

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Required Report - public distribution

Date: 6/15/2016

GAIN Report Number: MO1603

Morocco

Citrus Semi-annual

2016 Citrus Semi-annual Report

Approved By:

Sarah Hanson, Agricultural Attaché

Prepared By:

Mohamed Fardaoussi, Agricultural Specialist

Report Highlights:

Post revises orange production for MY 2015/16 to 922,000 MT, representing a 6 percent increase compared to the previous year on a planted area of about 55,804 hectares; tangerine/mandarin production also increased by 6 percent totaling 1.064 million MT on a planted area of 62,181 hectares; and lemon/lime production increased by 22 percent compared to the previous year, reaching 35,875 on a planted area of 3,750 hectares. Most of the production increases were the result of the natural alternating production, increased planting area, and good irrigation management practices.

Exports will continue to target the traditional EU market, as well as remain strong in the Russian market

due to Morocco citrus export incentives to non-EU markets. Orange exports were revised down to 90,000 MT based on lower quality. Tangerine/mandarin exports will remain flat at 383,539 MT and lemon/lime exports decreased to 7,528 MT.

Harmonized System (HS) Codes:

Oranges 080510

Tangerines/Mandarins 080520

Limons 080550

Grapefruits 080540

Orange Juice 200911, 200912, 200919

Abbreviations used in this report:

ASPAM	Moroccan Citrus Producers Association
EU	European Union
EACCE	Etablissement Autonoumous of Control and Export Coordination
FAS	Foreign Agricultural Service
GTA	Global Trade Atlas
MT	Metric ton (1,000 kg)
MMT	Million Metric Tons
MoA	Moroccan Ministry of Agriculture
MOC	Moroccan Office of Changes
MY	Marketing year
PS&D	Production, Supply and Demand
USD	U.S. Dollar

Table 1: Summary of fresh citrus production, supply and distribution by (1000MT)

Citrus	MY 2014/15			MY 2015/16		
	Producti on	Domestic Consumption	Expor ts	Producti on	Domestic Consumption	Expor ts
Oranges	868	693	125	922	777	90
Tangerines/Manda rins	1003	650	353	1064	681	383
Lemons/Lime	30	22	8	35	28	7

Source: OAA.

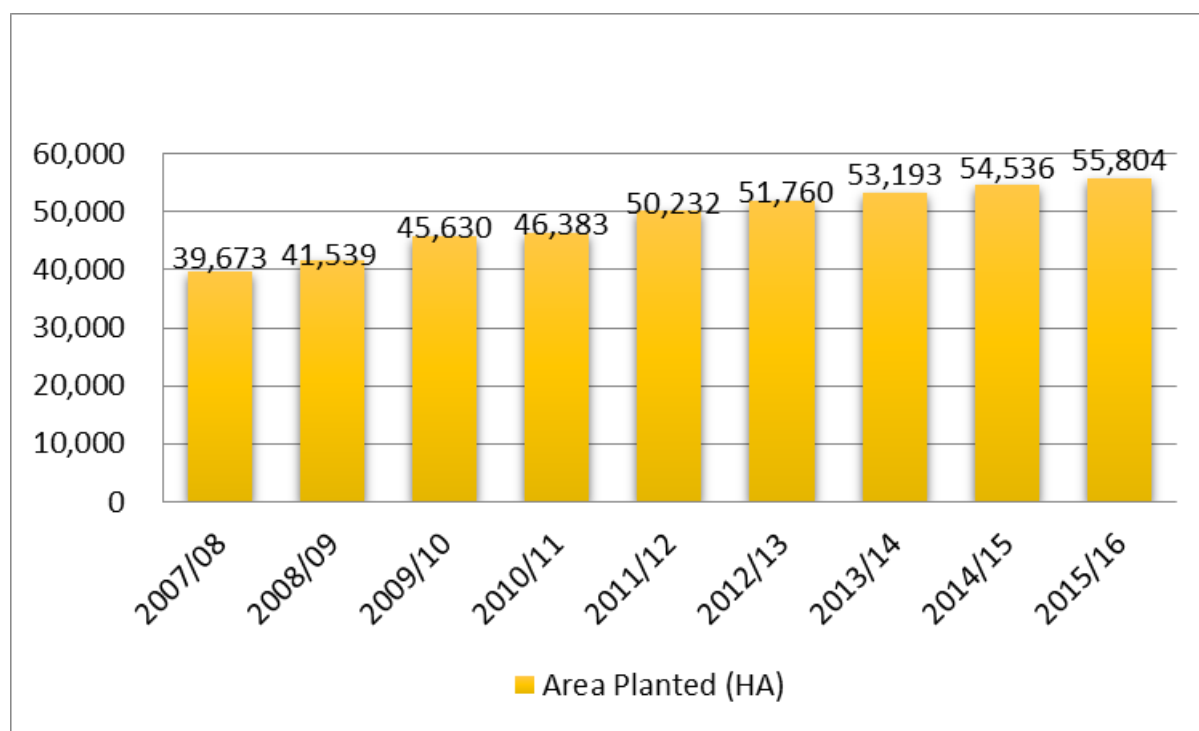
Commodities:

Oranges, Fresh

Production:

Post revises orange production for MY 2015/16 to 922,000 MT representing a 6 percent increase compared to MY 2014/15, on a planted area of about 55,804 hectares and a productive area of 49,319 hectares. The increase in production is explained by the alternate bearing nature of the trees, the increase in area planted, and good irrigation management practices. The area planted for oranges has grown steadily since MY 2007/08 by 40 percent from 39,673 hectares to 55,804 hectares in MY 2015/16. Orange production in Morocco is dominated by Maroc-Late and Navelina varieties.

Figure 1: Area Planted to Oranges



Source: MOA, DSS

Table 2: Oranges Production by volume (1000 Metric Tons)

Marketing Year	Production (1,000 MT)				
	2012/2013	2013/2014	2014/2015	2015/2016	% Change
Maroc late	354	495	405	441	9%
Navel	278	348	316	331	5%
Navel lane late	11	14	14	14	0%
Navel late	2	7	8	5	-38%
Navelina	0.10	0.25	0.24	0.28	16%
Salustiana	19	28	25	22	-12%
Washington sanguine	56	78	70	78	11%
Other Oranges	37	27	28	27	-4%
Total Oranges	759	1001	868	922	6%

Source: MOA, DSS, OAA

Consumption:

Post forecasts that the MY 2015/16 orange domestic consumption will be at 777,000 MT, an increase of 8 percent compared to the previous year, based on consumer demand. Fresh oranges are the most popular citrus consumed in Morocco. Per capita annual consumption is estimated at 19 kg for oranges.

Trade:

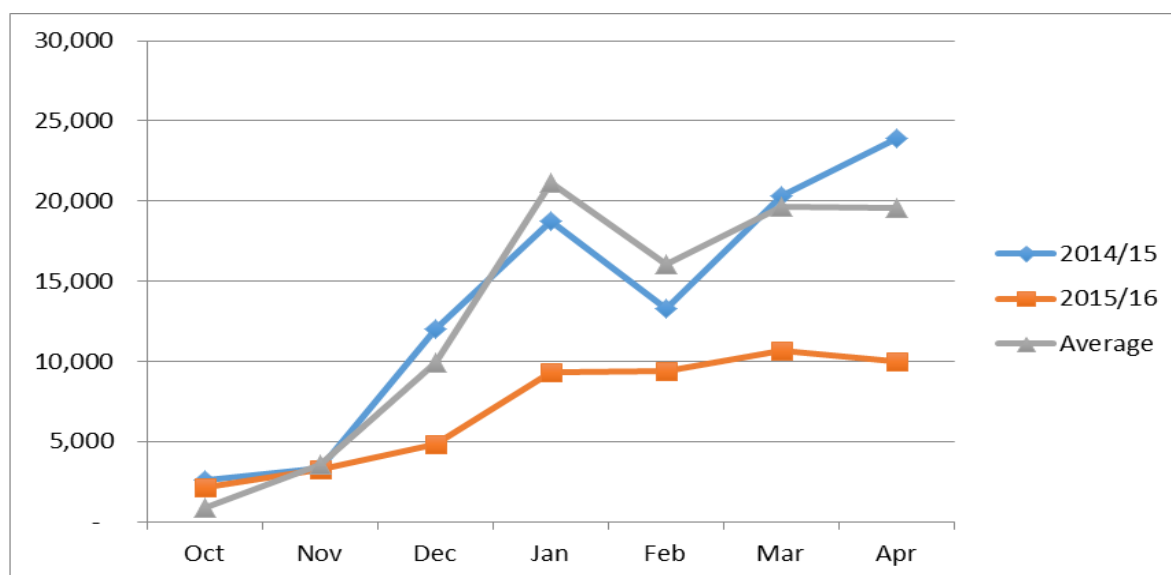
Post revised downwards the MY 2015/16 orange exports to 90,000 MT based on lower quality this year (smaller fruit size) and strong demand in the local market. This caused exports to shrink considerably compared to the last year and resulted in lower return for exporters. The share of oranges exported for total Morocco citrus exports is steadily declining from an average of 400,000 MT in the early 90s, to almost 90,000 MT in MY 2015/16 (post forecast). E.U. and Russia attracted 63% of the Moroccan oranges in MY2014/2015.

