World Citrus Organisation

World Citrus Organization – An Update

José-Antonio Garcia, AILIMPO - Lemon from Spain®

ICBC International Citrus & Beverage Conference

September 19-22, 2023

Clearwater Beach, FL

1. About WCO
2. Citrus Trends Southern and Northern Hemispheres

MAIN CHALLENGES IN THE CITRUS INDUSTRY WORLDWIDE

CITRUS SURFACE IS INCRESING

COMPETING WITH OTHER FRUITS. CITRUS LOSSING SPACE

HEALTHY AND NUTRITIOUS PROPERTIES TO BE PROMOTED

COMMON THREADS CLIMATE CHANGE, DISEASES

NEED TO STIMULATE CONSUMPTION

NEED TO PROMOTE PARTNERSHIP AND SHARE KNOW-HOW

An association for global collaboration

WCO facilitates members to better face common challenges & identify opportunities for the collective benefit of the citrus sector.

WCO is the only global organisation solely focused on citrus fruit.

In October 2019 representatives from Argentina, Chile, Italy, Morocco, Peru, Spain & South Africa agreed on the need to join forces in a global cooperation to navigate the increasing complexity of the citrus market. Thus the WCO was founded.

OTHER COUNTRIES HAVE JOINED SINCE 2019.

World Citrus Organisation

The platform for dialogue & action for the global citrus community.

- Uniting citrus producing countries & citrus stakeholders to facilitate collective action in the citrus sector, for both fresh & processed categories.
- Membership-based, non-profit association.
- Members are citrus producer countries/states (full members) & stakeholders involved in the citrus sector (associated members).
- Based in Brussels, Belgium.

World Citrus Organisation


Región
Región de Murcia


World Citrus Organisation Constitutional meeting
World Citrus Organisation


Thank you!

WCO's Mission

- Discuss common issues affecting citrus producing countries.
- Exchange information on production and market trends.
- Foster dialogue on policy issues of common concern.
- Identify and promote Research and Innovation projects specific to the citrus sector.
- Liaise with public and private stakeholders on citrus-related matters to highlight the importance of citrus producers and the need for a fair return.
- Promote the global consumption of citrus.

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OTHER FRUITS ARE WELL ORGANISED

WORLD AVOCADO ORGANIZATION

World Avocado Organization (AWO)

WAPA

World Apple and Pear Association (WAPA)

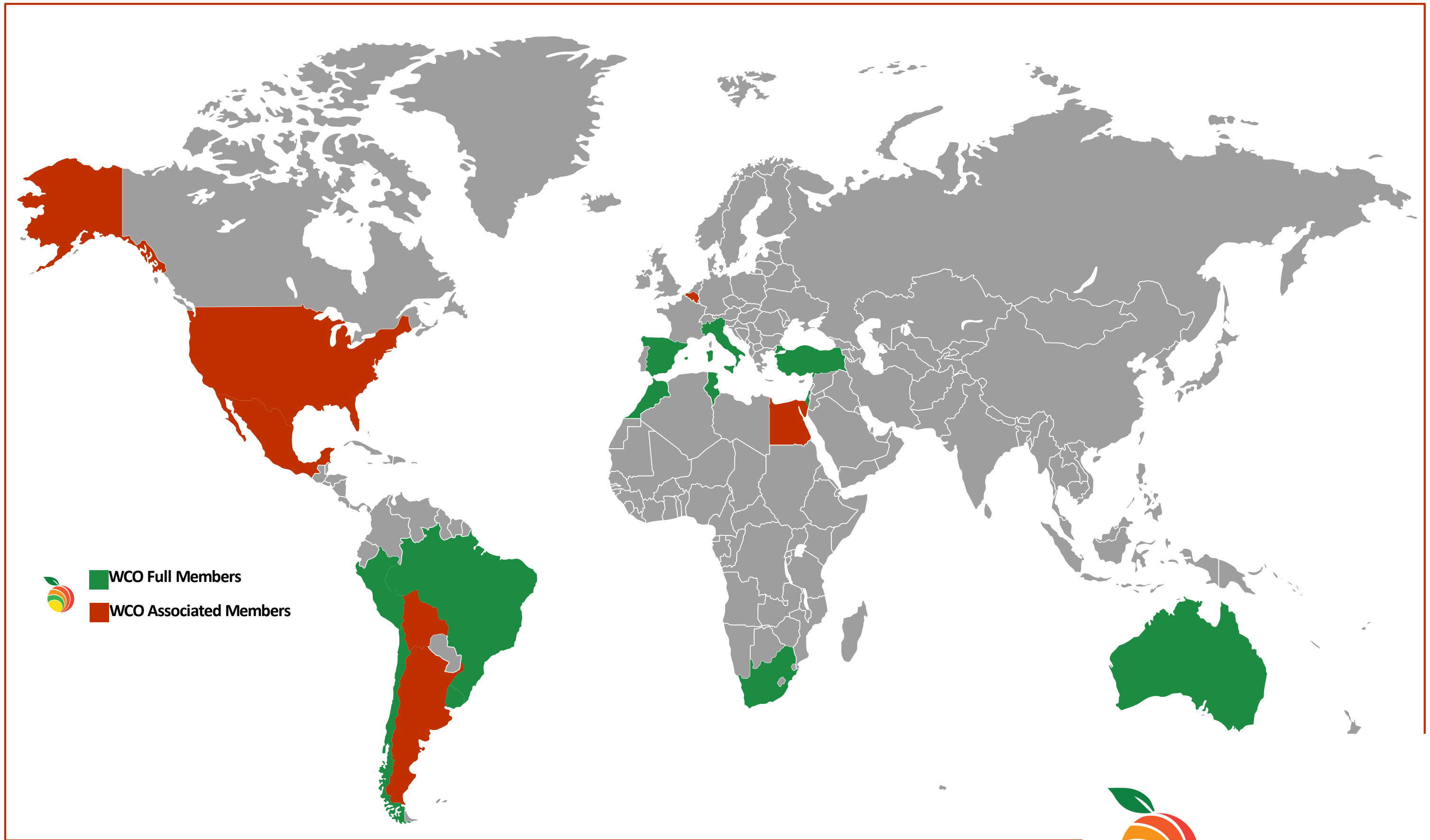
IKO INTERNATIONAL KIWIFRUIT ORGANIZATION

International Kiwi Organization (IKO)

IBO INTERNATIONAL BLUEBERRY ORGANIZATION

International Blueberry

WCO Membership



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WCO MEMBERSHIP

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World Citrus Organisation (WCO) Members

- ABCM – Associação Brasileira de Citros de Mesa
- ailimpo – Spanish Lemon and Grapefruit Interbranch Organisation
- AKİB – Akdeniz İhracatçı Birlikleri
- Citrus Australia
- Citrus Growers' Association of Southern Africa – Grower levies working for you!
- Chilean Citrus Committee
- FRUIT IMPRESE
- Maroc Citrus
- מועצת הצמחים – המועצה לייצור צמחים ולשיווקם – The Plants Production and Marketing Board
- ProCitrus – Asociación de Productores de Cítricos del Perú
- Uruguay XXI – upefruy
- GIFruits

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World Citrus Organisation (WCO) Associated Members

- AgroFresh – Advancing the future of freshness – TECNIDEX
- AM FRESH GROUP
- CITRUSVIL – Lemon growing & processing
- EASY FRESH
- FRUITONE
- GF Marketing Middle East
- JANSSEN PMP – Preservation and material protection – a division of Janssen Pharmaceutica NV
- MAFA
- MOROCCO FOODEX
- ORANFRIZER – Sicilian Experience
- PCN – PRO CITRUS NETWORK
- Riverfront Packing – A Scott Family Company
- San Miguel – THE GLOBAL CITRUS EXPERTS
- ZALAR AGRI
- ClemenGold
- naturipe – Farmed Fresh – Since 1917
- LIMONEIRA
- TOTAI CITRUS
- Classic Harvest
- Wonderful citrus
- CITROSOL – South Africa Pty – Advanced postharvest solutions
- CITROJUGO

WCO CO-CHAIRS

WCO Northern Hemisphere Co-Chair

Spain

Ailimpo - José Antonio Garcia Fernández

WCO Southern Hemisphere Co-Chair

South Africa

Citrus Growers' Association - Justin Chadwick

WCO Activities

Nutrition & Health Working Group

- Health & nutrition claims for citrus
- Explore claims for citrus at WHO level
- Citrus consumption promotion
- WCO social media campaign for UN International Year of Fruit & Vegetables 2021

WCO Events

- WCO Annual General Meeting
- WCO Conferences
- WCO informal networking meetings at trade fairs
- Global Citrus Congress

CITRUS FORECASTING

- Biannual forecasting of citrus production ahead of Southern & Northern Hemisphere seasons.
- Facilitate understanding of current global citrus market developments.

