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Spain's Citrus Report

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Citrus

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Report Highlights:

Spain is the leading citrus producer in the EU-28, and is forecast to produce 7.11 million MT of total citrus production, meaning a growth of 20 percent increase compared to previous year. All citrus fruit are expected to experience important growths due to favorable weather conditions. Spanish citrus consumption is expected to remain stable. Spain has reoriented citrus exports to new markets in Asia to compensate for the loss of the Russian market.

General Information:

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	146,700	145,860	145,860
Area Harvested	136,500	135,700	135,700
Production	3,483,500	3,086,800	3,629,700
Imports	132,048	172,000	100,000
Total Supply	**3,615,548**	**3,258,800**	**3,729,700**
Exports	1,873,098	1,565,000	1,900,000
Fresh Dom. Consumption	922,000	965,800	929,000
For Processing	820,000	728,000	900,700
Total Distribution	**3,615,098**	**3,258,800**	**3,729,700**

Sources: FAS Madrid

PRODUCTION

Spain is the primary orange producer in the EU-28. According to the latest data from the Spanish Ministry of Agriculture, Fisheries, Environment and Food (MAPAMA), Spain's MY 2016/17 orange production is forecast at 3.6 MMT, an increase of 17.6 percent compared to the previous campaign due to optimal spring weather conditions which resulted in improved flowering and fruit setting. Fruit quality is expected to be good. Recent rainfalls could improve the fruit caliber. The main Spanish orange producing areas are the Regions of Valencia, Andalusia, and Murcia with an expected increase in orange production for MY 2016/17 of 19 percent, 17.3 percent and 18 percent respectively. Valencia and Andalusia account for approximately 90 percent of Spanish orange production. Spanish producers try to cover the whole marketing year by growing both *early* and *late* varieties to extend the fruit availability. *Naveline, Navel, Navelate, Salustiane, Valencia and Sanguinello* are the leading orange varieties grown in Spain.

After several years of low returns for oranges, Valencian growers have pulled up many orange groves and replaced them with more profitable crops such as persimmons and kiwis. According to MAPAMA in the Region of Valencia there is a decrease of almost 3,500 ha of orange production in the last 5 years due to the lack of profitability. Instead, in Andalusia the hectares of orange production remain stable for this same period.

CONSUMPTION

In Spain most oranges are consumed fresh. Spain's MY 2016/17 fresh orange consumption may remain stable following the same trend of previous years, while the quantity of oranges to be processed is expected to be 23 percent higher to absorb the increase in production. Spain's per capita orange consumption is estimated at approximately 20 kg. In Spain, most oranges are consumed fresh, especially *Navelina* and *Navelate* varieties. *Valencia Late* varieties are predominantly used in processing.

TRADE

Spain is the major European orange producer and exporter of oranges within the EU-28 with 1,873,098 MT in MY 2014/15, which means a rise of 14 percent compared to the previous year and valued 1 percent less. The main market is other EU-28 countries, with 92 percent of their total exports of oranges. Exports of Spanish oranges to China have experienced important increases in the last 3 years, reaching until October/August 2015/16 10,010 MT or 246 percent more compared to the same period of previous year. Meanwhile, Spanish exports of oranges to Algeria decreased by almost 65 percent in October/August 2015/16 compared to last period. Due to the Russian ban, Spanish orange exports MY 2014/15 were negligible meaning a loss of USD 11 million. To compensate for the loss of the Russian market, Spain has reoriented their orange exports to new markets such as Brazil, United Arab Emirates, Saudi Arabia or China.

In MY 2014/15 Spain imported 132,048 MT of oranges meaning a growth of 14 percent due to a drop in production, mostly coming from Portugal, Argentina, France, Uruguay and Morocco. In MY 2014/15 Spanish orange imports from the EU-28 surpassed the trend of orange imports from third countries. 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-28. EU-28 orange imports from South Africa are increasing in the last years in The Netherlands, United Kingdom and Portugal while Spain is experiencing a total reduction of orange imports from South Africa in the same period.

Table 2: Spain's Imports of Oranges by Origin in MT

Country of Origin	MY 2012/13	MY 2013/14	MY 2014/15

Portugal	28,372	29,971	46,283
Argentina	27,799	24,317	26,972
France	5,899	7,742	13,315
Uruguay	16,571	13,810	12,260
Morocco	1,011	1,624	9,265
Others	47,372	38,270	23,953
EU-28	50,376	54,718	73,662
Third Countries	76,648	61,016	58,386
Total Imports	**127,024**	**115,734**	**132,048**

Source: Global Trade Atlas (GTA).

Table 3: Spain's Exports of Oranges by Destination in MT

Country of Destination	MY 2012/13	MY 2013/14	MY 2014/15
Germany	483,082	392,545	488,297
France	401,698	357,658	421,792
Italy	160,049	116,228	173,189
Netherlands	166,829	151,740	147,372
United Kingdom	100,757	97,977	106,642
Others	524,825	522,061	535,806
EU-28	1,686,213	1,459,731	1,720,802
Third Countries	151,027	178,478	152,296
Total Exports	**1,837,240**	**1,638,209**	**1,873,098**

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	820,000	728,000	900,700
Production	64,000	56,000	70,000

Sources: FAS Madrid

Spain is preliminarily forecast to process 900,700 MT of oranges in MY 2016/17 to produce 70,000 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.

