimated.

According to the Ministry of Agriculture, **Spain**'s total tangerine/mandarin production is projected to increase 8 percent reaching 2 MMT in MY 2013/14. This is mostly due to the increase in production of Clementine by 11 percent, the main Spanish tangerine production, and Satsuma by 12 percent. Despite quality and size being slightly lower than last year, prices were almost similar. The main Spanish regions of tangerine/mandarin production are the Region of Valencia, Andalusia and Catalonia. Valencia covers the 75 percent of the total Spanish tangerine/mandarin production. In MY 2013/14 Huelva is expected to be the main producer of Andalusia's tangerines. The industry continues to

expand the range of varieties used to cover more of the calendar spectrum. New early and late varieties continue being developed. The main concern perceived by tangerine/mandarin producers is that the harvest is concentrated within a few months.

Italy's MY 2013/14 tangerine production is expected to stay flat. Italy's tangerine production consists of over 80 percent seedless clementines and nearly 20 percent mandarins. Italy's MY 2013/14 clementine production is expected to remain stable (668,000 MT compared to 670,000 MT in 2012/13), as is mandarin production (121,000 MT compared to 122,000 MT in 2012/13). Quality is expected to be satisfactory for both clementines and mandarins. According to ISTAT (Italian Institute of Statistics), tangerine area in Italy has been revised down from 38,000 ha to 35,000 ha. Calabria, Sicily, and Apulia are the main tangerine-producing areas, accounting for 50, 23, and 14 percent respectively. *Comune* or *Oroval* and *Monreal* are the leading clementine varieties grown in Italy. *Avana* and *Tardivo di Ciaculli* are the main mandarin varieties.

Greece's MY 2013/14 tangerine production is expected to decrease by 3 percent. The main producing areas include the prefectures of Igoumenitsa, Arta, Mosologgi, and Thesprotia, located in northern Greece. *Clementine* is the major tangerine variety grown in Greece.

In **Portugal** the MY2013/14 season has developed within the normal parameters. The Algarve is the most representative region with 80 percent of the total producing area. The production of tangerines is projected at the same levels of last year with normal calibers and quality.

In **Cyprus**, MY 2013/14 tangerine production is expected to decline 6 percent from the previous year.

Table 5. Major EU Fresh Tangerine Production by Volume in MT

Country	MY 2011/12	MY 2012/13	MY 2013/14
Spain	2,117,000	1,874,000	2,023,000
Italy	739,000	792,000	789,000
Greece	115,000	134,000	130,000
Cyprus	93,400	95,400	89,700
Portugal	34,200	34,800	35,000
Total Production	3,098,600	2,930,200	3,066,700

Source: FAS Offices

Consumption:

Total EU-28 tangerines are mainly consumed fresh. In Spain and Italy, fresh tangerine consumption is expected to slightly decrease as a higher volume of product is expected to be destined to the processing

industry.

Trade:

The major suppliers of tangerines to the European market are South Africa, Morocco and Peru, replacing in third position. The stricter measures on South African citrus imports to EU market create uncertainty for EU imports of South African citrus in MY 2013/14. EU imports of tangerines were valued at US \$400 million and EU exports at US \$420 million in MY 2012/13. EU exports to Russia continued to increase in MY2012/13. For MY 2013/14 the Russian market remains uncertain as the ruble continues to lose value. The EU turned from being a net importer of tangerines in volume to being a net exporter in starting in 2010/11 and continues with this trend in MY 2012/13.

EU imports from the United States increased 30 percent in MY 2012/13 compared to last year, reaching 4.8 MMT which were valued at US \$7 million. European exports of tangerines/mandarins to the United States have slightly declined to 1.5 percent.

