

2006-2007 citrus season forecasts

A record season

The figures announced at the last annual meeting of the CLAM (Mediterranean Citrus Liaison Committee) indicate record Mediterranean production of easy peelers, orange and lemon in 2005-2006. This abundance is not a surprise as the considerable spread of orchards in recent years in countries such as Spain, Turkey and Egypt. It is true that the Eastern European market and possibly the Asian market—on a more long term basis—form substantial potential for the development of consumption. It is true that the quality of production is making progress, especially in Spain where the range of easy peelers and oranges is updated continuously in favour of improved varieties. However, over-production is observed. After two disastrous seasons in a row, Spain has set up an emergency plan and measures are awaited in other countries that are less well structured.

Citrus production in the countries around the Mediterranean should approach 19 million tonnes in 2006-2007. The harvest has increased by some 3 million tonnes since the end of the 1990s and growth seems to be speeding up. Production levels are booming for all the varietal groups except grapefruit.

Easy peelers

For the first time in its history, Mediterranean production has exceeded 5.2 million tonnes. The total has increased by more than a million tonnes in five seasons. The increase is mainly the result of the development of Spanish plantations with a harvest forecast in excess of 2.4 million tonnes. Production is very substantial for all varietal groups in Spain. Only 'Fortuna' is losing ground as the planted area is suffering a structural decrease as a result of *Alternaria* attacks. Size will probably be medium to small for all varieties as a result of recurrent shortages of water and very limited pruning in some orchards

because of very poor economic performance in the last two seasons. The 'Satsuma' harvest, shipped mainly to the United Kingdom, is returning to normal after a dip in 2004-2005 caused by frost in winter 2005. Substantial volumes of early clementine will be available and fruit quality will be better. Orchard reconversion is continuing with improved varieties such as 'Oronules' and 'Clemenruby', that should reach the market in significant quantities in two or three years time, gradually replacing 'Marisol'. Large quantities will be available in November and December as the 'Nules' clementine and 'Clemenvilla' harvests are large.

In parallel, Moroccan production is also large. At 480 000 t, it is approaching the record set at the end of the 1990s. The quantities of clementine ('Fine' and late varieties of the 'Nour' type) and high-quality late hybrids

('Afourer', etc.) will be large. 'Ortanique' is an exception as grubbing up is continuing. Israel will be able to ship increasing volumes of late varieties including the reputed 'Or' variety.

Corsican production will remain steady at some 20 000 t of clementine with leaves. A television promotion campaign is to be run to boost the French market.

Quantities will thus be large for all types and no outlets will be neglected. The eastern European markets (both within and outside the EU) display reassuring growth dynamics and still have significant scope for development. However, competition should be very keen on Turkey's traditional markets (Russia, Ukraine, etc.) as production is reaching record levels there as well. Shipments to the United States and Canada should continue to increase slightly. Nevertheless, these

Easy peelers — Mediterranean Basin 2006-2007 export forecasts					
000 tonnes	Seasons		Trend	Average of 5 last seasons	Trend for 2006-2007
	2006-2007	2005-2006			
Spain	1 580	1 436	+ 10%	1 385	+ 14%
Morocco	300	263	+ 14%	223	+ 35%
Corsica	18	18	+ 2%	21	- 13%
Israel	43	35	+ 21%	32	+ 33%
Turkey	314	233	+ 35%	243	+ 29%
Italy	41	78	- 47%	49	- 17%
Cyprus	30	36	- 17%	33	- 8%
Greece	40	40	- 1%	29	+ 37%
Egypt	8	7	+ 4%	8	- 11%
Total	2 374	2 146	+ 11%	2 023	+ 17%

Source: CLAM

Orange — Mediterranean Basin — 2006-2007 export forecasts

000 tonnes	Seasons		Trend	Average of 5 last seasons	Trend for 2006-2007
	2006-2007	2005-2006			
Spain	1 629	1 269	+ 28%	1 376	+ 18%
Morocco	300	279	+ 8%	253	+ 19%
Israel	29	23	+ 28%	30	- 4%
Tunisia	26	19	+ 39%	19	+ 37%
Turkey	162	231	- 30%	182	- 11%
Italy	88	93	- 5%	95	- 7%
Cyprus	18	19	- 8%	30	- 41%
Greece	284	292	- 3%	272	+ 5%
Egypt	630	618	+ 2%	470	+ 34%
Total	3 166	2 843	+ 11%	2 727	+ 16%

Source: CLAM

development prospects seem inadequate when set against the scale of production. The government of the province of Valencia has set up an aid plan for citrus growing. This includes in particular the establishment of a price support system that should benefit about 200 000 t of production and consists in particular of the purchase of 50 000 t of small clementines for the processing industry.