MY 2016/17 Spain's orange juice consumption is forecast to be stable. Fourteen countries within the EU-28, among them Spain, are developing a promotional campaign called "*Fruit Juice Matters*" (www.fruitjuicematters.eu) to increase the fruit juice consumption and perception. In Spain the promotional campaign with private funds is called "*Zumo de Fruta en Serio"* developed by ASOZUMOS, the Spanish Association of Fruit Juice.

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	113,100	110,177	110,000
Area Harvested	101,600	101,000	100,000
Production	2,389,900	1,972,300	2,446,200
Imports	13,839	15,000	13,000
Total Supply	**2,403,739**	**1,987,300**	**2,459,200**
Exports	1,668,495	1,490,000	1,700,000
Fresh Dom. Consumption	460,244	397,300	459,200
For Processing	275,000	100,000	300,000
Total Distribution	**2,403,739**	**1,987,300**	**2,459,200**

Sources: FAS Madrid

PRODUCTION

According to the latest data from the Spanish Ministry of Agriculture, Fisheries, Environment and Food (MAPAMA), Spain's MY 2016/17 tangerine production is forecast to increase by 24 percent at 2.4 MMT compared to the previous campaign due to weather conditions and the growth expected in the Region of Valencia. Late rainfalls could improve the calibers of the fruit. Spain's main tangerine-producing areas are the Regions of Valencia, Andalusia, and Catalonia with an estimated increase in tangerine production of 29 percent in the Region of Valencia and an expected decline of 9 percent in Andalusia. New *early* and *late* varieties continue being developed to extend the fruit availability.

CONSUMPTION

Spanish tangerines are mainly consumed fresh. MY 2016/17 Spain's fresh tangerine consumption and for processing are forecast to increase in line with the rise in production.

TRADE

Spain, the leading EU tangerine producer and exporter, exported 11 percent less with 1,488,272 MT of tangerines in MY 2015/16 (October/August), of which 91 percent was sent to other EU Member States. Spanish exports of tangerines to the United States continue in a downward trend since 2010 due to strict and expensive measures for the Spanish mandarins to be exported to the U.S., high competition with mandarins from Morocco and logistic issues. Instead Spanish exports of mandarins to Brazil and Asia follow an upward trend as alternative markets with important increase in MY 2015/16 to China. In MY 2014/15 Spain exported 1,668,495 MT meaning a rise of 5 percent but valued 9 percent less.

In MY 2015/16 (October/August) Spain imported 15,024 MT of tangerines meaning a growth of 10 percent due to a drop in production, mostly coming from Portugal. In MY 2014/15 Spain imported

13,839 MT or 105 percent increase with 145 percent growth of tangerines coming from EU-28 and important increases of tangerine imports from Portugal, The Netherlands and Germany.

Table 6: Spain's Imports of Tangerines by Origin in MT

Country of Origin	MY 2012/13	MY 2013/14	MY 2014/15
Portugal	941	1,157	5,713
Netherlands	2,458	1,747	2,091
France	1,144	1,343	1,759
Germany	42	48	1,244
Others	2,411	2,453	3,032
EU-28	5,823	5,213	12,782
Third Countries	1,173	1,535	1,057
Total Imports	**6,996**	**6,748**	**13,839**

Source: GTA

Table 7: Spain's Exports of Tangerines by Destination in MT

Country of Destination	MY 2012/13	MY 2013/14	MY 2014/15
Germany	378,424	397,816	421,664
France	296,198	311,623	364,773
United Kingdom	150,389	148,585	158,945
Poland	141,333	126,588	122,144
Italy	92,712	74,046	93,916
Others	537,982	528,607	507,053
EU-28	1,401,663	1,407,644	1,524,428
Third Countries	195,375	179,621	144,067
Total Exports	**1,597,038**	**1,587,265**	**1,668,495**

Source: GTA

IV. LEMONS

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

Lemons	2014	2015	2016
	Estimates 2014/2015	Estimates	Forecast

		2015/2016	2016/2017
	Post Data	Post Data	Post Data
Area Planted	37,500	37,000	37,000
Area Harvested	36,100	36,000	36,000
Production	1,089,000	775,800	954,200
Imports	45,619	85,000	45,0000
Total Supply	**1,134,619**	**860,800**	**999,200**
Exports	674,543	530,000	619,000
Fresh Dom. Consumption	188,076	180,800	180,200
For Processing	272,000	150,000	200,000
Total Distribution	**1,134,619**	**860,800**	**999,200**

Sources: FAS Madrid

PRODUCTION

According to the latest data from the Spanish Ministry of Agriculture, Fisheries, Environment and Food (MAPAMA), Spain's MY 2016/17 lemon production is forecast at 954,200, an increase of 17.6 percent compared to the previous year recovering the normal production parameters and being the largest lemon EU-28 producer. The rise is due to favorable weather conditions and the entry of new plantations in the last years. Spain will continue to consolidate its leading commercial position in Europe with quality and sanitary guarantee. Spain is the second largest lemon producer in the world, after Argentina, maintaining the world leader position of lemon exports for fresh consumption with increasing prices, resulting in an efficient lemon production. Fruit quality is forecast to be satisfactory. Lemon production is concentrated in the regions of Murcia and Valencia, and the Provinces of Malaga and Almeria in Andalusia. *Fino* and *Verna* are the leading lemon varieties grown in Spain, accounting for 70 and 30 percent of the total production, respectively. The *Fino* variety is predominantly used in processing.