2022-2024 Priorities

Membership	Engagement	Statistics	Nutrition & Health	Promotion
• Consolidation of WCO membership • Top 10 citrus producers & exporters as members • China, Brazil, India, Mexico, USA, Spain, Egypt, Turkey, South Africa, Morocco, Greece	• Alternate NH/SH annual congress • Networking side-events	• User-friendly statistical database • Annual statistics book • Periodic data releases • CIRAD-WCO collaboration	• WHO level claims • CIRAD nutrition study	• Global Marketing Concept

Global community → Global collaboration → Global identity

World Citrus Organisation

What about … Promoting lemon juice as natural acidulant?

Advantages of Lemon Juice as a Natural Acidulant versus Citric Acid

1. *Less browning reactions under storage.*
2. *Higher nutritional value.*
3. *Better acidic taste profile.*
4. *Improvement on the color and flavor profile.*

Main Citrus Trends

PARTNERSHIP AGREEMENT
WCO-CIRAD-FRUITROP

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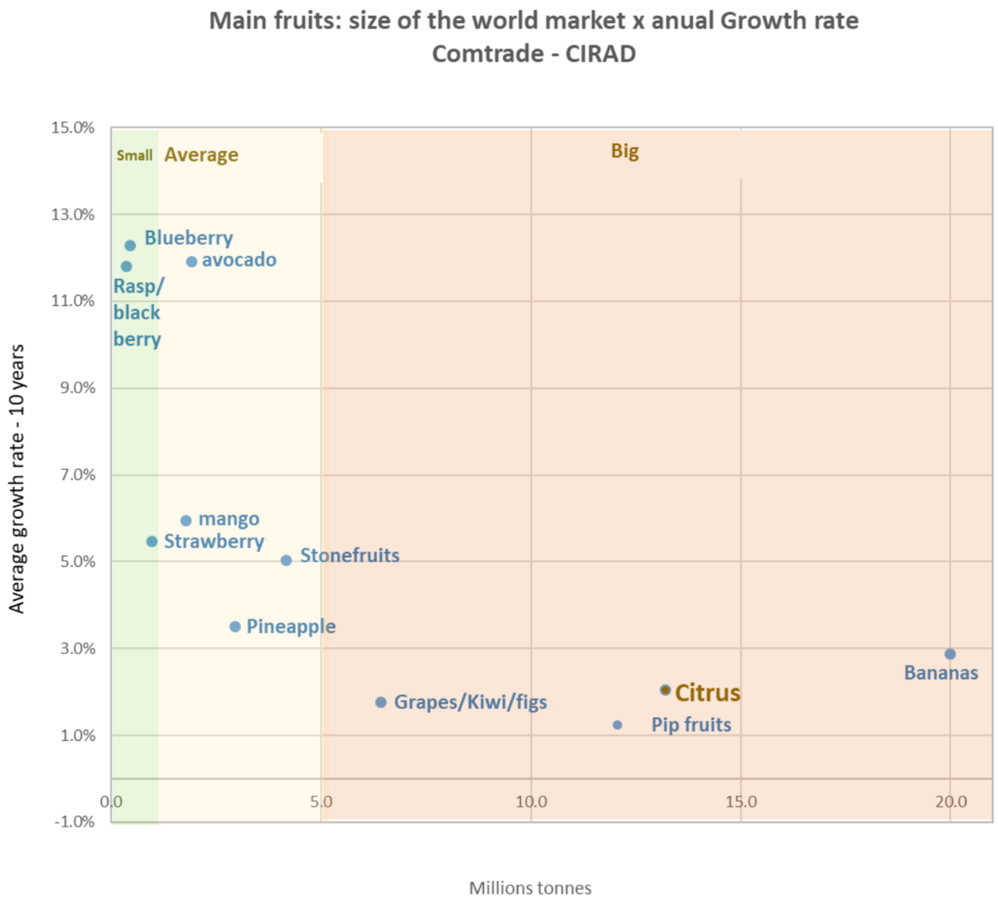
World citrus trade: what are we talking about ?

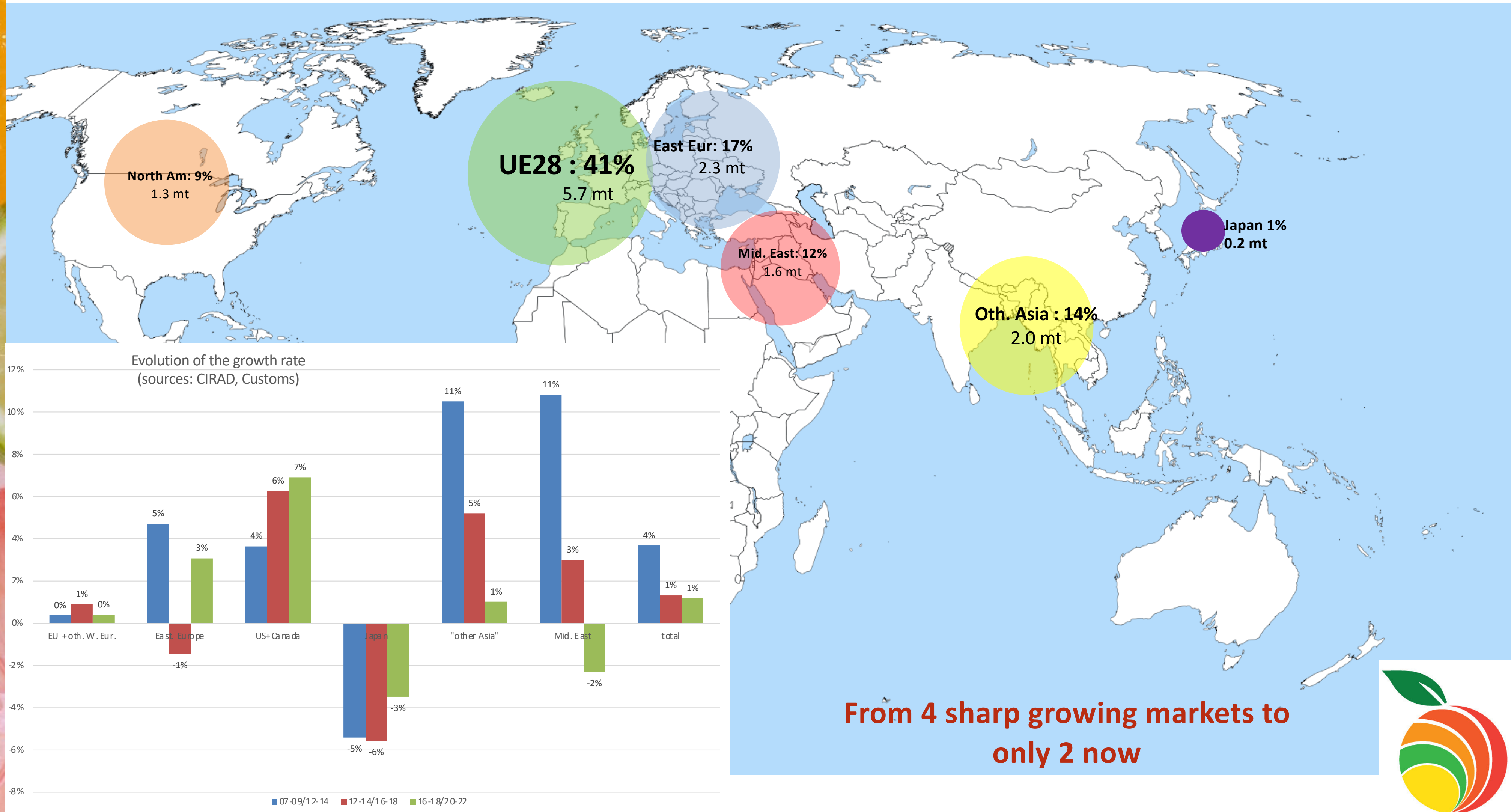


One of the leading fruit market in size
>> Around 13 m. tons in 2018 for the "big 4 citruses" Orange/EP/lemon/grapefruit
9% of a world fruit trade estimated at 70 m. tons
>> **Second in the ranking**, after banana (22 m.t) and before pip fruits 12 m.t