Table 3: Oranges Exports by country (1000 Metric Tons)

Morocco Export Statistics					
Commodity: 080510, Oranges, Fresh					
Monthly Series: 10/2015 - 03/2016					
Partner Country	Unit	2013/14	2014/15	2015/16	% change
Russia	T	21,805	12,456	6,315	-49%
Netherlands	T	18,373	22,679	6,330	-72%
Sweden	T	8,472	8,977	42	-100%
Mauritania	T	5,502	5,841	1,032	-82%
United Kingdom	T	1,748	1,871		-100%
Mali	T	994	2,006	270	-87%
Senegal	T	4,279	10,017	1,696	-83%
France	T	1,038	1,050	17,678	1584%
Canada	T	1,364	2,148	651	-70%
United States	T	948	459		-100%
Other	T	1,684	2,780	5,544	
Total trade	T	66,201	70,281	39,559	-44%

Source: GAT, Moroccan office of change.

Figure 2: Morocco's orange exports from Oct 2015- to April 2016 compared to six year average



Source: Moroccan office of change.

Table 4: Oranges Exports by country (1000 Metric Tons)

Morocco Total Trade					
Commodity: 080510, Oranges, Fresh					
Marketing Year: Oct/Sep					
Partner Country	Unit	Quantity			% Changes
		2012/2013	2013/2014	2014/2015	
Netherlands	T	34,022	44,014	47,000	7%
Sweden	T	3,446	12,460	19,490	56%
Canada	T	378	2,281	4,114	80%
Russia	T	23,549	23,669	14,721	-38%
France	T	6,226	3,207	6,914	116%
United States	T	236	2,076	1,813	-13%
Mauritania	T	5,094	10,428	9,605	-8%
Senegal	T	2,645	6,292	11,753	87%
United Kingdom	T	2,924	2,244	2,926	30%
Cote d Ivoire	T	257	211	360	71%
Mali	T	32	1,478	2,455	66%
Lithuania	T			163	
Spain	T	806	648	6,162	851%
Other	T	2,820	2,421	2,455	1%
Total Trade	T	82,435	111,429	129,931	17%

Source: GAT, Moroccan office of change, OAA

Table 5: PSD Oranges, Fresh

Oranges, Fresh	2013/2014		2014/2015		2015/2016		
Market Begin Year	Oct 2013		Oct 2014		Oct 2015		
Morocco	USDA Official	Old Post	USDA Official	Old Post	USDA Official	Old Post	New Post
Area Planted	53,300	53,300	54,536	54,536	55,804	55,804	55,804
Area Harvested	45,000	45,000	48,067	48,067	50,100	50,100	49,319
Bearing Trees	16,644	16,644	16,800	16,800	16,850	16,850	16,850
Non-Bearing Trees	1,747	1,747	1,500	1,500	1,540	1,540	1,520
Total No. Of Trees	18,391	18,391	18,300	18,300	18,390	18,390	18,370
Production	1,001	1,001	868	868	920	918	922
Imports	-	-	-	-	-	-	-
Total Supply	1,001	1,001	868	868	920	918	922
Exports	111	111	125	125	135	135	90
Fresh Dom. Consumption	820	820	693	693	730	728	777
For Processing	70	70	50	50	55	55	55
Total Distribution	1,001	1,001	868	868	920	918	922
TS=TD	-	-	-	-	-	-	-

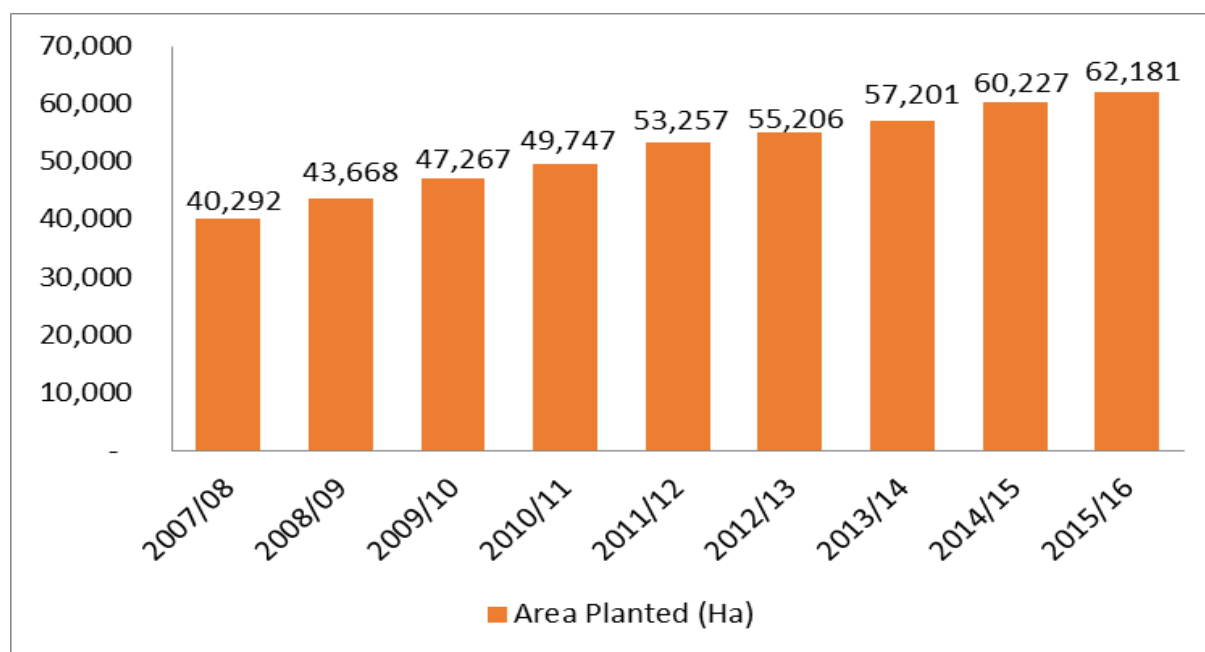
Commodities:

Tangerines/Mandarins, Fresh

Production:

Post revises tangerine/mandarin production for MY 2015/16 to 1.064 MMT a 6 percent increase compared to previous year due to the natural alternating production, increase in area planted, and good irrigation management practices. This is also in line with the Moroccan Ministry of Agriculture estimates. The area planted for the tangerines/mandarins has grown steadily by 54 percent from 40,292 hectares in MY 2007/08 to 62,181 hectares in MY 2015/16 due to new orchards being planted and growers responding to the increasing global demand for tangerines/mandarins.

Figure 3: Area Planted to Tangerines/Mandarins



Source: MoA, DSS, OAA

Table 6: Tangerines/Mandarins Production by volume (1000 Metric Tons)

Marketing Year	Production (1,000 MT)			
	2012/13	2013/14	2014/15	2015/16
Clementine	385,878	646,626	559,031	536,796
Fortune	864	1,008	1,506	1,134
Nadorcott	59,806	82,984	112,111	133,856
Nour	95,385	190,754	112,354	158,147
Nova	7,764	10,803	16,017	17,917
Nules	59,859	167,272	123,250	122,398
Ortanique	9,109	10,605	18,549	20,068
Other	45,461	75,336	60,586	74,634
Total	664,127	1,185,388	1,003,405	1,064,951

Source: MoA, DSS, OAA

Consumption:

In MY 2015/16, Morocco's domestic consumption of tangerines/mandarins is estimated at 681,000 MT, an increase of 0.8 percent compared to the previous year. Per capita annual consumption is estimated at 11 kg for tangerines/mandarins.

Trade:

Post forecasts that the Morocco MY 2015/16 exports of tangerines/mandarins will increase by 8 percent to reach around 383,539 MT. The increase in exports is due to the increase in available supplies and higher demand from Russia and E.U markets. In MY 2015/16, Russia maintained its position as the top destination for Morocco's tangerine/mandarin exports at 139,091 MT, representing 40 percent of total Morocco tangerine/mandarin exports.

Moroccan tangerines/mandarins exports to the U.S. in MY 2015/16 estimated at 32,890 MT, a decrease of 36 percent compared the last year, mainly due to the suspension of imports of tangerine, clementine, mandarin fruit from Morocco due to Mediterranean Fruit Fly effective February 08, 2016.

Table 7: Morocco's Tangerines/Mandarins Exports by Country (Metric Tons)

Marketing Year	2014/2015	2015/2016*	% Change
Canada	40,358	54,697	26%
France	15,285	56,941	73%
Russia	140,633	139,091	-1%
Senegal	2,286	11,299	80%
Netherlands	47,966	34,654	-38%
Saudi Arabia	6,742	7,587	11%
United Arab Emirates	2,391	1,046	-129%
Sweden	30,989	10,170	-205%
United Kingdom	7,380	6,096	-21%
United States	44,571	32,890	-36%