Orange

The 2006-2007 season will also be exceptional for orange production with the total volume expected to exceed 10 million tonnes for the first time. Spain will have a record harvest similar to that of 2003-2004 after two seasons of deficit resulting from the frost in winter 2005 (deficit in late varieties in 2004-2005 and in 'Naveline'/'Navel' in 2005-2006). Size will be medium to small. Fairly large quantities of 'Naveline'/'Navel' will be earmarked for export. Sales might well slow during the first part of the season because of the large quantities of easy peelers to be marketed. Very large quantities of 'Navelate'/'Lanelate' will be available as these varieties have been planted on a very large scale in recent years. The very late cultivar 'Powell' is concerned in particular. The 'Valencia' season also seems generous this year.

In this context, Moroccan exporters, with a slightly smaller production volume than last year, will probably concentrate increasingly on the

eastern European markets. Competition may well be just as fierce there as last year in spite of a trend for increased consumption.

Egypt has gained a strong position on these markets in recent years with exports increasing from an insignificant level in 2001-2002 to more than 200 000 t in 2005-2006. Production is as substantial as last year, when the total flirted with the 2-million-tonne mark. Other developments are expected in the future as new plantations have been established in pioneer desert zones. Production in Turkey—also very active on these markets—is smaller than that of last year but the volume will be average. Greece does considerable business on the market in the Balkans and is the only producer whose harvest will be smaller than average.

Grapefruit

The volumes available on the European market and more generally on the world market will remain

markedly below average, in spite of the increase in production in the United States. The Florida harvest, with some 26 million field boxes, is distinctly larger than that of the two preceding seasons but still well short of the 40 million boxes picked before the hurricanes. This recurrent weakness in production illustrates the major crisis being experienced by the Florida citrus sector. Citrus canker seems to be lastingly installed, further complicating the situation for growers already confronted with tristeza and greening since 2005, and the prices of building land are continuing to climb. The last agricultural census thus shows that the number of trees slumped from 9.8 to 7 million between 2004 and 2006. In addition, replanting totalled only 100 000 trees per year in 2005 in contrast with the previous figure of 160 000. This seems to confirm the study presented by FDOC in March 2006 that forecasts harvests of between 14 and 27 million boxes until 2020, depending on the scenario.

Furthermore, the example of the 2005-2006 season shows that it is not possible to count on a reduction in the volumes delivered to the processing industry to alleviate the effects on exports of a decrease in production. Nearly two-thirds of the 2005-2006 harvest went for juice processing because of the impact of citrus canker on the outside appearance of fruits and the rise in the price of concentrate. Finally, the decision taken by shippers should continue to be more favourable to the domestic and Japanese markets than to the less profitable EU market. The volumes shipped to Europe should thus increase in

Grapefruit — Mediterranean Basin — 2006-2007 export forecasts

000 tonnes	Seasons		Trend	Average of 5 last seasons	Trend for 2006-2007
	2006-2007	2005-2006			
Spain	37	34	+ 8%	31	+ 19%
Israel	77	75	+ 3%	73	+ 5%
Cyprus	23	25	- 5%	26	- 10%
Turkey	135	151	- 11%	113	+ 20%
Italy	2	4	- 46%	4	- 48%
Greece	1	2	- 7%	2	- 19%
Total	275	291	- 5%	249	+ 11%

Source: CLAM

Grapefruit — Florida — 1997-1998 to 2005-2006 production and 2006-2007 forecasts													
000 boxes (85 lb)	Seasons									2006-2007 Estimates	Variation on 05-06	Average of 5 last seasons	Trend for 2006-2007
	97-98	98-99	99-00	00-01	01-02	02-03	03-04	04-05	05-06				
White	18 950	18 350	21 500	18 700	18 900	16 200	15 900	3 400	6 500	9 000	+ 38%	12 180	- 47%
Coloured	30 600	28 700	31 900	27 300	27 800	22 500	25 000	9 400	12 700	17 000	+ 34%	19 480	- 35%
Total	49 550	47 050	53 400	46 000	46 700	38 700	40 900	12 800	19 200	26 000	+ 35%	31 660	- 39%

Source: USDA

comparison with the 2.1 million export boxes shipped in 2005-2006 but will remain far from the 6 to 6.5 million observed before the hurricanes. Sales should be supported by a consumer marketing campaign to start in France this autumn.