...but lacking lustre
-**Average growth rate – 10 Y - : 2,0 %** Fruit trade : 3.0 %
Banana : 2.9 %
Avocado : 11.9%

...more and more markedly
-**Average growth rate – 5 Y - : 0,9 %** Fruit trade : 2.6 %
Banana : 4.2 %
Avocado : 13.5 %

Citrus – World trade : Some key markets not growing any longer



From 4 sharp growing markets to only 2 now

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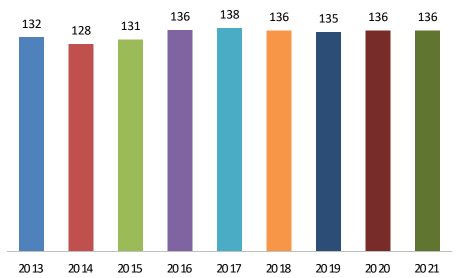
WHAT ABOUT SURFACES?

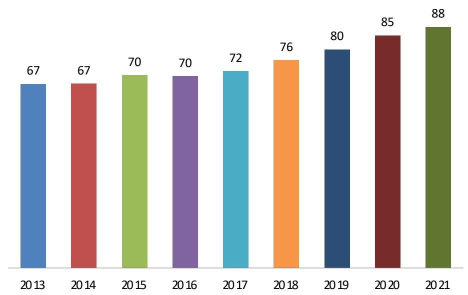
SOUTHERN HEMISPHERE: ARG, RSA, URUGUAY, PERU

Mid term production trends : still growing but at a slower pace

Southern Hemisphere oranges - Surfaces
(thousand hectares | Professional sources)

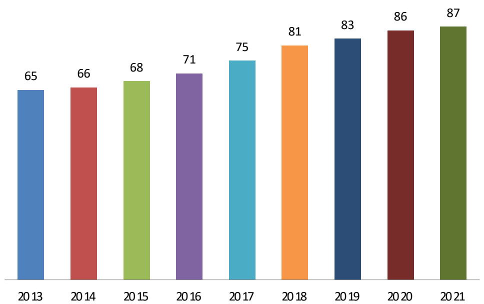


Southern Hemisphere easy peelers - Surfaces
(thousand hectares | Professional sources)

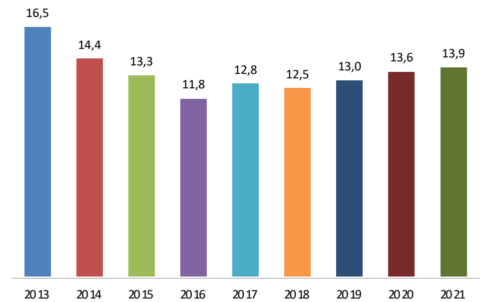


	SH. Orchard*	Growth / Year (average last 5Y)		
	2021 - 1000 ha	%	1 000 ha	
Oranges	136,3	0,3%	- 33	=
Soft Citrus	87,7	5%	3 570	↗
Lemon	87,1	4%	3 243	=
Grapefruit	13,9	3,3%	413	=↗
Total	**325,0**	**3%**	**7 226**	↗

Southern Hemisphere lemons - Surfaces
(thousand hectares | Professional sources)



Southern Hemisphere grapefruits - Surfaces
(thousand hectares | Professional sources)

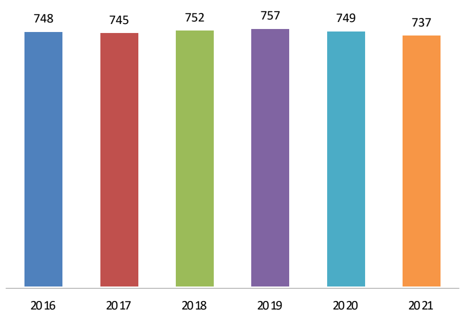


***SH orchard (sources): SAR (CGA), Uruguay (MGAP), Peru (Procitrus-new data->2021 – orange included), Chile (ODEPA) - Argentina (Federcitrus->2017 / EEAOC-USDA-Prof. Sources 2018-2019-2021)**

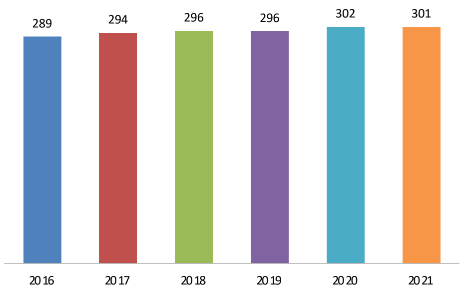
NORTHERN HEMISPHERE: SPAIN, ISRAEL, TURKEY, USA, ITALY, MOROCCO

Mid term production trends : still growing but at a slower pace

North Hemisphere oranges - Surfaces
(thousand hectares | Professional sources)

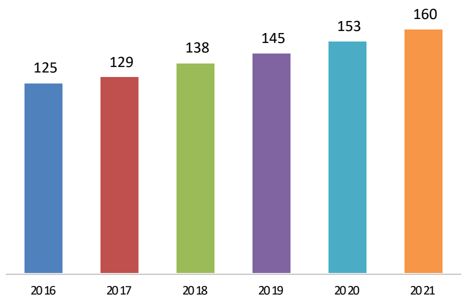


North Hemisphere easy peelers - Surfaces
(thousand hectares | Professional sources)

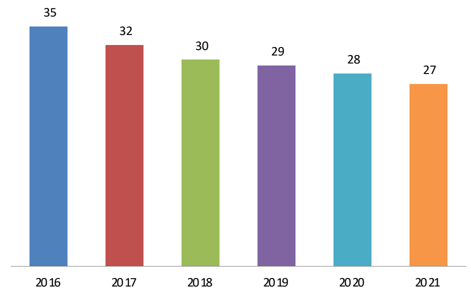


	NH. Orchard*	Growth / Year (average last 5Y)		
	2021 - 1000 ha	%	1 000 ha	
Oranges	737,1	-1,0%	-7.571	=æ
Soft Citrus	301,2	2,4%	7.164	=
Lemon	160,4	24,1%	31.145	↗
Grapefruit	26,6	17,6%	-5.679	æ
Total	**1.225,2**	**2,1%**	**25.059**	**=æ**

North Hemisphere lemons - Surfaces
(thousand hectares | Professional sources)



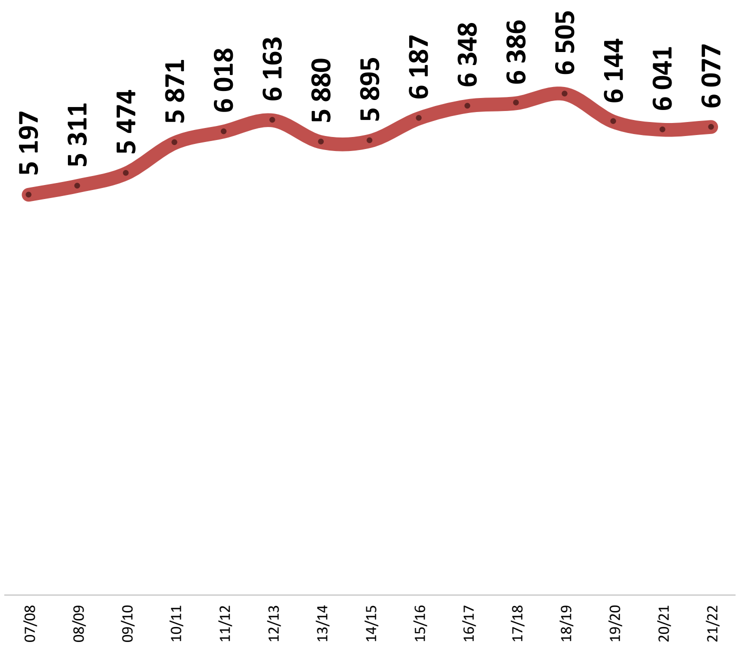
North Hemisphere grapefruits - Surfaces
(thousand hectares | Professional sources)