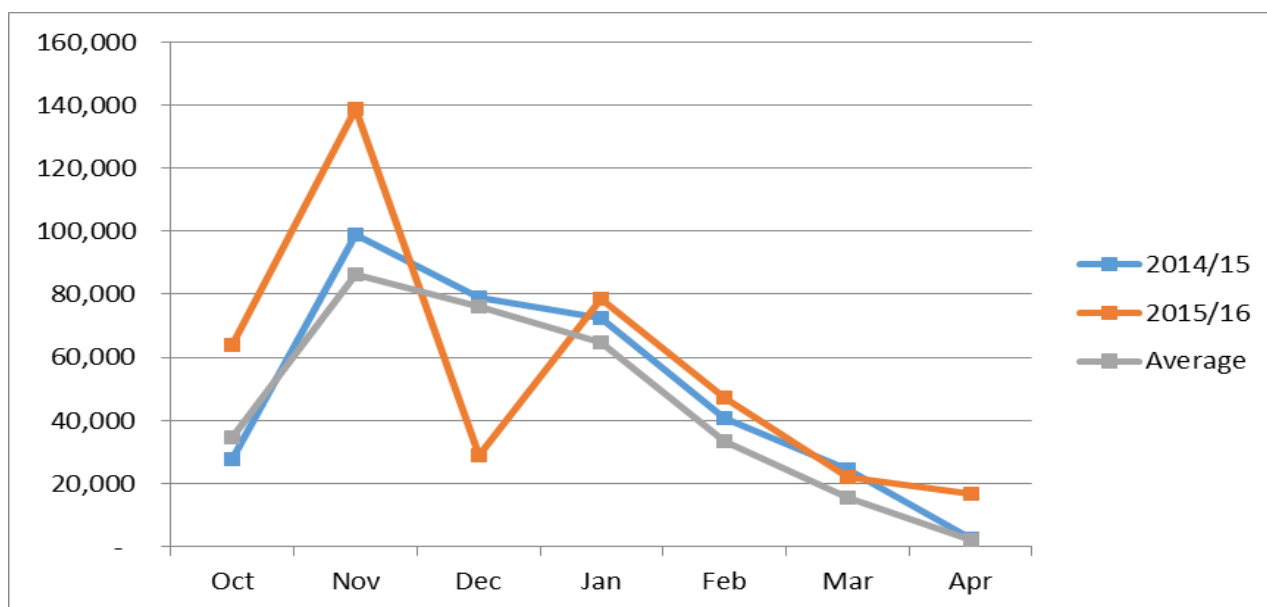
Source: EACCE, GTA, Office of change/* data Estimate from October to mid-May MY 2015/16

Table 8: Morocco's Tangerines/Mandarins Exports by Country (Metric Tons)

Morocco Total Trade					
Commodity: 080520, Mandarins (Including Tangerines And Satsumas)					
Marketing Year: Oct/Sep					
Partner Country	Unit	Quantity			% Changes
		2012/2013	2013/2014	2014/2015	
Russia	T	140,754	279,560	140,841	-50%
Canada	T	33,806	46,223	40,397	-13%
Netherlands	T	17,662	48,500	48,982	1%
France	T	13,089	24,449	15,333	-37%
United States	T	12,463	40,817	45,226	11%
United Kingdom	T	7,968	9,428	7,380	-22%
Sweden	T	6,318	24,651	30,989	26%
Saudi Arabia	T	4,405	6,462	6,911	7%
Germany	T	3,161			
Lithuania	T	789	2,808	216	-92%
Mauritania	T	267	997	3,113	212%
United Arab Emirates	T	217	1,372	2,391	74%
Senegal	T	114	1,801	4,198	133%
Other	T	222	6,758	3,347	-50%
Total Trade	T	241,235	493,826	349,324	-29%

Source: GAT, Office of change, OAA.

Figure 4: Morocco's Tangerines Mandarins exports from Oct 2015- to April 2016 compared to six year average.



Source: Moroccan office of change

Table 9: PSD Tangerines/Mandarins

Tangerines/Mandarins, Fresh	2013/2014		2014/2015		2015/2016		
Market Begin Year	Oct 2013		Oct 2014		Oct 2015		
Morocco	USDA Official	Old Post	USDA Official	Old Post	USDA Official	Old Post	New Post
Area Planted	57,201	57,201	60,227	60,227	62,181	62,181	62,181
Area Harvested	42,000	42,000	47,140	47,140	50,100	50,100	50,100
Bearing Trees	18,320	18,320	19,300	19,300	19,700	19,700	19,700
Non-Bearing Trees	6,412	6,412	6,412	6,412	6,610	6,610	6,610
Total No. Of Trees	24,732	24,732	25,712	25,712	26,310	26,310	26,310
Production	1,160	1,160	1,005	1,003	1,055	1,055	1,064
Imports	-	-	-	-	-	-	-
Total Supply	1,160	1,160	1,005	1,003	1,055	1,055	1,064
Exports	501	501	345	353	380	380	383
Fresh Dom. Consumption	659	659	660	650	675	675	681
For Processing	-	-	-	-	-	-	-
Total Distribution	1,160	1,160	1,005	1,003	1,055	1,055	1,064

Commodities:

Lemons, Fresh

Production:

Post revises Lemon/Lime production for MY 2015/16 to 35,875 MT, representing a 22 percent increase compared to the previous year, mainly due to the natural alternating production, and a good irrigation practices.