Mediterranean production should be distinctly smaller than last year's but still larger than average. The Israeli harvest will continue to develop and should exceed 250 000 t. The excellent economic results of the last three seasons result in more replanting. According to USDA, 440 hectares of new grapefruit orchards have been planted in 2006 and 700 ha is planned for 2007. Nevertheless, exports should be fairly close to the 75 000 t recorded in 2005-2006 as a result of the attraction of the concentrate market and a more uncertain euro:dollar exchange rate. Spain should also have slightly greater potential.

In contrast, the Turkish harvest should be clearly down on the record 230 000 t of 2005-2006. However, at 175 000 t it will be still considerably larger than average. Sizes promise to be better. However, the Russian outlet that is still very important is uncertain because of stricter phytosanitary controls.

Cypriot production should also be smaller than last year's. Corsica should be able to supply some 4 000 t of 'Star Ruby' in the usual April to July slot.

The overall shortage of supplies should benefit outsider suppliers that have recently developed their presence in the EU. Mexico used to export grapefruit to Europe during the inter-season period only but should broaden its market window considerably thanks to production in

the Michoacán and possibly Nuevo León/Tamaulipas. These zones are capable of exporting fruits during a large part of the winter.

Shaddock from China should also be more present.

The market should therefore remain very open, given the overall shortage of supplies. However, demand is still on a worrying slope that might become more slippery with high retail prices. In this context, strict criteria must be respected to ensure high taste quality in order to stabilise consumption. It has been seen that certain exporters are not sufficiently aware of these crucial issues.

Lemon

The harvest seems to be as large as last year's in Spain and Turkey, the two main suppliers of fresh lemon to Europe during the winter. The new plantations in the Mersin region in Turkey are resulting in increased production that could approach 700 000 t. The harvest in Murcia in Spain will be about a million tonnes and practically the same as last year for both 'Primofiori' and 'Verna'. The season should start earlier than last year

when small fruits at the beginning of the season and competition from Argentina had a very negative effect. Nevertheless, professionals expect another difficult season. For want of markets, nearly 230 000 t of lemon was left on the trees in the province of Murcia last year.

The prospects for grapefruit seem good but the situation is clearly different for the rest of the range, and not only for Mediterranean producers. An abundance of orange and lemon may have an impact on the start of the southern hemisphere citrus season during the summer in Europe. The opening of new high potential markets, especially in Asia (Japan, China, etc.) is an important feature. However, professionals know that this requires time. The exploitation of the numerous remaining areas of potential consumption in the EU and especially in eastern Europe seems to be a more immediate priority. It is perhaps the moment to re-examine the question of generic promotion. The rise in the price of concentrated orange juice, recently accentuated by another small harvest in Florida, should also be taken into account as the phenomenon seems to be structural ■

Eric Imbert, CIRAD
eric.imbert@cirad.fr

Lemon — Mediterranean Basin — 2006-2007 export forecasts					
000 tonnes	Seasons		Trend	Average of 5 last seasons	Trend for 2006-2007
	2006-2007	2005-2006			
Spain	550	497	+ 11%	480	+ 15%
Cyprus	9	8	+ 10%	12	- 25%
Turkey	350	334	+ 5%	262	+ 34%
Greece	3	3	- 11%	11	- 77%
Italy	27	25	+ 8%	21	+ 25%
Egypt	27	25	+ 10%	14	+ 90%
Total	966	892	+ 8%	800	+ 21%