NH orchard (sources): SPAIN, ITALY, MOROCCO, ISRAEL, USA AND TURKEY

Orange – A Slow decline

Orange - World trade
(in 000 tonnes)



- 6.1 million tons a year i.e. **9%** of the world fruit trade **45%** of the citrus trade in volume
- Steady growth until 2012-13 (+ 2 million tons)
- Slower progress between 2013-14 and 2017-18
- Slow decline after 2018 with a tendency to stabilized in the last 3 seasons

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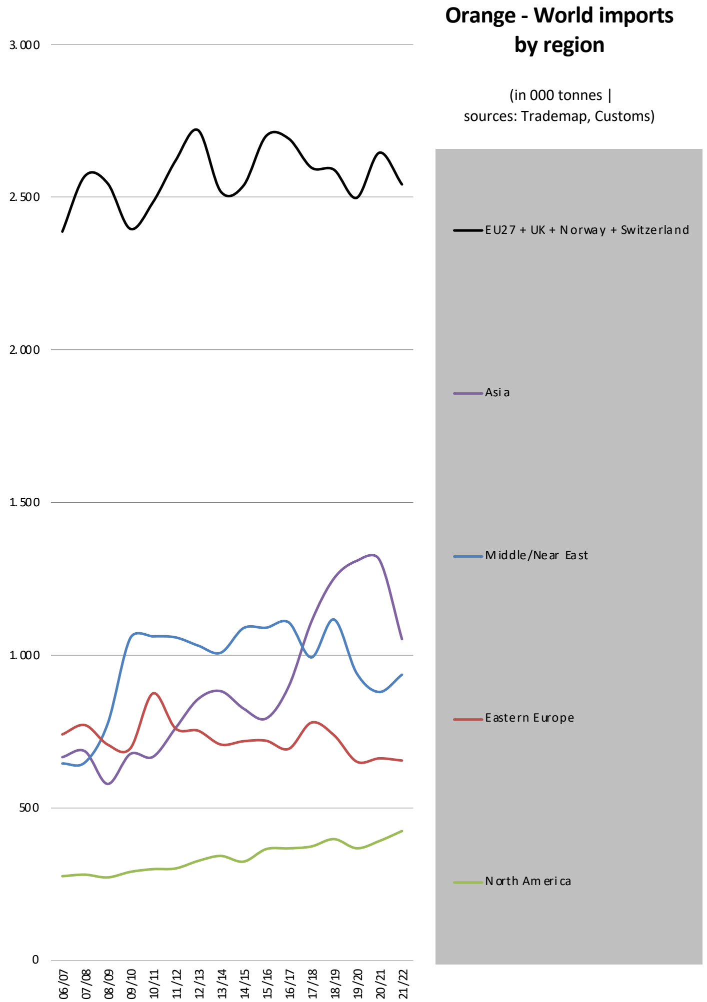
Orange – No more market driver



- **EU27+UK** : leading the market despite strong variation due to bearing alternation
  - Steady at 2.6million tons between 2006 to 2012
  - Stabilization between 2012-2016
  - decline between 2016-2019 (- 190,000 tons) followed by a momentary upsurge during Covid before resuming to recession

- **Asia:** formerly the only market driver, now jammed
  - **China**'s market stays shut since the pandemic, Imports plummeted in 2020 and no awakening since then.
  - Upsurge of **Indian** imports (+100,000 tons in 2021) to be seen if the trend continues in 2022

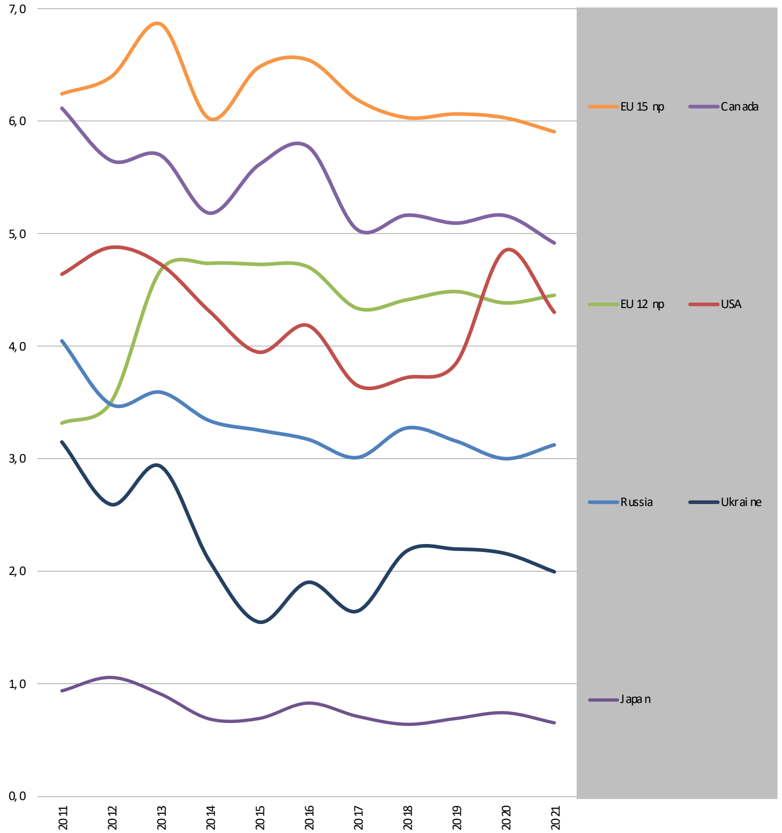
- **Other** Markets :

  - Middle East – provisional figures show a transition from stability to decline, to be confirmed.
  - Eastern Europe: decline despite strong consumption potential (4.9 kg/capita vs 5.9 in Western Europe)
  - Sluggish growth in North America

Orange – Consumption - An untapped potential

Orange - Evolution of consumption on the leading markets

(in kg per capita | sources: Customs, Comtrade, professionals)



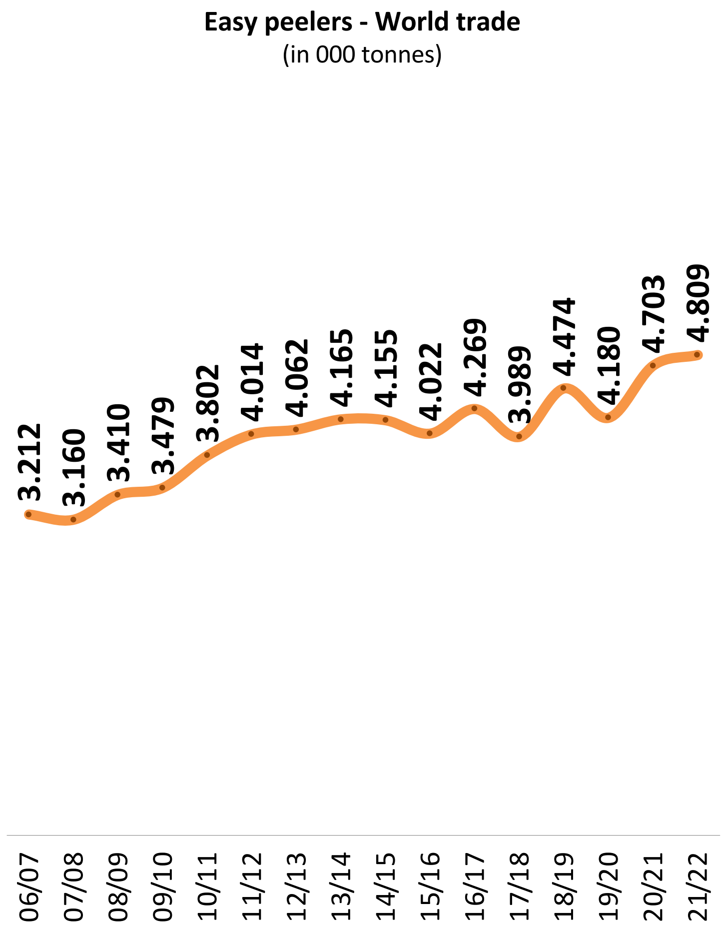
- **EU15:** trend towards stability if not decline despite the pandemic (-1 kg/capita between 2012 and 2021)

  Scandinavia and France remain market leaders but strong decline
  - France resists better (6.2 kg/capita in 2021 i.e -0.2kg in 10 years)
  - Scandinavia 6.5 kg/capita i.e -1.5kg in 10 years
  - Germany (5.4kg) and UK (3.6kg) still under-consuming and slowly eroding
- Consumption in **North America** clearly underdeveloped

  Especially in the US, less visible in Canada Mostly because of consumption habits (convenience food)
- **East Europe** : more and more under-consuming, despite an economy more suited to cheap citrus fruits (4.9 kg/capita vs 5.9 in Western Europe)
- **Asia:** under-consumption of the market, despite the strong potential in China and India

  - Japan, market not big consumer and tend to favour soft citrus.