Table 6. EU-28 Imports of Tangerines by Origin in MT

Country of Origin	MY 2010/11	MY 2011/12	MY 2012/13
South Africa	57,940	67,179	80,665
Morocco	90,782	80,362	64,055
Peru	41,209	49,172	44,768
Israel	29,091	42,651	40,633
Turkey	50,493	45,501	36,854
Argentina	33,571	24,815	15,925
Uruguay	26,232	19,833	15,865
United States	4,814	3,700	4,791
Others	6,971	8,444	13,163
Total Imports	341,103	341,658	316,719

Source: GTA

Table 7. EU-28 Exports of Tangerines by Destination in MT

Country of Destination	MY 2010/11	MY 2011/12	MY 2012/13
Russia	97,519	103,274	109,700
Ukraine	53,623	55,535	57,310
United States	60,716	47,559	46,839

Switzerland	38,214	39,737	39,732
Belarus	30,652	25,094	33,084
Norway	23,306	23,336	24,632
Serbia	23,148	19,536	21,592
Others	60,080	69,275	71,656
Total Exports	387,258	383,303	404,544

Source: GTA

Production, Supply and Demand Data Statistics:

Table 8. Tangerines/Mandarins, Fresh Production, Supply and Demand

Tangerines/Mandarins, Fresh European Union	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Oct 2011		Market Year Begin: Oct 2012		Market Year Begin: Oct 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	169,722	169,722	168,273	165,653	168,680	166,757
Area Harvested	155,771	155,771	154,383	151,909	154,130	152,366
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
Total No. Of Trees	0	0	0	0	0	0
Production	3,099	3,099	2,930	2,930	2,925	3,067
Imports	342	342	316	316	320	300
Total Supply	3,441	3,441	3,246	3,246	3,245	3,367
Exports	392	383	398	404	405	411
Fresh Dom. Consumption	2,702	2,711	2,550	2,495	2,563	2,599
For Processing	347	347	298	347	277	357
Total Distribution	3,441	3,441	3,246	3,246	3,245	3,367

HECTARES, 1000 TREES, 1000 MT

Source: FAS Offices

Lemons, Fresh

Production:

EU lemon production is expected to reach nearly 1.3 MMT in MY 2013/14, a 7 percent increase from the previous year. Figures have been revised down 6 percent driven by Italy's revised figures despite the increase in Spanish lemon production.

Spain's lemon production in MY 2013/14 is expected to be 7.7 percent higher than previously estimated resulting in an increase of 12.7 percent compared to previous year. According to official estimates, Spain's lemon production may reach 770,000 MT. Ailimpo, the Spanish Lemon and Grapefruit Association, reports the same production growth. There is a disparity between official data from the Ministry of Agriculture and the industry's production estimates although the percentages of variation are similar in both cases. The Spanish industry estimates approximately 970,000 MT. On April 30 2014 finished the *Fino* variety campaign, extending the harvest due to weather conditions. In

general and according to the industry, return for growers was satisfactory, with stable retail prices during the whole season favored by the absence of stocks on Southern Hemisphere. On May 1, 2014, Spain started the *Verna* variety campaign until the end of July, with higher production than expected. Growing these two varieties allows for a year round lemon supply. As occurred in the previous campaign, the good volumes being exported make for an optimal scenario for this year's lemon crop in Spain regarding profitability for farmers and industry.

Lemon production in Spain is concentrated in three regions located in the southern Mediterranean area: Murcia, Region of Valencia and the Provinces of Malaga and Almeria in Andalusia. The dominant varieties in Spain are *Fino* which represents 70 percent of total production and is favored by the processing sector and *Verna*, a tender and juicy variety with few seeds, representing 30 percent of total production. There is an interest to replace *Fino* varieties by *Verna* varieties, representing in the short-term, 60 percent of total production for *Fino* varieties and 40 percent of total production for *Verna* varieties. With *Verna* variety there is higher profitability and less competition with Turkey.

Italy's MY 2013/14 lemon production is expected to stay flat. Sizes are regular. Sicily produces more than 86 percent of Italy's lemons. Lemon-producing area is progressively decreasing: higher input costs and lower prices have negatively affected crop profitability. *Femminello Commune (F. Zagara Bianca, F. Siracusano, F. S. Teresa), Monachello, and Interdonato* are the main lemon varieties grown in Italy.