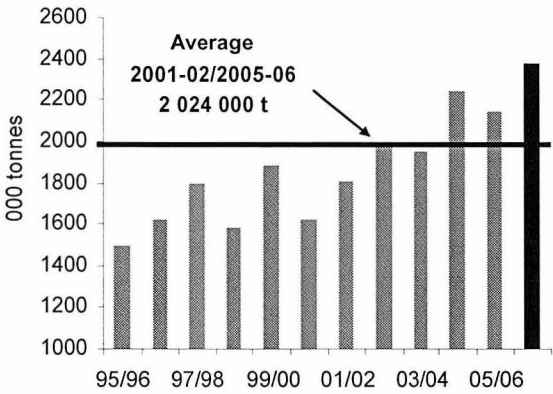
Source: CLAM

Citrus — 2006-2007 export forecasts — Mediterranean Basin

Easy peelers

Easy peelers — Mediterranean Basin 2006-2007 export forecasts					
000 tonnes	Seasons		Trend	Average of 5 last seasons	Trend for 2006-07
	2006-07	2005-06			
Satsuma	275.0	150.2	+ 83%	236.0	+ 16%
Clementine	1 468.0	1 428.4	+ 3%	1 255.0	+ 17%
Mand./Wilking	75.0	112.9	- 34%	178.0	- 58%
Ortanique	41.0	49.0	- 16%	44.0	- 7%
Nova	205.0	154.0	+ 33%	155.0	+ 33%
Others	309.0	251.0	+ 23%	156.0	+ 98%
Total	2 373.0	2 145.5	+ 11%	2 024.0	+ 17%

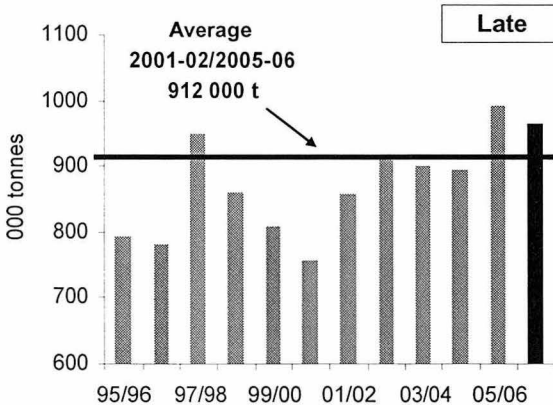
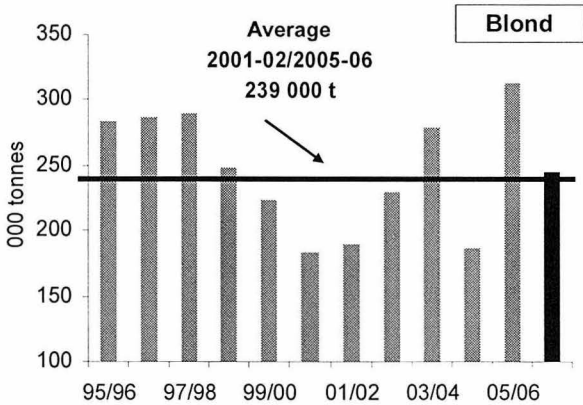
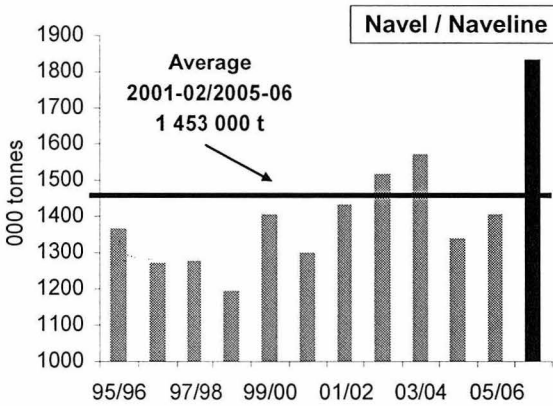
Source: CLAM