Soft Citrus – World trade - A resumption of recovery



- 4.5 / 4.8 million tons a year i.e. **6.3%** of the world fruit trade **33%** of the citrus trade in volume
- High growth between 2005 to 2011-2012 slowdown afterwards, but trend towards recovery as from 2017-18
- Global market growth linked to the summer market, particularly the EU-US, over the last few years. And to a lesser extent on the winter market (Russia)

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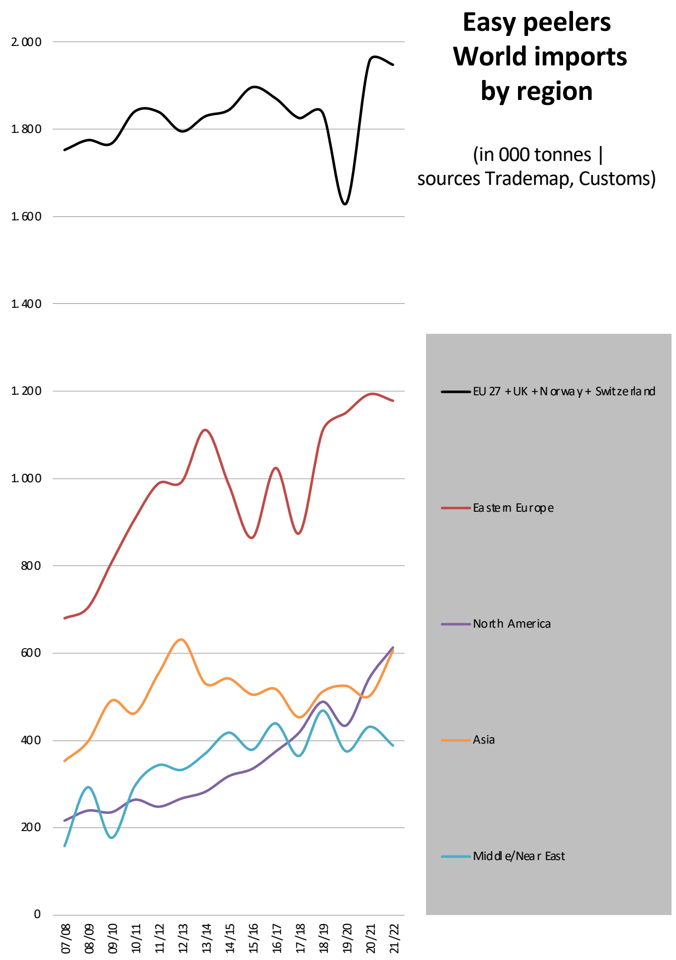
Soft Citrus – Growing volumes…



- **EU27 + UK** small increase in the winter market with a major Spanish drop (negative bearing alternation) in 2019-20 then return to normal levels. Imports in 21-22 remain well oriented.
  - On the summer market, growth is accelerating **(+100,000 tons since 15-16)**
  - Qualitative substitution on late hybrids with prices rising, except in 21-22. Spain keeps lossing market shares to Morocco.

- **East Europe**: interesting growth over 3 last seasons with Covid effect (+100,000 t since 12/13)

  Despite in Russia's geopolitical context imports stay stable in 21-22 ...what about 2022-23?

- **North America:** Slight recession on the winter market but strong growth over the summer market

- **Asia**: China remains absent, growth concentrated in Philippines, Thailand and Indonesia, good performance of the two first countries.

- **Middle East:** stable in 2021 but figures are provisional

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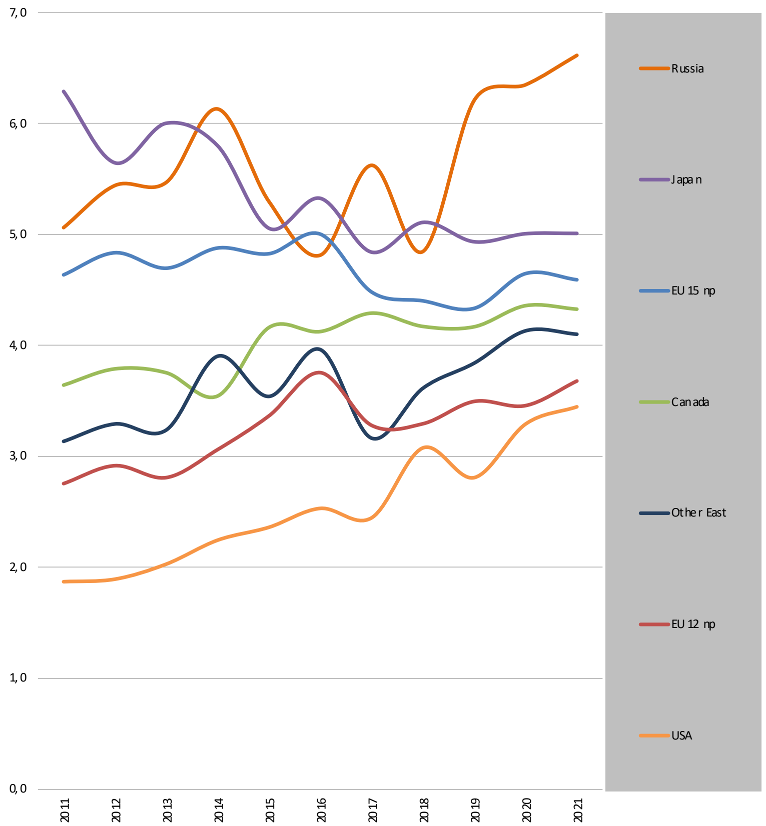
Soft Citrus – Consumption - … but no more large open markets

Easy peelers - Evolution of consumption on the leading markets

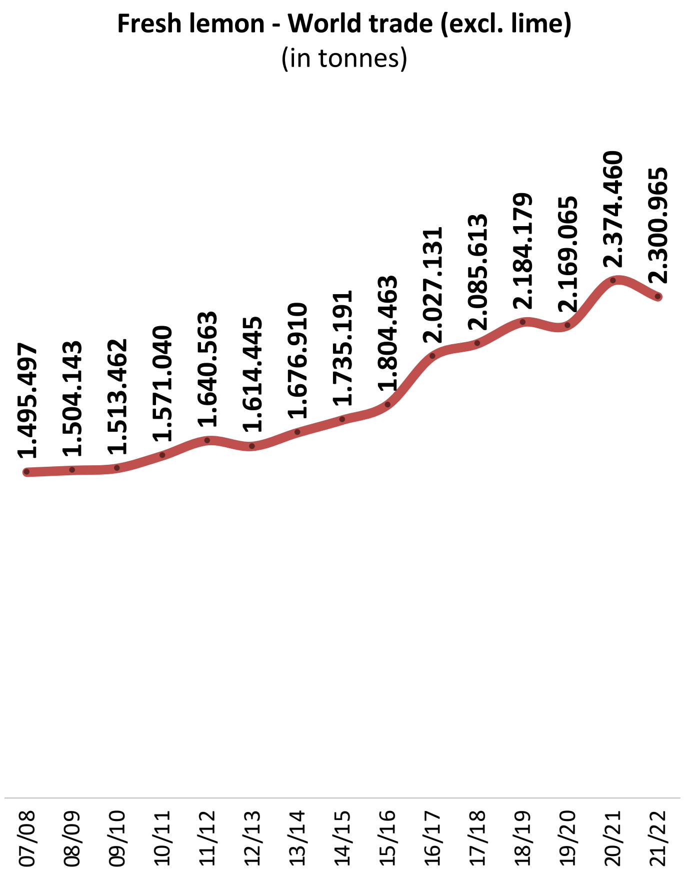
(in kg per capita | sources: Customs, Trade map, professionals)



- **UE15 :** Slight recovery in the EU, with Covid effect on all markets.
- less disparities than in orange 4.5 and 5kg per capita on average except in the UK
- All markets down except France, which is resisting and even recovering since 2021.

