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Report Highlights:

In MY 2020/21, EU citrus production is projected to grow 7.5 percent compared to previous season to 11.4 MMT. Favorable weather conditions in the top EU citrus-producing countries and a rebound from the previous season account for the projected rise in EU citrus production. The recovery in EU production and higher global demand for citrus derived from the COVID-19 pandemic may encourage EU exports to strategic markets and discourage EU imports. Strategic export markets destinations for EU citrus continue to be Canada, the Middle East, and China, followed by Switzerland, Norway, and Serbia. Additional tariffs related to the ongoing World Trade Organization (WTO) cases against aircraft subsidies is expected to continue impacting citrus trade going both ways. In addition, the terms of the new EU-UK relationship may also affect EU citrus exports to UK.

Disclaimer: This report presents the outlook for citrus production, trade, consumption, and stocks for the EU-28. Unless stated otherwise, data in this report are based on the views of Foreign Agricultural Service analysts in the EU-28 and are not official data.

This report would not have been possible without the valuable contributions from the following Foreign Service analysts:
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Harmonized System (HS) Codes:
Oranges 080510
Mandarins/Tangerines 080520, 080521, 080522, 080529
Lemons 080550
Grapefruits 080540
Orange Juice 200911, 200912, 200919

MY Marketing year:
Oranges October/September
Mandarins October/September
Lemons October/September
Grapefruits October/September
Orange Juice October/September

Abbreviations used in this report:
CAP Common Agricultural Policy
CMO Common Market Organization
EC European Commission
EU European Union
FAS Foreign Agricultural Service
FCOJ Frozen Concentrated Orange Juice
HAHectares
TDM Global Trade Atlas
MYMarketing Year
MS EU Member State
MT Metric ton (1,000 kg)
MMT Million Metric Tons
PS&D Production, Supply and Demand
$ U.S. Dollar

Expected Rebound in Citrus Production and Consumption may boost Exports to Third Markets

Executive Summary

Despite the COVID-19 pandemic, the 2019/20 EU citrus season was characterized by an increase in EU citrus consumption, as consumers looked for foods to strengthen the immune system, a dynamic citrus market, and peak citrus prices (see EU Citrus Semi-Annual Report). This growth in citrus consumption combined with lower EU citrus supplies last season, pushed EU citrus prices upward during 2020. Additionally, in response to consumer demands, sustainable production measures and packaging are coming into place. EU citrus production is concentrated in the Mediterranean region. Spain and Italy represent the leading EU citrus producers, followed by Greece, Portugal, and Cyprus. For Marketing Year (MY) 2020/21 (October/September), Post expects overall citrus production to rise 7.5 percent to 11.4 MMT due to favorable weather conditions and rebound production following a significant drop in MY 2019/20. EU citrus consumption may continue trending upwards in response to the Covid-19 pandemic. Additionally, EU citrus exports are expected to remain dynamic, while imports may decrease due to the estimated growth in supply.

For MY 2020/21, EU orange production is forecast 5.6 percent higher than the previous season at 6.5 MMT. Correspondingly, orange juice production in the EU is forecast to rise eight percent compared to the previous year to 87,987 MT. This forecast aligns with the expected volume of EU oranges destined for processing in MY 2020/21. In addition, in MY 2020/21, EU mandarin production is forecast to go up 10 percent to 3.1 MMT. Over the last decade, the EU's total orange planted area has shrunk almost 12 percent and mandarin 10 percent, while citrus farms are increasing productivity and performance. Conversely, during this same period, EU total lemon and grapefruit planted area grew by nine and six percent respectively mainly due to the growth in Spain in response to global market demand. Similarly, MY 2020/21 EU lemon production is forecast to increase almost 11 percent compared to previous period to 1.6 MMT. EU grapefruit production is estimated to remain flat at 96,000 MT.

For MY 2019/20, as a result of the decline in EU citrus production, EU imports of citrus grew slightly, mainly from South Africa, Egypt, and Morocco. EU citrus export destinations are mainly Switzerland, Norway, Canada, and Serbia, with significant rises in new third markets such as China and the Middle East. EU citrus exports are expected to continue trending upward in strategic markets such as Canada, the Middle East and China. In addition, in MY 2019/20, U.S. tariffs related to the World Trade Organization (WTO) case against EU aircraft subsidies impacted EU citrus exports, primarily Spanish mandarins and lemons. Similarly, since MY 2018/19, EU retaliatory tariffs have reduced U.S. orange juice exports to the EU. In addition, on November 9, 2020, the European Commission (EC) imposed additional tariffs to a list of U.S. products following the WTO Case against U.S. aircraft subsidies (see GAIN report). The EU list includes grapefruits, prepared citrus fruits, frozen orange juice, and grapefruit juice. Thus, U.S. grapefruits exports to EU may be impacted in MY 2020/21.

During confinement measures in response to the Covid-19 pandemic, Spain´s citrus sector as the leading EU citrus exporter, held strong responding to domestic and export demand. As a result, last season, EU citrus trade was not negatively affected by the COVID-19 crisis.

On April 30, 2020, the EC published Commission Delegated Regulation (EU) 2020/592 outlining measures to address the market disturbance in the fruit and vegetables and wine sectors caused by the COVID-19 pandemic. The EC also reformed its promotion policy by expanding the product scope and increasing focus on export markets. The current promotion budget reached $255 million in 2020 (see Policy Section).