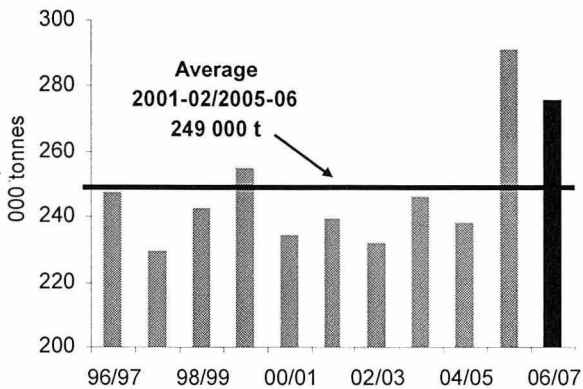
Orange

Orange — Mediterranean Basin 2006-2007 export forecasts					
000 tonnes	Seasons		Trend	Average of 5 last seasons	Trend for 2006-07
	2006-07	2005-06			
Navel/naveline	1 835.0	1 403.8	+ 31%	1 453.0	+ 26%
Blond	245.0	313.7	- 22%	239.0	+ 2%
Blood oranges	130.0	141.7	- 8%	127.0	+ 2%
Late varieties	965.0	993.6	- 3%	912.0	+ 6%
Total	3 166.0	2 841.3	+ 11%	2 727.0	+ 16%

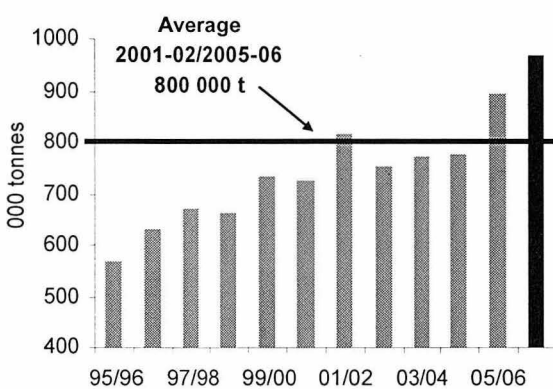
Source: CLAM



Grapefruit



Lemon



Source: CIRAD Market News Service, Pomona

Citrus 2005/2006

Mediterranean production

(000 tonnes)

Citrus	Total	France (Corsica)	Spain (2)	Morocco	Algeria	Tunisia	Italy	Israel	Cyprus	Greece	Turkey	Egypt (1)	Gaza (1)
Easy peelers													
Production	4 623.9	22.0	1 944.5	454.0	111.0	33.2	617.2	117.5	57.2	90.3	469.0	708.0	-
Domestic sales	1 872.1	-	225.0	190.0	111.0	33.2	361.6	34.0	7.0	40.6	225.5	644.1	-
Industry	562.4	-	252.0	0.7	-	-	235.0	48.0	13.8	1.9	11.0	-	-
Losses/withdrawals	119.2	4.4	31.9	-	-	-	18.5	-	-	7.7	-	56.6	-
Export sales	2 145.9	17.6	1 435.6	263.3	-	-	77.7	35.5	36.4	40.1	232.4	7.3	-
Orange													
Production	10 086.2	-	2 297.1	783.7	140.0	174.7	2 261.4	136.0	73.9	1 017.0	1 165.0	1 978.0	59.4
Domestic sales	4 694.0	-	535.0	482.8	118.0	155.0	1 129.6	52.5	17.4	247.5	814.4	1 133.7	8.1
Industry	2 209.5	-	462.0	22.1	22.0	1.0	1 040.0	61.0	37.2	361.3	120.0	68.6	14.3
Losses/withdrawals	348.2	-	28.8	-	-	-	45.2	-	-	115.9	-	158.2	-
Export sales	2 881.2	-	1 271.3	278.8	-	18.7	93.2	22.5	19.3	292.3	230.6	617.5	37.0
Lemon													
Production	2 827.4	-	1 094.9	-	-	28.0	610.0	45.2	12.8	42.4	630.0	359.8	4.4
Domestic sales	1 131.4	-	150.0	-	-	27.5	336.0	39.0	0.6	34.2	250.9	291.4	1.8
Industry	541.5	-	215.8	-	-	1.0	275.0	4.0	4.3	0.5	25.0	15.0	0.9
Losses/withdrawals	298.2	-	232.3	-	-	-	12.2	-	-	4.9	20.0	28.8	-
Export sales	895.1	-	496.8	-	-	0.2	24.9	2.2	7.9	2.8	334.1	24.6	1.7
Grapefruit													
Production	593.4	4.2	41.1	7.5	-	-	7.1	241.0	41.5	7.7	235.0	3.8	4.5
Domestic sales	75.9	-	1.5	7.0	-	-	18.4	15.0	0.4	4.7	24.8	3.3	0.9
Industry	195.4	-	3.4	-	-	-	1.4	151.0	16.4	0.6	19.0	-	3.6
Losses/withdrawals	43.4	0.3	1.8	-	-	-	0.1	-	-	0.9	40.0	0.3	-
Export sales	295.6	3.9	34.4	0.5	-	-	4.1	75.0	24.7	1.5	151.2	0.3	-
Other citrus													
Production	56.7	-	-	-	-	7.1	29.2	20.4	-	-	-	-	-
Domestic sales	20.1	-	-	-	-	7.1	-	13.0	-	-	-	-	-
Industry	30.9	-	-	-	-	-	29.9	1.0	-	-	-	-	-
Losses/withdrawals	0.6	-	-	-	-	-	0.6	-	-	-	-	-	-
Export sales	6.4	-	-	-	-	-	0.1	6.4	-	-	-	-	-
Total													
Production	18 187.6	26.2	5 377.6	1 245.2	251.0	243.0	3 524.9	560.0	185.4	1 157.4	2 499.0	3 049.6	68.3
Domestic sales	7 793.5	-	911.5	679.8	229.0	222.8	1 845.7	153.5	25.4	327.0	1 315.6	2 072.4	10.8
Industry	3 539.7	-	933.2	22.8	22.0	2.0	1 581.3	265.0	71.7	364.3	175.0	83.6	18.8
Losses/withdrawals	809.6	4.7	294.8	-	-	-	76.7	-	-	129.4	60.0	244.0	-
Export sales	6 224.3	21.5	3 238.1	542.6	-	18.9	200.0	147.6	88.3	336.7	948.3	649.6	38.7