Greece's MY 2013/14 lemon production is forecast to remain steady. The main lemon-producing areas include the prefectures of Korinthos, Achaia, Piraeus, and Ilias, located in northern Greece. The major lemon variety grown in Greece is *Maglini*, whose fruit is strongly aromatic, with a quite sour juice.

In **Portugal** the MY2013/14 season has developed within the normal parameters. The production of lemon is projected at the same level as last year with normal calibers and quality.

In **Cyprus**, MY 2013/14 lemon production is expected to remain stable.

Table 9. Major EU Fresh Lemons/Limes Production by Volume in MT

Country	MY 2011/12	MY 2012/13	MY 2013/14
Spain	736,000	683,000	770,000
Italy	458,000	411,000	412,000
Greece	45,000	55,500	55,000
Cyprus	11,600	14,800	15,200
Portugal	13,000	12,600	13,000
Total Production	1,263,600	1,176,900	1,265,200

Source: FAS Offices

Consumption:

EU-28 consumption is forecast to be around 1.3 MMT in MY2013/14, relatively stable compared with the last years. The industry is also projected to process 25 percent more lemons mainly due to the high increase in production expected in Spain and Italy due to the small calibers at the beginning of the season. Lemons are primarily used for fresh consumption. The lemon per capita consumption in the EU for 2013/14 is estimated at 2.7 kilos. Greece has become increasingly reliant on imported lemon juice to meet consumer demand for soft drinks. The yield for lemon juice is 15-17 Kg of fresh lemons to produce 1 Kg of lemon juice, depending on the quality of the fruit.

Trade:

The EU is a net importer of lemons, with imports exceeding exports. Imports into the EU reached US \$535 million in MY 2012/13, while the value of exports in MY 2012/13 was US \$96 million. Intra-EU trade is critical to the sector, taking into account the volume of lemons produced in the Mediterranean Member States and the demand in non-producer Member States. The main intra-EU importers are Germany, France, Poland and the United Kingdom. Spain as the main European lemon producer, exported in MY 2012/13 a total volume of 531,840 MT, of which 92 percent was sent to other EU MS.

The major supplier to the European market is Argentina, followed by Turkey, Brazil, and Mexico replacing South Africa. The major EU importers of non-EU lemons are the Netherlands, Germany, France and Italy. The main extra-EU destinations for European lemons are Russia, Switzerland and Ukraine. Due to an expected lower lemon production in Argentina, exports on MY 2013/14 may increase compared to previous year.

The stricter measures on South African citrus imports to EU market create uncertainty for South African imports in MY 2013/14. In addition, for MY 2013/14 Russian market remains uncertain together with the impact of the devaluation of the ruble

Table 10. EU-28 Imports of Lemons/Limes by Origin in MT

Country of Origin	MY 2010/11	MY 2011/12	MY 2012/13
Argentina	170,310	182,028	189,056
Turkey	108,055	102,004	80,048
Brazil	56,106	61,528	60,931
Mexico	27,290	35,165	40,573
South Africa	44,342	42,132	28,540
Others	20,773	21,602	22,777
Total Imports	427,376	440,458	421,925

Source: GTA

Table 11. EU-28 Exports of Lemons/Limes by Destination in MT

Country of Destination	MY 2010/11	MY 2011/12	MY 2012/13
Russia	21,479	32,265	22,730
Switzerland	14,346	14,882	15,380
Ukraine	4,690	11,305	7,599
Norway	3,740	4,315	4,985
Belarus	2,017	3,283	4,698
Bosnia& Herzegovina	2,500	3,351	3,452
Serbia	1,709	3,204	2,946
Others	10,166	18,196	14,740
Total Exports	60,647	91,801	76,530

Source: GTA

Production, Supply and Demand Data Statistics:**Table 12. Lemons, Fresh Production, Supply and Demand**