CONSUMPTION

Italy's lemon production is mostly destined for the fresh market and in MY 2016/17 is forecast to remain stable.

TRADE

Spain, the leading EU lemon producer and exporter, exported 23 percent less lemons than previous campaign in MY 2015/16 (October/August) due to a decline in Spanish production and reaching 521,087 MT. However, the value was 11 percent more with USD 804 million confirming the leading commercial position of Spanish lemons, of which 94 percent was sent to other EU Member States.

In MY 2014/15 Spain exported 674,543 MT of lemons meaning a rise of 8 percent compared to previous year. Spain's lemons exports experienced important increases to Canada (+ 35%) and The United States (+194 %) in MY 2014/15, reaching 10,795 MT and 4,848 MT respectively. New strategic markets in Asia are experienced also important increases.

In MY 2014/15 Spain imported 13 percent more lemons than previous campaign with 45,619 MT, mainly coming from Argentina and with 53 percent growth of lemons coming from other Member States.

Table 9: Spain's Imports of Lemons by Origin in MT

Country of Origin	MY 2012/13	MY 2013/14	MY 2014/15
Argentina	44,029	27,033	29,821
Netherlands	3,970	2,933	4,960
France	2,129	1,469	2,779
Portugal	1,128	1,491	1,773
Others	6,285	7,432	6,286
EU-28	8,872	7,553	11,556
Third Countries	48,669	32,805	34,063
Total Imports	**57,541**	**40,358**	**45,619**

Source: GTA

Table 10: Spain's Exports of Lemons by Destination in MT

Country of Destination	MY 2012/13	MY 2013/14	MY 2014/15
Germany	124,319	138,738	154,656
France	92,672	107,576	110,892
Italy	49,293	60,279	84,898
United Kingdom	53,184	65,851	60,184
Poland	57,132	52,540	56,944
Others	157,526	197,588	206,969
EU-28	488,068	558,910	614,074
Third Countries	46,058	63,662	60,469
Total Exports	**534,126**	**622,572**	**674,543**

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	1,864	1,860	1,860
Area Harvested	1,793	1,790	1,790
Production	77,900	68,700	80,400
Imports	5,769	8,700	4,600
Total Supply	**83,669**	**77,400**	**85,000**
Exports	65,501	59,000	67,000
Fresh Dom. Consumption	8,605	9,400	9,000
For Processing	9,563	9,000	9,000
Total Distribution	**83,669**	**77,400**	**85,000**

Sources: FAS Madrid

PRODUCTION

Spain**'s** MY 2016/17 grapefruit production is forecast to increase by 17 percent according to MAPAMA. Leading grapefruit producing areas include the Regions of Murcia, Andalusia, and Valencia, representing 45, 35, and 20 percent of total production, respectively. *Ruby Red* is the main grapefruit variety planted in Spain.

CONSUMPTION

MY 2016/17 Spanish fresh grapefruit consumption is forecast to remain stable at approximately 9,000 MT. Grapefruits for processing is estimated at 9,000 MT for MY 2016/17.

TRADE

In MY 2014/15 Spain, the leading EU grapefruit producer and exporter, exported 31 percent more compared to previous year reaching 65,501 MT with almost 97 percent of Spanish grapefruit exports going to EU-28.

In MY 2014/15 Spain imported 5,769 MT meaning 13 percent decrease compared to previous year and 95 percent going to other EU Member States.

Table 12: Spain's Imports of Grapefruits by Origin in MT

Country of Origin	MY 2012/13	MY 2013/14	MY 2014/15
Portugal	1,593	1,705	2,493
Netherlands	2,423	1,768	1,483
France	136	386	1,320
Others	2,864	2,782	473

EU-28	4,529	4,178	5,479
Third Countries	2,487	2,463	290
Total Imports	**7,016**	**6,641**	**5,769**

Source: GTA

Table 13: Spain's Exports of Grapefruits by Destination in MT

Country of Destination	MY 2012/13	MY 2013/14	MY 2014/15
Germany	18,006	15,178	20,390
France	13,736	12,436	16,237
Poland	6,608	5,430	6,928
Others	15,704	16,817	21,946
EU-28	52,149	48,495	63,302
Third Countries	1,905	1,366	2,199
Total Exports	**54,054**	**49,861**	**65,501**

Source: GTA