Table 10: Lemon/Lime Production by volume

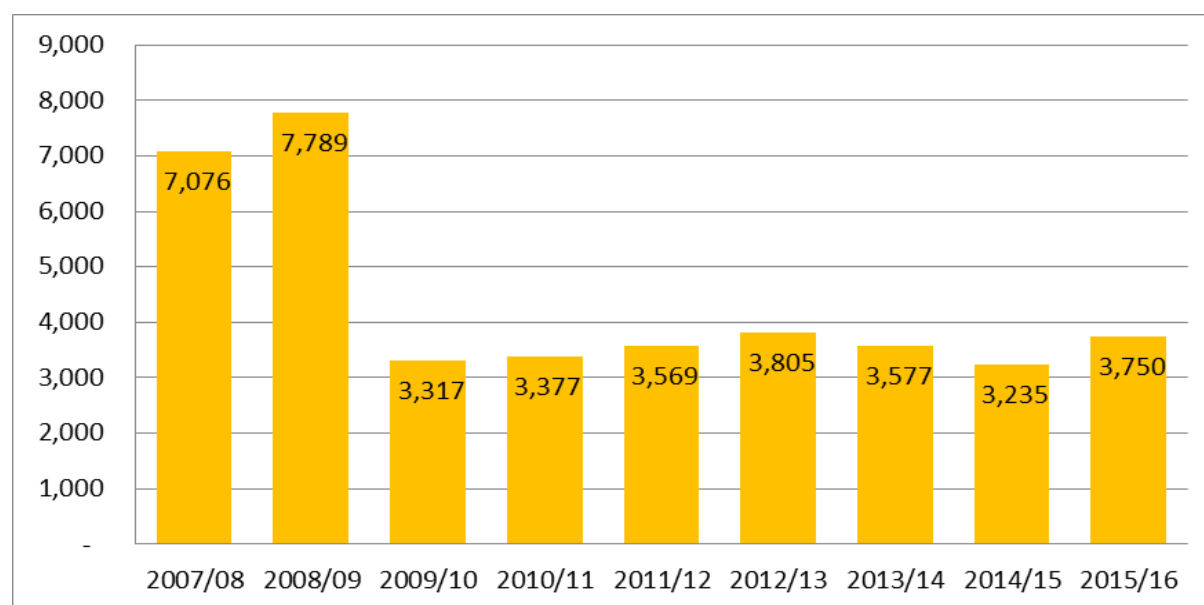
	Production			
Marketing Year	2013/2014	2014/2015	2015/2016	% Change
Lemon/Lime**(MT)	26,451	29,493	35,875	22%
Total Fresh Citrus (1000 MT)	2,204	1,906	2,033	6%

Source: MoA, DSS,

**: includes grapefruits

The area planted for the lemons/limes has declined steadily since MY 2008/09 by 52 percent from 7,789 hectares in MY 2008/09 to 3,750 hectares in MY 2015/16 due to increase in the area of other citrus varieties.

Figure 5: Area Planted to Lemons/Limes (HA)



Source: MoA, DSS.

Trade:

Morocco's citrus exports are mostly dominated by tangerines/mandarins and oranges, representing 98 percent of total export. Post forecasts the 2015/16 MY lemon exports to decrease by 34 percent to 7,528 MT based on decreased domestic production.

Table 11: Morocco's Citrus Exports by varieties (Metric Tons)

Marketing Year	Exports		
	Metric Tons		
	2013/2014	2014/2015	2015/2016*
Total Tangerines/Mandarins	501,000	345,100	383, 539
Total Oranges	111,000	125,000	90,000
Lemon/Lime*	13,124	15,004	7,528

Source: EACCE and MOC//* data Estimate from October to mid-May MY 2015/16

Table 12: PSD Lemons/Limes

Lemons/Limes, Fresh	2013/2014		2014/2015		2015/2016	
Market Begin Year	Oct 2013		Oct 2014		Oct 2015	
Morocco	USDA Official	Old Post	USDA Official	Old Post	USDA Official	New Post
Area Planted	3,577	3,577	3,235	3,235	3,750	3,750
Area Harvested	3,000	3,000	2,800	2,800	2,920	2,920
Bearing Trees	1,702	1,702	1,500	1,500	1,550	1,550
Non-Bearing Trees	450	450	325	325	335	335
Total No. Of Trees	2,152	2,152	1,825	1,825	1,885	1,885
Production	43	43	30	30	35	35
Imports	0	0	0	0	0	0
Total Supply	43	43	30	30	35	35
Exports	10	10	8	7	7	7
Fresh Dom. Consumption	33	33	22	23	28	28
For Processing	0	0	0	0	0	0
Total Distribution	43	43	30	30	35	35
TS=TD	0	0	0	0	0	0

Commodities:

Orange Juice

Production:

The citrus processing sector in Morocco is facing rigid competition in sourcing raw materials in the fresh citrus market. This is mainly due to the low prices offered by orange juice processors compared to prices offered in the fresh market. There are five citrus processing plants currently operating in Morocco, of which three are producers of single strength orange juice that can hardly meet demand from local market buyers. Fresh oranges delivered to juice processors are currently estimated at about 50,000 MT annually.