Lemons/Limes, Fresh European Union	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Oct 2011		Market Year Begin: Oct 2012		Market Year Begin: Oct 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	77,064	77,093	75,686	71,387	76,108	70,794
Area Harvested	69,972	69,947	69,500	65,423	69,709	66,228
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
Total No. Of Trees	0	0	0	0	0	0
Production	1,264	1,264	1,165	1,177	1,345	1,265
Imports	440	440	422	422	440	420
Total Supply	1,704	1,704	1,587	1,599	1,785	1,685
Exports	92	92	77	77	100	80
Fresh Dom. Consumption	1,377	1,377	1,326	1,332	1,442	1,365
For Processing	235	235	184	190	243	240
Total Distribution	1,704	1,704	1,587	1,599	1,785	1,685

HECTARES, 1000 TREES, 1000 MT

Source: FAS Offices

Grapefruit, Fresh**Production:**

Overall EU grapefruit production is projected to grow 9 percent reaching 120,000 MT in MY 2013/14, higher than the previous years due to the increase in production in Cyprus, with 17 percent growth, due to favorable weather conditions. This total EU value remains as was previously estimated.

The total EU area has an upward trend thanks to Greece's increased interest in grapefruit production, following Cyprus trend.

Spain's grapefruit production is projected to increase 5 percent in Spain in MY 2013/14 reaching 60,000 MT. Due to the weather conditions the sizes are smaller than previously estimated. Spain's grapefruit production is found in the region of Murcia (60 percent), Andalusia (25 percent) and region of Valencia (12percent). The main variety planted is Ruby Red. There is a very small market for Spain and indeed for the EU, as most of consumption is supplied by imports.

MY 2013/14 grapefruit from **Cyprus**, the second largest EU-28 grapefruit producer, is regarded as amongst the best worldwide. Cypriot grapefruit production is projected to increase 17 percent compared to the previous campaigns. White Marsh Seedless, mostly grown in the Limassol area, is the major grapefruit variety grown in Cyprus. New plantations have been established in the district of Paphos where the Red varieties (Star Ruby, Red Blush, and Rio Red) were introduced to meet the increased market demand.

Grapefruit production in **Italy** and **Greece** is stable. Greek's prefectures of Corinth and Kavala, the region of Thessaly, and the island of Crete are the major grapefruit-producing areas.

Table 13. Major EU Fresh Grapefruit Production by Volume in MT

Country	MY 2011/12	MY 2012/13	MY 2013/14
Spain	48,200	57,500	60,000
Cyprus	41,000	39,300	46,000
Italy	7,100	7,500	7,500
Greece	5,500	6,000	6,000
Portugal	200	210	208
Total Production	102,000	110,510	120,000

Source: FAS Offices

Consumption:

EU-28 consumption of fresh grapefruit is forecast to remain stable at around 409,000 MT in 2013/14. The Spanish industry believes there is the potential for growth in the consumption of grapefruit as the majority of people still do not consume grapefruit. Cypriot grapefruits are both consumed fresh and channeled to food and beverage manufacturers.

Trade:

The EU is a net importer of grapefruits. The EU imports grapefruit from third countries, as domestic supply is currently enough to supply a quarter of internal demand. Imports for MY 2012/13 were valued at US\$ 333 million while exports were US\$ 22 million. The largest importers within the EU are France, the Netherlands, Germany and Belgium. The major sources for imported grapefruit in MY 2012/13 were South Africa, China, Turkey, Israel and the United States. Imports from Turkey and the United States decreased 36 percent and 11 percent respectively while imports from South Africa rose 35 percent. The imports from the United States were valued at US\$ 46 million. Regarding the exports, the main destinations for EU-28 grapefruit are Russia, Ukraine and Belarus.