(1) Egypt: industry estimates. Gaza: estimates (2) Source for lemon and grapefruit in Spain: AILIMPO, whose figures differ from the official ones

Citrus — Mediterranean Basin
2005/2006 — Exports by variety
(000 tonnes)

Variety	Total	France (Corsica)	Spain	Morocco	Algeria	Tunisia	Italy	Israel	Cyprus	Greece	Turkey	Egypt (1)	Gaza (1)
Satsuma	150.2	-	62.0	-	-	-	-	-	-	-	88.2	-	-
Clementine	1 428.4	17.6	1 060.7	238.3	-	-	73.2	-	-	30.4	8.2	-	-
Mandarin/Wilking	112.9	-	101.5	-	-	-	4.4	-	-	-	0.6	6.4	-
Ortanique	49.4	-	-	10.6	-	-	0.2	5.2	33.4	-	-	-	-
Nova	154.0	-	105.6	3.8	-	-	-	12.6	1.2	-	30.8	-	-
Others	251.0	-	105.8	10.6	-	-	-	17.6	1.8	9.7	104.7	0.8	-
Total easy peelers	2 145.9	17.6	1 435.6	263.3	-	-	77.7	35.5	36.4	40.1	232.5	7.3	-
Navel/Navelina	1 403.9	-	612.2	23.3	-	-	10.7	1.2	0.1	233.1	177.2	346.0	-
Salustiana	148.4	-	118.8	29.6	-	-	-	-	-	-	-	-	-
Shamouti	29.4	-	-	-	-	-	-	17.0	-	-	6.4	-	6.0
Common blond	142.7	-	-	-	-	-	-	-	-	9.4	13.4	119.9	-
Moro-Tarocco	62.4	-	-	-	-	-	62.4	-	-	-	-	-	-
Maltese	18.2	-	-	-	-	18.2	-	-	-	-	-	-	-
Sanguinelli	8.6	-	-	-	-	-	8.6	-	-	-	-	-	-
Other blood oranges	41.0	-	-	38.4	-	-	-	-	-	-	2.6	-	-
Verna	11.5	-	11.5	-	-	-	-	-	-	-	-	-	-
Oval	2.5	-	-	-	-	-	1.9	-	0.6	-	-	-	-
Late	1 010.6	-	526.8	187.5	-	0.5	9.4	4.4	18.6	49.8	31.0	151.6	31.0
Bitter	2.0	-	2.0	-	-	-	-	-	-	-	-	-	-
Total oranges	2 881.2	-	1 271.3	278.8	-	18.7	93.2	22.5	19.3	292.3	230.6	617.5	37.0
Total lemons	895.1	-	496.8	-	-	0.2	24.9	2.2	7.9	2.8	334.1	24.6	1.7
White grapefruit	85.7	-	34.4	-	-	-	4.1	10.6	24.7	1.5	10.1	0.3	-
Other grapefruits	209.9	3.9	-	0.5	-	-	-	64.4	-	-	141.1	-	-
Total grapefruits	295.6	3.9	34.4	0.5	-	-	4.1	75.0	24.7	1.5	151.2	0.3	-
Others	6.4	-	-	-	-	-	0.1	6.4	-	-	-	-	-
Total	6 224.3	21.5	3 238.1	542.6	-	18.9	200.0	141.5	88.3	336.7	948.4	649.6	38.7