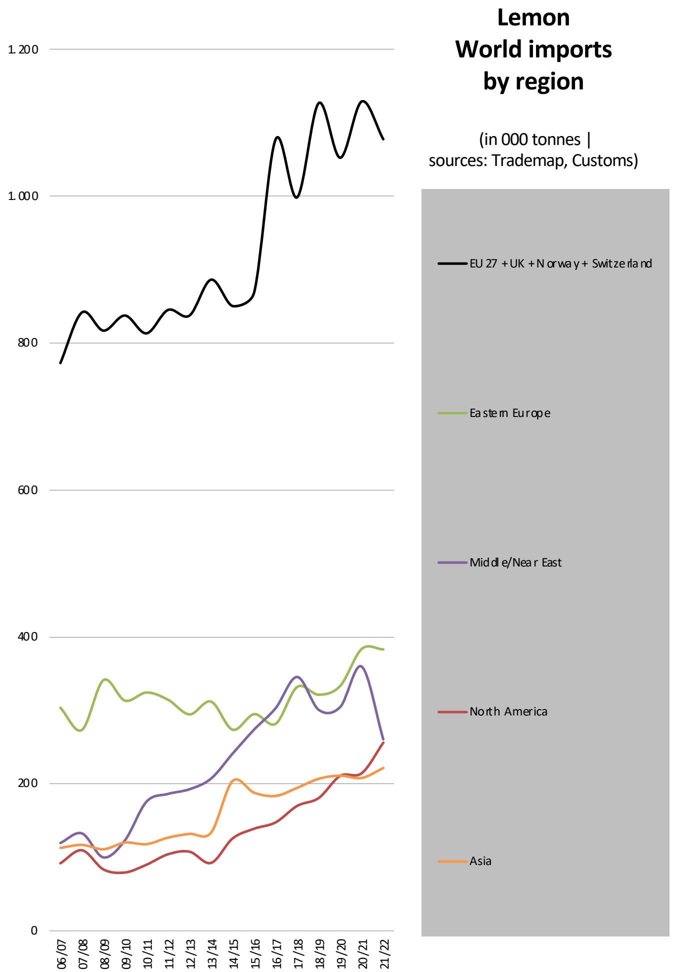
- **East Europe** : the most emerging countries are developing at an average of 2.1 kg/capita in 2021 (Bulgaria, Romania due proximity to Turkey) (low end markets)
- Russian recovery linked to winter origins development, little growth in summer.
- USA progress due to summer origins and local production +100 000t in 4 years (winter origins mostly)
- **Japan**: high consumption but mostly on local production, few imports.

Lemon – World trade - A very resilient citrus



- 2.4 million tons a year i.e. **4%** of the world fruit trade **17%** of the citrus trade in volume
- Very strong growth between 12-13 and 17-18 (+400,000 tons)
- Since 2017-18 small slowdown even if recovery during Covid (+ 205,000 tons) much more limited growth afterwards

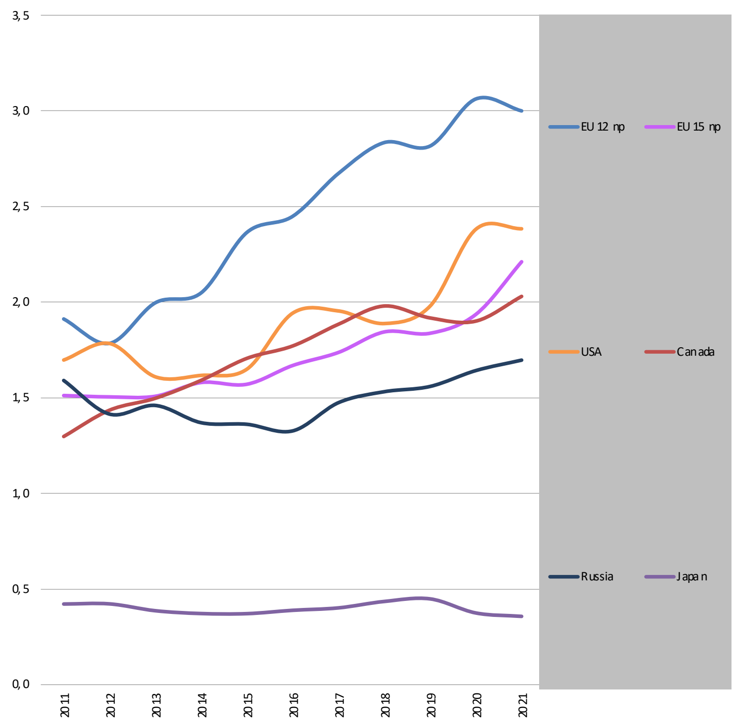
Lemon– World trade - Large disparities between markets



- **EU27+UK:** remains on a healthy trend, despite slower pace and bearing alternations since 2017-18 growth continues in both summer and winter markets
- **Eastern Europe** strong growth since 2015-16 but stable trend on the last 2 seasons.
- **North America:** strong progression over summer origins as well as domestic production
- **Middle East:** no more momentum since 2014-16
  - Drop of Saudi Arabian imports in 2021.
- **Asia** : almost stable since 2014

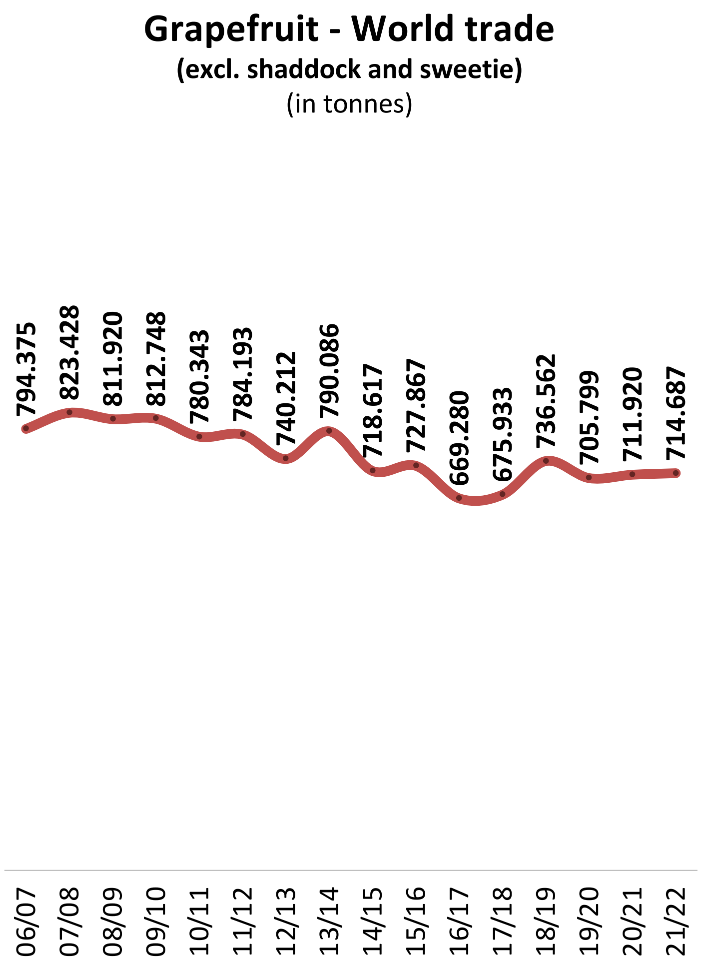
Lemon – Consumption – A good score after all