Table 14. EU-28 Imports of Grapefruit by Origin in MT

Country of Origin	MY 2010/11	MY 2011/12	MY 2012/13
South Africa	92,763	76,480	103,611
China	55,372	61,850	63,570
Turkey	66,987	82,799	52,757
Israel	47,345	44,763	47,044
United States	52,774	46,000	40,677
Others	49,597	28,732	28,801
Total Imports	364,838	340,621	336,459

Source: GTA

Table 15. EU-28 Exports of Grapefruit by Destination in MT

Country of Destination	MY 2010/11	MY 2011/12	MY 2012/13
Russia	5,244	7,381	5,639
Ukraine	2,393	1,800	3,535
Belarus	2,010	2,107	3,216
Switzerland	2,312	1,881	2,299
Serbia	1,237	678	1,161
Norway	606	839	714
Others	3,817	3,479	3,774
Total Exports	17,619	18,165	20,335

Source: GTA

Production, Supply and Demand Data Statistics:

Table 16. Grapefruit, Fresh Production, Supply and Demand

Grapefruit, Fresh European Union	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Oct 2011		Market Year Begin: Oct 2012		Market Year Begin: Oct 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	2,476	2,476	2,720	2,720	2,735	2,735
Area Harvested	2,379	2,379	2,531	2,531	2,624	2,624
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
Total No. Of Trees	0	0	0	0	0	0
Production	102	102	111	110	120	120
Imports	356	341	335	335	340	330
Total Supply	458	443	446	445	460	450
Exports	18	18	21	20	20	20
Fresh Dom. Consumption	409	399	406	407	419	409
For Processing	31	26	19	18	21	21
Total Distribution	458	443	446	445	460	450

HECTARES, 1000 TREES, 1000 MT						

Source: FAS Offices

Orange Juice

Production:

The volume of oranges dedicated for processing depends on the quantity and quality of orange production. EU-28 orange juice production has been revised up 6 percent compared to previous forecast as a consequence of an overall lower than anticipated commercial standards due to orange color and size in MY 2013/14 with 106,445 MT (Brix 65). This production is in line with higher expected deliveries of oranges to be processed by the industry. The European citrus sector is strongly orientated towards the fresh produce market. Margins are better for fresh fruit intended for fresh consumption for both domestic and export demand. Processing is a buffer for production surpluses and fruit that does not meet commercial standards.

Consumption:

While orange juice is the most popular juice within the EU-28, it competes with other non-alcoholic drinks and juices made from other fruits. Despite the reduction on the purchasing power and the competition of other drinks, the European consumption is projected to be stable. The preferred packaging type by European consumers is the carton. The convenience of orange juice is reflected in its better adaptation to modern consumption habits than whole fresh oranges.

Trade:

In MY 2012/13, total EU imports of orange juice were valued at US\$ 1.5 billion with exports worth US\$ 142 million. EU-28 imports have increased by 4 percent in MY 2012/13. Brazil continues to be the main supplier of orange juice to the EU with around 85 percent of total EU imports coming from Brazil. In MY 2012/13, the EU-28 imported 20,137 MT from the United States with a value of US \$47 million. EU-28 exports decreased by 4.4 percent in MY 2012/13 with main export destinations being Switzerland and Saudi Arabia.

Table 17. EU-28 Imports of Orange Juice by Origin in MT (Brix 65)

Country of Origin	MY 2010/11	MY 2011/12	MY 2012/13
Brazil	576,504	597,409	613,102
United States	56,778	23,498	20,137
South Africa	4,637	5,497	10,152
Switzerland	499	766	12,989
Others	78,061	67,622	68,514
Total Imports	716,479	694,792	724,894

Source: GTA

Table 18. EU-28 Exports of Orange Juice by Destination in MT (Brix 65)

Country of Destination	MY 2010/11	MY 2011/12	MY 2012/13
Switzerland	6,085	5,768	6,005
Saudi Arabia	7,897	5,924	4,436
Algeria	2,887	5,415	5,188
Others	29,157	33,977	33,203
Total Exports	46,026	51,129	48,832

Source: GTA

Production, Supply and Demand Data Statistics:

Table 19. Orange Juice Production, Supply and Demand (Brix 65)