Moroccan Citrus Producers Association (ASPAM) long-term goal is to have 200,000 MT of fresh citrus allocated annually for juice processing by 2018. This quantity would be the equivalent of about 60 million liters of juice. Morocco's orange juice market is currently estimated at about 50 million liters, of which 20 million comes from processing fresh citrus and the rest is imported juice or from concentrate.

Consumption:

The local market consumes more than 70 percent of the overall orange juice production. Morocco's orange juice consumption is currently estimated at about 50 million liters, of which 20 million liters come from local processing of fresh citrus and the rest is imported juice and concentrates.

Trade:

Morocco became a net importer of citrus juice and concentrate (from South America) and is likely to remain so in the future. Today, there are three single strength juice manufacturing plants in Morocco that are hardly able to meet the local demand for consumer oriented single strength juice and given the prices of the fresh citrus in the local market, the local citrus processors will continue to face strong competition from the imported juices.

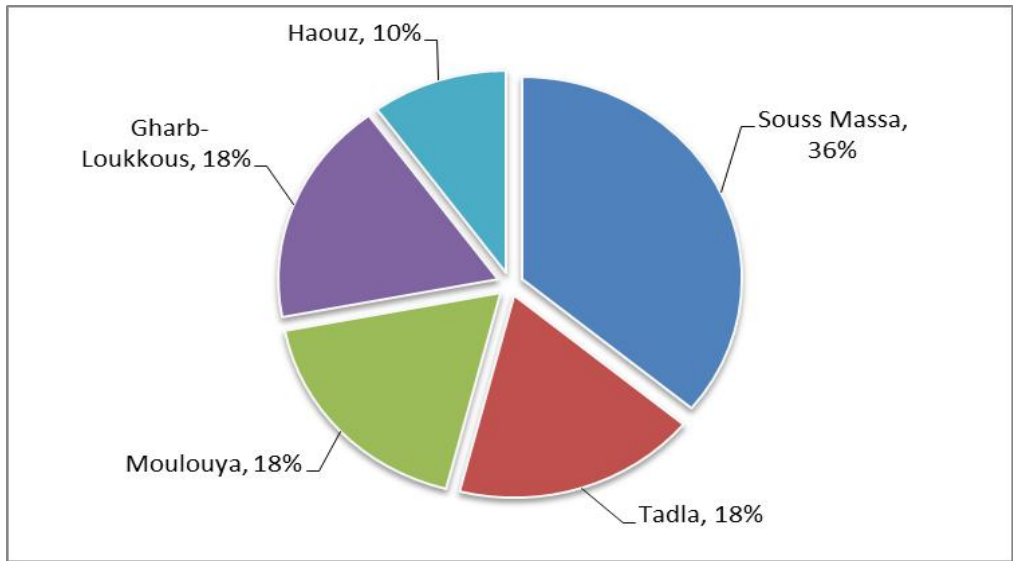
Post maintains its previous estimates for Morocco's total orange juice imports for MY2015/2016 at around 2,900 MT and exports at 4,000MT. The customs office reports imports from October 2015 to May 2016 at 2,900 MT and exports at 3,500 MT during the same period.

Table 13: PSD Orange Juice

Orange Juice	2013/2014		2014/2015		2015/2016	
Market Begin Year	Oct 2013		Oct 2014		Oct 2015	
Morocco	USDA Official	Old Post	USDA Official	Old Post	USDA Official	Old Post
Deliv. To Processors	70,000	70,000	50,000	50,000	55,000	55,000
Beginning Stocks	-	-	-	-	-	-
Production	7,000	7,000	5,000	5,000	5,000	5,000
Imports	3,000	3,000	4,000	4,000	4,000	4,000
Total Supply	10,000	10,000	9,000	9,000	9,000	9,000
Exports	4,000	4,000	3,000	3,000	2,900	2,900
Domestic Consumption	6,000	6,000	6,000	6,000	6,100	6,100
Ending Stocks	-	-	-	-	-	-
Total Distribution	10,000	10,000	9,000	9,000	9,000	9,000
TS=TD	-	-	-	-	-	-