Lemon - Evolution of consumption
on the leading markets
(in kg per capita | sources: Customs, Trade map, professionals)



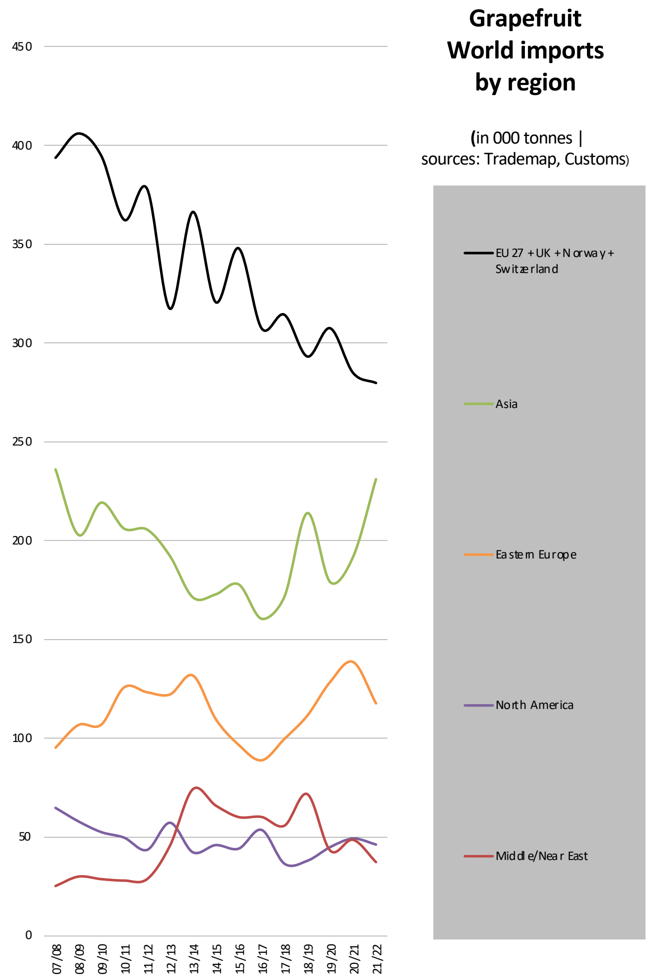
- **EU 15**: Boom since 2012 concentrated on the two market drivers: Germany and Scandinavia (respectively +1.1 and +0.5 kg/capita)
- Fever drops in France and the UK, stabilization trend over the last 2 years (respectively 1.8 and 1.6 kg/capita in 2021)
- **East Europe:** record consumption with between 3.00 and 3.5 kg per capita. Poland and Bulgaria are the main drivers.
- Russia slow growth since 2016, tends to stabilized in 2020-21
- **USA** growth since 2016 with strong variation due to alternation bearing. Stable in 2021 (2.4kg/capita)
- **Japan:** little interest in acidic citruses i.e. less than 100 000 tons for global imports

Grapefruits – World trade – A never ending erosion



- 714,000 tons a year i.e. **1%** of the world fruit trade **5%** of the citrus trade in volume
- Continuous deceleration of volumes; 75,000 tons between 2010-11 and 19-20 then apparent stability over the last 3 seasons
- Apart from Asia, most of the market are receding

Grapefruit – Continuous decay of major historical markets



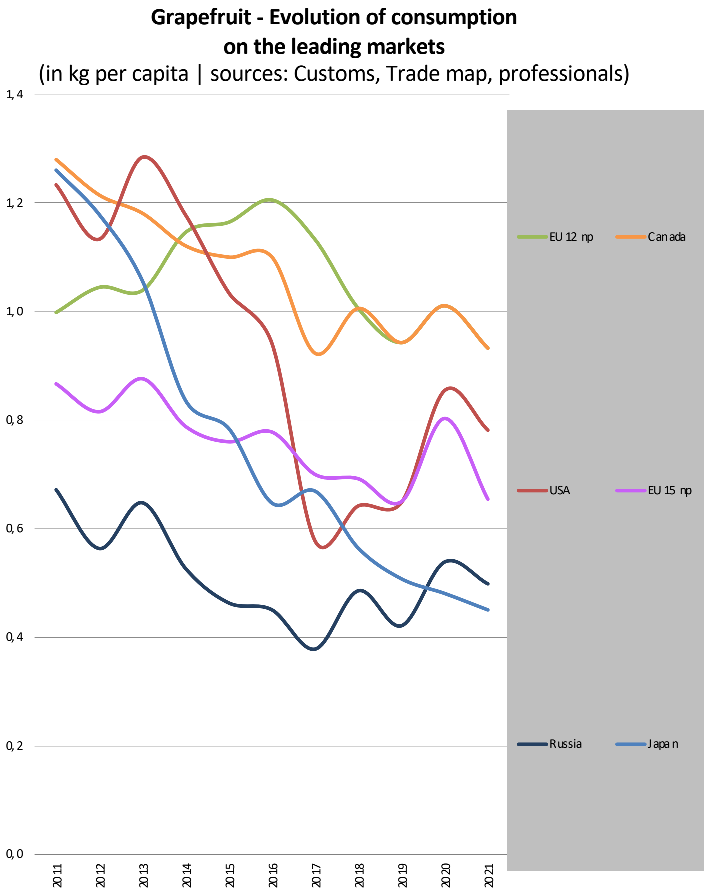
- **EU27 + UK** imports continue to dive despite the ups and down

- **Asian** market peaking at 235 000 tonnes
  - Japanese market continue to recede but surge of Chinese imports are compensating +100,000 tonnes since 2016

- **Eastern Europe** markets are back with ups and down
  progression since 16/17 significant (+50%!) possibly a backfire from conflict import turkey
  Since crises.
- **Middle Eastern** market keep diving while

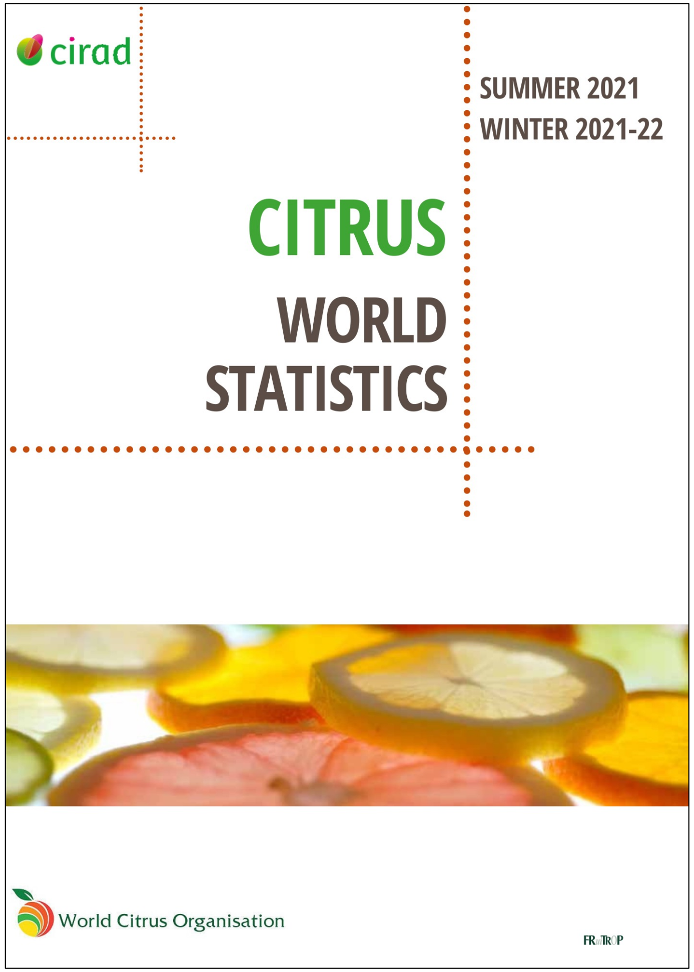
- **North America** is almost stable
  (In spite of the drop of US production)