Orange Juice European Union	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Oct 2011		Market Year Begin: Oct 2012		Market Year Begin: Oct 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Deliv. To Processors	1,196,000	1,055,600	1,150,000	1,068,800	1,298,700	1,373,100
Beginning Stocks	15,000	15,000	15,000	15,000	15,000	15,000
Production	92,716	81,832	89,150	82,856	100,000	106,445
Imports	682,322	694,742	685,000	724,894	690,000	690,000
Total Supply	790,038	791,574	789,150	822,750	805,000	811,445
Exports	51,801	51,129	50,800	48,832	50,000	50,000
Domestic Consumption	723,237	725,445	723,350	758,918	740,000	746,445
Ending Stocks	15,000	15,000	15,000	15,000	15,000	15,000
Total Distribution	790,038	791,574	789,150	822,750	805,000	811,445
MT						

Source: FAS Offices

EU Policy Section

New Common Agriculture Policy (CAP) Reform

The [Regulation\(EU\) No 1308/2013 of the European Parliament and of the Council](#), or the new Single Common Market Organization (CMO), was published in the Official Journal on December 17, 2013, and went into force on January 1, 2014. It repeals the previous single CMO, or Council Regulation 1234/2007, although transitional measures are still in place.

Producer Organizations (POs) are still the key elements in the EU's CMO for fruit and vegetables. POs are legal entities established by producers to market commodities, including citrus fruit. EU subsidies are not paid to individual producers but are channeled through POs. In order to qualify for EU subsidies, PO must submit an operational program financed through an operational fund. The EU's financial contribution is paid directly into the POs operational fund. The calculation of the estimated amount of operational fund is based on the operational program and the value of marketed production. Operational

programs are approved under the new regulation as of January 20, 2014.

On March 11, 2014, the European Commission adopted a first package of delegated acts which will supplement the four basic regulations in order to reform the CAP, including Regulation 1308/2013. One of the delegated acts will amend the implementing rules for fresh and processed fruit and vegetables sectors (Commission implementing Regulation (EU) No 543/2011), and will enter into force after its publication in the Commission's Official Journal, which is expected to happen soon. This delegated act introduces new elements regarding the operational programs in the fruit and vegetables sector and the entry price system. It also clarifies the criteria that POs have to comply with in order to be eligible for EU funding and introduces a sanction mechanism in case of non-compliance. The provision on the entry price system aligns the clearance of goods that are subject to the entry price to the Custom Code. These provisions introduce a flat rate, the standard import value, to clear customs when products are sold on consignment and will apply from October 1, 2014.

For information on the new CAP, please see: http://ec.europa.eu/agriculture/cap-post-2013/index_en.htm

EU Marketing Standards for Fruits and Vegetables

The Commission implementing Regulation (EU) No 543/2011 also provides for a general marketing standard for all fresh fruits and vegetables, repealing Commission Regulation 1221/2008. Specific marketing standards are still in place for ten products, including citrus fruit. The specific marketing standards are set out in Part B of Annex I to this Regulation. The specific marketing standards for citrus fruit can be found in Part 2 of that same section (p.111).

Fresh fruit and vegetable imports into the EU are checked for compliance with EU-harmonized marketing standards. These standards apply at all marketing stages and include criteria such as quality, size, labeling, packaging, and presentation.

Certification of Fruit Shipments

Plant products need a phytosanitary certificate to be exported to the EU. Phytosanitary certificates issued by an APHIS inspector are required to accompany fruit, vegetable, and nut shipments. APHIS issues phytosanitary certificates in accordance with international regulations established by the International Plant Protection Convention of the Food and Agriculture Organization of the United Nations. This standard-setting body coordinates cooperation between nations to control plant and plant product pests and to prevent their spread.

Council Directive 2000/29/EC contains provisions concerning compulsory plant health checks. This includes documentary, identity, and physical plant health checks to verify compliance with EU import requirements. More information can be accessed on DG Health and Consumer Protection's website http://ec.europa.eu/food/plant/organisms/imports/inspection_en.htm.