(1) estimates

Source: CLAM

Citrus — Mediterranean Basin
2006/2007 exports forecasts by variety
(000 tonnes)

Variety	Total	France (Corsica)	Spain	Morocco	Algeria	Tunisia	Italy	Israel	Cyprus	Greece	Turkey	Egypt (1) (2)	Gaza (1)
Satsuma	275.0	-	135.0	-	-	-	-	-	-	-	140.0	-	-
Clementine	1 468.1	18.0	1 100.0	260.0	-	-	36.0	-	-	34.0	14.0	6.1	-
Mandarin/Wilking	75.0	-	70.0	-	-	-	5.0	-	-	-	-	-	-
Ortanique	41.2	-	-	9.0	-	-	-	5.5	26.7	-	-	-	-
Nova	205.1	-	150.0	7.0	-	-	-	12.0	1.1	-	35.0	-	-
Others	308.5	-	125.0	24.0	-	-	-	25.5	2.1	5.5	125.0	1.4	-
Total easy peelers	2 373.0	18.0	1 580.0	300.0	-	-	41.0	43.0	30.0	39.5	314.0	7.5	-
Navel/Navelina	1 834.6	-	950.0	30.0	-	-	11.1	1.0	0.1	210.0	138.0	494.4	-
Salustiana	190.0	-	160.0	30.0	-	-	-	-	-	-	-	-	-
Shamouti	31.0	-	-	-	-	-	-	21.0	-	-	4.0	-	6.0
Common blond	30.2	-	-	-	-	-	11.2	-	-	19.0	-	-	-
Moro-Tarocco	50.3	-	-	-	-	-	50.3	-	-	-	-	-	-
Maltese	25.0	-	-	-	-	25.0	-	-	-	-	-	-	-
Sanguinelli	5.4	-	-	-	-	-	5.4	-	-	-	-	-	-
Other blood oranges	40.0	-	-	40.0	-	-	-	-	-	-	-	-	-
Verna	9.0	-	9.0	-	-	-	-	-	-	-	-	-	-
Oval	1.8	-	-	-	-	-	1.5	-	0.3	-	-	-	-
Late varieties	985.5	-	510.0	200.0	-	1.0	8.7	7.0	17.3	55.0	20.0	135.6	31.0
Bitter	2.0	-	2.0	-	-	-	-	-	-	-	-	-	-
Total oranges	3 204.9	-	1 631.0	300.0	-	26.0	88.2	29.0	17.7	284.0	162.0	630.0	37.0
Total lemons	968.7	-	550.0	-	-	-	26.8	2.0	8.7	2.5	350.0	27.0	1.7
White grapefruit	80.6	-	37.0	-	-	-	2.2	12.0	23.4	-	6.0	-	-
Other grapefruits	196.7	-	-	1.0	-	-	-	65.0	-	1.4	129.0	0.3	-
Total grapefruits	277.3	-	37.0	1.0	-	-	2.2	77.0	23.4	1.4	135.0	0.3	-
Others	7.0	-	-	-	-	-	-	7.0	-	-	-	-	-
Total	6 830.9	18.0	3 798.0	601.0	-	26.0	158.2	158.0	79.8	327.4	961.0	664.8	38.7

(1) estimates (2) Source for lemon and grapefruit in Spain: ALLIMPO, whose figures differ from the official ones

Source: CLAM