

# Argentinian lemon production to decrease

For CY 2017, production of all three types of citrus fruit is forecast to decrease below normal levels due to unfavorable weather conditions in the main citrus growing regions of Argentina. Lemon exports will remain at the same levels of MY 2015, and orange and tangerine exports are estimated to decrease slightly. Exports for all citrus types will remain below normal levels due to lack of competitiveness of local exporters.

## Production

Production of citrus fruit for CY 2017 is projected to decrease to 1.37 MMT for lemons, 650,000 MT for oranges, and 280,000 MT for tangerines, due to a late frost in September 2016 (for lemons), and excess rain, strong winds, and hail (for sweet citrus, i.e. oranges and tangerines). Production for the three fruits will be down from normal levels due to not only unfavorable weather conditions but also lack of profitability for local producers.

### Production, Supply and Demand Data Statistics:

Lemons/Limes, Fresh Market Begin Year	2014/2015		2015/2016		2016/2017	
	Jan 2015		Jan 2016		Jan 2017	
Argentina	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	48000	48000	48000	48000	0	48000
Area Harvested	45000	45000	45000	45000	0	45000
Bearing Trees	14000	14000	14000	11000	0	11000
Non-Bearing Trees	900	900	900	800	0	800
Total No. Of Trees	14900	14900	14900	11800	0	11800
Production	1450	1450	1500	1400	0	1370
Imports	0	0	0	0	0	0
Total Supply	1450	1450	1500	1400	0	1370
Exports	185	185	230	280	0	280
Fresh Dom. Consumption	70	70	70	70	0	70
For Processing	1195	1195	1200	1050	0	1020
Total Distribution	1450	1450	1500	1400	0	1370

(HECTARES) ,(1000 TREES) ,(1000 MT)

Fresh orange and tangerine production in MY 2016/2017 is forecast to decrease by 20 percent to 650,000 MT (for oranges), and by 280,000 MT for tangerines, compared to MY 2015/2016. This decrease was due to excess rain, strong winds, and hail which caused severe damage especially in the north west of the Province of Entre Rios in 2016.

Production, Supply and Demand Data Statistics:

Oranges, Fresh Market Begin Year Argentina	2014/2015		2015/2016		2016/2017	
	Jan 2014		Jan 2015		Jan 2016	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	42000	42000	42000	43000	0	43000
Area Harvested	40000	40000	40000	41000	0	41000
Bearing Trees	19700	19700	19700	20200	0	20200
Non-Bearing Trees	1670	1670	1670	1700	0	1700
Total No. Of Trees	21370	21370	21370	21900	0	21900
Production	800	800	800	800	0	650
Imports	0	0	0	4	0	0
Total Supply	800	800	800	804	0	650
Exports	72	72	60	60	0	55
Fresh Dom. Consumption	450	450	470	474	0	350
For Processing	278	278	270	270	0	245
Total Distribution	800	800	800	804	0	650

(HECTARES) ,(1000 TREES) ,(1000 MT)

## Exports

Citrus exports will remain relatively stable at 280,000 MT for lemons, 55,000 MT for oranges, and 45,000 MT for tangerines. Exports will remain below historic levels for the three fruits due to lack of competitiveness of Argentine exporters in international markets. The U.S. Department of Agriculture's (USDA) Animal and Plant Health Inspection Service (APHIS) is publishing a final rule to allow the importation of fresh lemon fruit from northwest Argentina into the continental United States. The rule has been sent to the Federal Register for publication on December 23, 2016, and will become effective 30 days after it is published.

### Export Destinations

Fresh Citrus Fruit	Destination	Market Share %	
		2015	Jan-Sep 2016
Lemons	EU	72	73
	Russia	16	14
Oranges	EU	53	84
	Russia	1	6
	Paraguay	42	4
Tangerines	Russia	54	49
	Philippines	12	16
	Canada	8	9
	EU	8	8

Source: FAS Buenos Aires, based on data from the Global Trade Atlas (GTIS)

## Consumption

CY 2017 lemon for domestic consumption is forecast to remain unchanged at 70,000 MT, and orange and tangerine consumption is expected to decrease to 350,000 MT and 150,000 MT, respectively, as a result of a decrease in production.

## Domestic Retail Prices for Fresh Citrus Fruit

<b>Citrus Fruit</b>	<b>US\$/kg</b>
Lemon	3.12
Orange (Navel)	1.87
Orange (Valencia – Premium)	1.12
Tangerine (Murcott)	1.47
US\$1 = AR\$15.97 (December 19, 2016)	

Source: FAS Buenos Aires based on supermarket prices

## New Policies

In December 2015, the new government lifted export taxes on all fruits and other commodities. Export rebates remained the same for lemons, oranges, and tangerines, and they depend on the size of the container. Export and import tariffs for all citrus types are as follows:

<b>Export and Import Tariffs</b>	
<b>All Citrus Fruit (HTS codes: 080510, 080520, and 080550)</b>	
<b>For countries outside MERCOSUR AREA</b>	<b>%</b>
Import Tariff	10.00
Statistical Tax	0.50
Export Tax	0.00
Export Rebate for cases containing less than 16 kg.	5.00
Export Rebate for cases containing 16–20 kg.	4.05
Export Rebate for cases containing more than 20 kg.	2.70
<b>For countries within MERCOSUR AREA</b>	
Import Tariff	0.00
Statistical Tax	0.50
Export Tax	0.00
Export Rebate for cases containing less than 16 kg.	5.00
Export Rebate for cases containing 16–20 kg.	4.05
Export Rebate for cases containing more than 20 kg.	2.70

Source: FAS Buenos Aires based on data from Tarifar