[Commission Regulation 1756/2004](#) provides for plant health checks to be carried out at reduced frequency when justified. The list of products recommended for plant health checks at reduced levels was [updated August 30, 2013](#).

Note: South African Citrus Checks – On May 27, 2014, Member States (MS) voted for tighter checks on South African citrus fruit imports to prevent the spread of Citrus Black Spot (CBS), a highly contagious fungal disease found in several imports last year. It could spread throughout the EU since it is currently not found in the EU. While harmless to humans, citrus black spot reduces both harvest quality and quantity.

Citrus fruit producing countries such as Spain and Italy rejected the initial Commission plans, as the measures were not strong enough to guarantee the security of their growers. The revised plan includes a systematic testing regime of each consignment and allows imports to continue. However, imports would be cut off if the disease is detected in a certain number of shipments. However, the exact number is still undecided. The Commission banned South African imports from areas hit by the fungus in November last year but the move was largely symbolic as it came at the end of the import season.

According to the new measures, citrus fruit imports from South Africa will be subject to more stringent criteria: pre and post-harvest chemical treatments will be registered, as well as packing houses and there will be on-site official inspections at citrus orchards. A sample of at least 600 pieces of each type of citrus fruit per 30 tons will need to be taken by the South African authorities. All fruit showing symptoms will be tested and no distinction will be made between citrus fruits for fresh consumption and citrus fruits for processing. The measures will be adopted by the Commission in the coming days. In case of recurring interceptions of citrus fruit contaminated with citrus black spot in the coming months, these measures will be further strengthened and additional restrictions may be imposed.

New CAP School Scheme

A key objective of the changes made to the Fruit and Vegetable regime was to reverse the declining consumption of fruit and vegetables. The European School Fruit Scheme (SFS) was used as a measure to combat child obesity, including three elements: free distribution of fruit and vegetables in schools, information campaigns on healthy eating habits, and monitoring and evaluation. The SFS made €90 million (122.5 million USD) of EU funds available to provide fruit and vegetables to school children to be matched by national and private funds, which was [allocated to the 25 participating Member States](#) (Sweden, Finland and UK did not participate). The 2013/2014 school year was the fifth year of the program.

On January 30, 2014, the Commission presented a proposal to bring the SFS and the School Milk Scheme together under a joint framework in order to improve their effectiveness and efficiency, streamline administrative requirements and reduce organisational burden. Participation in the new scheme will be voluntary for Member States, which will also have flexibility to choose the products they

wish to distribute. The reformed school scheme is expected to take effect in 2016. For more information:

http://ec.europa.eu/agriculture/school-scheme/legislative-proposal/index_en.htm

Maximum Residue Level for Fruit

Maximum Residue Levels (MRLs) for pesticides, including import tolerances, have been harmonized throughout the EU since September 2008. As a marketing tool, some retail chains in the EU adopt private standards that exceed EU regulations by requiring their suppliers to adhere to stricter company policies that limit the maximum residues to 30, 50, or 70 percent of the respective EU MRL.

Please find the link to the [EU MRL database](#), as well as to the International [MRL database](#) developed by USDA for MRLs worldwide.

Tariffs

Imports of fresh fruit and vegetables are subject to the Entry Price System (EPS) which has been in place in its current form since the Uruguay Round. It is a complex tariff system that provides a high level of protection to EU producers. In this system fruits and vegetables imported at or above an established entry price are charged an ad valorem duty only. Produce valued below the entry price are charged a tariff equivalent in addition to the ad valorem duty. The tariff equivalent is graduated for products valued between 92 and 100 percent of the entry price. The ad valorem duty and the full tariff equivalent are levied on imports valued at less than 92 percent of the entry price.

Tariff levels for 2014 are published in [Commission Implementing Regulation 1001/2013](#). The tariffs for citrus fruit remain unchanged compared to the levels of 2013 and can be found at [page 96](#) for oranges, tangerines, lemons, grapefruit and other citrus fruit, while the tariff for orange juice can be found at [page 165](#).