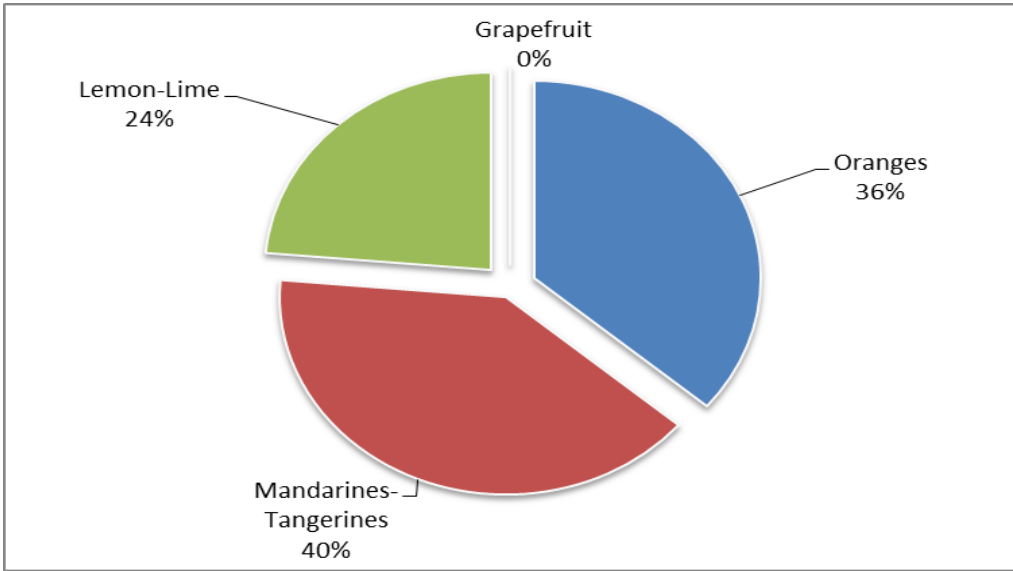
ANNEXES

Figure 6: Morocco Citrus Production Regions



Source: MoA, ASPAM.

Figure 7: Distribution of Citrus Production



Source: MoA, ASPAM

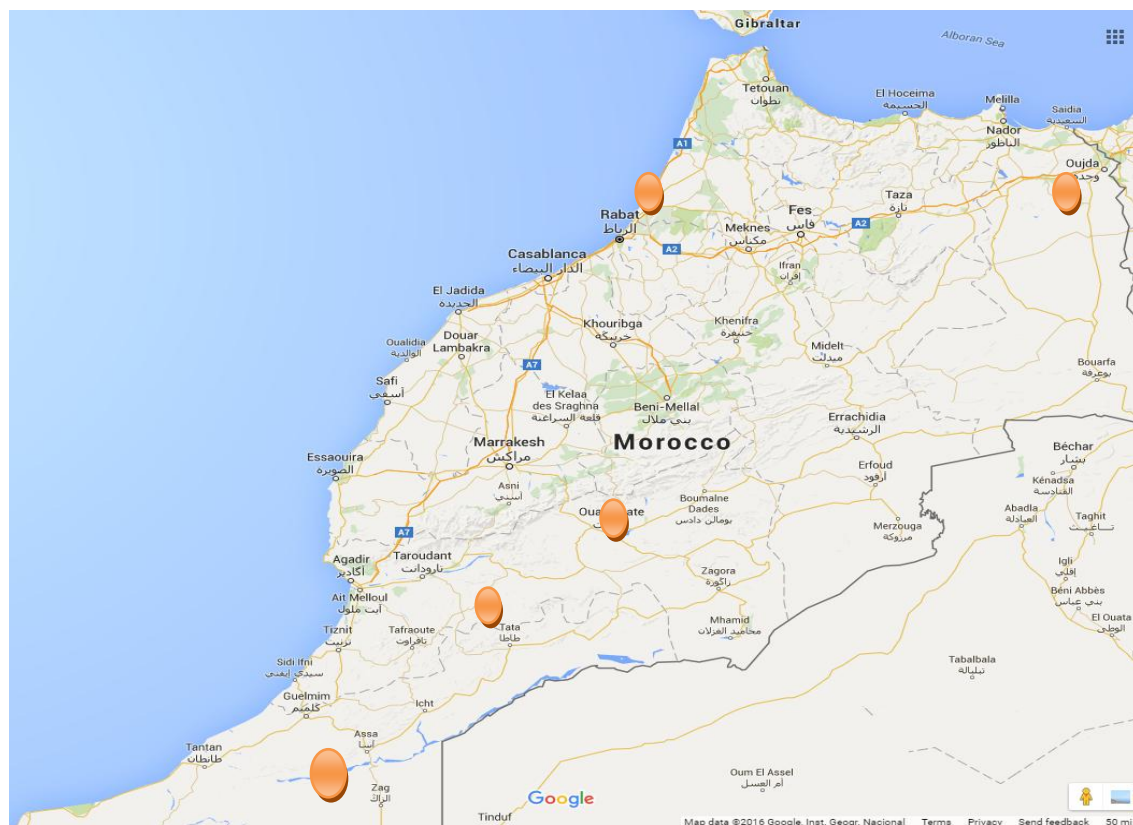
Table 14: Morocco Harvest Period for Citrus

Citrus	Harvest Period
--------	----------------

Mandarins/Tangerines	
Clementine	October - January
Nour	December- January
Ortanique	January- April
Nova	November- December
Others(Nadorcott)	November- December
Oranges	
Navel	December- January
Sanguine	December- January
Maroc-Late	March- June
Salustiana	December- February

Source: MoA,

Figure 8: Citrus growing zones



Source: MOA, Google Map.