Grapefruit – Consumption – A global decline



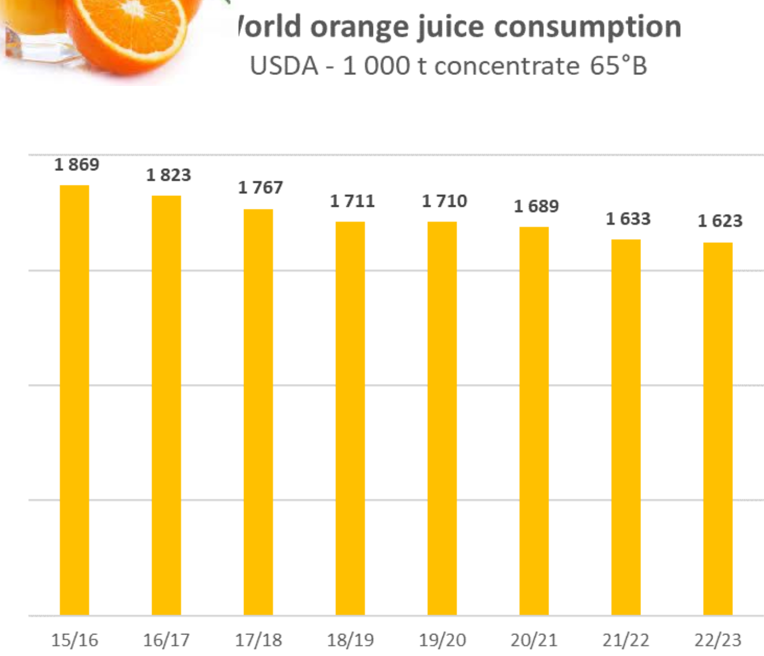
- **EU-15**: consumption gradually decreasing over the last 10 years apart a slight jump during the pandemic (-0.21kg between 2011 and 2021
- Strong decrease on leading markets: -0,30kg/capita in France and the -0,60kg/capita in UK, over the last 10 years
- **East Europe:** consumption back to pre-pandemic levels (0,80kg/capita) after a slight surge in 2020
- Russia stabilization since 2016, oscillating between 0,4 and 0,5 kg/capita
- **US** : start of a recovery from 2017 then a new decline in 2021 after the pandemic.
- **Japan:** free fall over the last 10 years, complete disregard for the product.

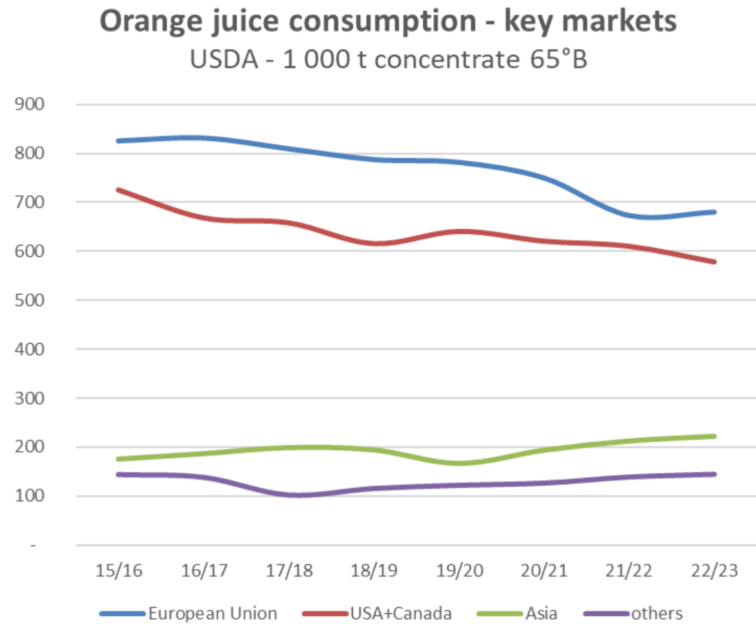
Latest issue of the Citrus World Stat : Available soon



- Analysis of the **world citrus market globally** & by **citrus families**
- Each chapter covering the **world production** & **exports** (illustrated by Charts and maps)
- Followed by a review of Import & consumption in the main leading markets : *EU27+UK, Asia, East Europe, Latin America | Middle East and African | Med.*

Orange juice – Demand still going down, but at a slightly lower pace





- **World market evolution:**
  - Period 22-23 / 18-19: 87 000 t lost
  - Period 18-19 / 14-15: 113 000 t lost

- **Key markets evolution:**
  - Decrease slightly more market in the EU27+ UK and at a lower
  - But slight development in Asia and in the "others" world market

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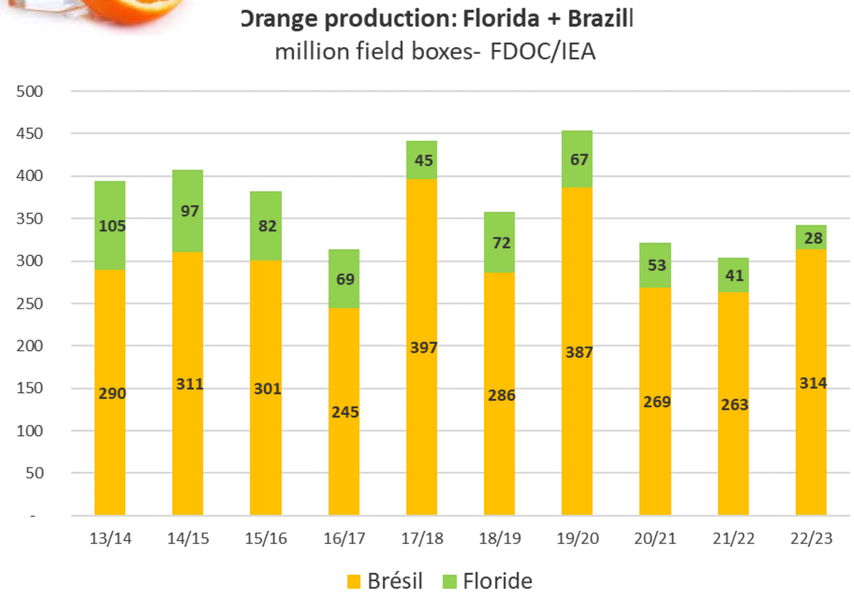
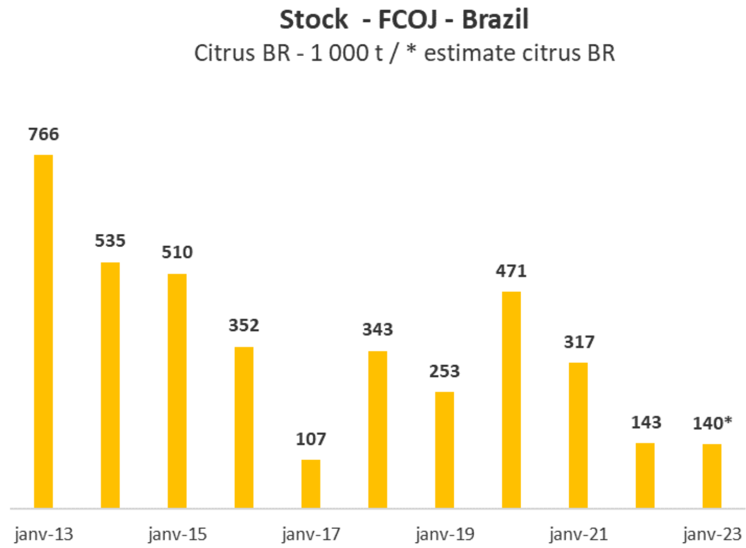
Orange juice Production still tending down…as well as the Brazilian stocks





- **Production of the two key players**
  - 400 m. boxes in average from 13/14 to 19/20
  - Last 3 years 320 m boxes

Greening in Florida +(hurricane in 22/23)
Drought+ greening in Brazil

- **Brazilian stocks from huge to tiny !**

Orange juice Prices recovering…for how long?

Orange juice concentrated 65°B : average price CIF Rotterdam
IHS-Markit

- To a very tense market these last months and a very relevant price increase

- First indications 23/24:
  - An "average" Brazilian crop

First estimate Citrus BR – m boxes

	22/23	21/22	n/n-1	Aver	n/aver
Brazil	309	314	-2%	308	0%

  - Low stocks

Estimate citrus BR 140 000 t

  - Crop in Florida and Mexico ?

Thank you!

World Citrus Organisation

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