In addition, since the United Kingdom (UK) left the European Union on January 31, 2020, a transition period is now in place until December 31, 2020. To date, the UK's proposal for the non-agreement scenario starting January1, 2021, is the imposition of *ad valorem* tariffs for EU agricultural products (see Policy Section). As a consequence, the EU may have a loss of competitiveness against countries in the Mediterranean basin. According to Trade Data Monitor (TDM), Spain is the top citrus supplier to the UK. In MY 2018/19, EU citrus exports to the UK amounted to 401,540 tons valued at $420 million, mainly sourced from Spain. In response, the Spanish fruit sector has solicited the Spanish government for contingency plans and crisis management to avoid disturbances in the markets. The Spanish Ministry of Agriculture is monitoring the Brexit situation. To avoid collapses in customs, the Spanish government has reportedly created 13 new positions in Spain's central offices and 20 new positions in the most relevant Border Inspections Points (BIPs) for export to the UK.

Commodities

ORANGES

Table 1: Production, Supply, and Demand (MT)

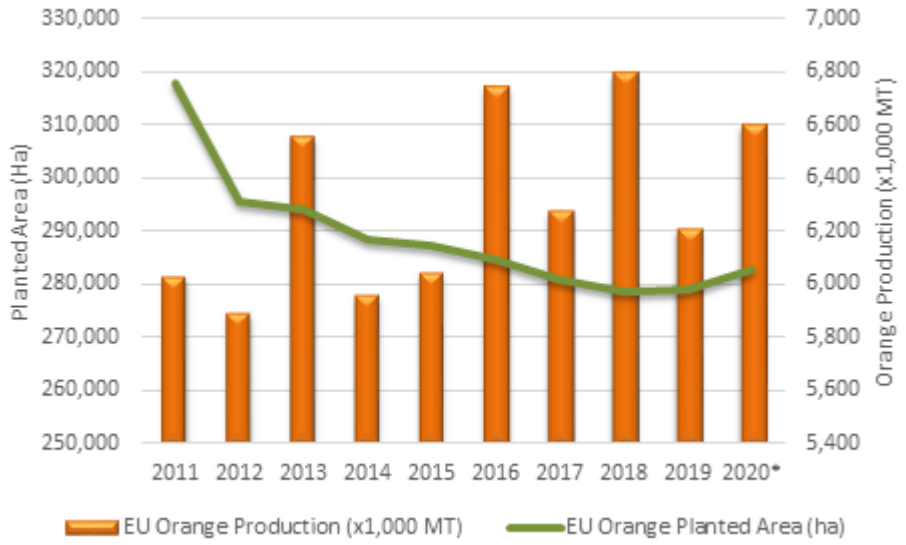
Oranges, Fresh Market Begin Year European Union	2018/2019		2019/2020		2020/2021	
	Oct 2018		Oct 2019		Oct 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	278,449	278,449	278,680	278,746		281,226
Area Harvested	259,193	259,797	259,343	260,958		263,070
Bearing Trees	0	0	0	0		0
Non-Bearing Trees	0	0	0	0		0
Total No. Of Trees	0	0	0	0		0
Production	6,799	6,796	6,194	6,205		6,556
Imports	1,017	1,017	1,000	1,086		1,000
Total Supply	7,816	7,813	7,194	7,291		7,556
Exports	357	357	310	290		300
Fresh Dom. Consumption	6,080	6,107	5,804	5,949		6,121
For Processing	1,379	1,349	1,080	1,052		1,135
Total Distribution	7,816	7,813	7,194	7,291		7,556
(HECTARES), (1000 TREES), (1000 MT)						

Source: FAS offices

PRODUCTION

EU orange production is concentrated in the Mediterranean region. Spain and Italy represent 80 percent of the EU's total production of oranges. The remaining 20 percent is distributed among other Member States (MS), such as Greece and Portugal. For MY 2020/21 (October/September), EU orange production is forecast at 6.55 MMT, 5.6 percent higher than MY 2019/20 and three percent higher than last ten-year average. This higher forecast is mainly due to expected increases in orange production in Spain and Italy (see Table 2). EU orange planted area is expected to grow slightly by 0.8 percent to 281,226 ha mainly due to the estimated rise in Italy (see Chart 1).

Chart 1. EU Orange Production and Orange Planted Area 2011-2020



*Estimation. Source: FAS offices

Spain is the sixth global citrus producer and first global citrus exporter. In MY2019/20, Spanish citrus exports were valued at $4 billion and consisted of mainly oranges, mandarins, and lemons. The primary export destination for Spanish citrus are other EU countries. According to Spanish official data for 2018, around 32 percent of Spain's citrus production is destined for domestic fresh consumption, 18 percent for processing (mainly into citrus juice), and 45 percent for exports.

Spain is the primary orange producer in the EU. According to Spanish official data, Spain's MY 2020/21 citrus production is expected to recover from an extremely short last season and estimated to grow 12 percent to 6.93 MMT. Additionally, Spanish orange production during this marketing year is forecast to grow 5.2 percent higher compared to previous season to 3.4 MMT. The growth in Spanish orange production is due to favorable conditions in the Spain's main orange production regions of Valencia and Andalusia. During the first 46 weeks of 2020, the average Spanish orange price reached 1.05 eur/kg compared to 0.77 eur/kg during the same period last year. Additionally, during this same period in 2020, average orange prices paid to farmers also peaked to 0.27 eur/kg. This significant increase was due to the shortage in Spanish orange supplies in MY 2019/2020 and strong domestic and export orange demand triggered by the pandemic-related lockdown.

Over the last decade, Spain has reduced its orange planted area by 8.4 percent. In MY 2020/21, Spanish planted area for oranges stands at 140,300 ha, the highest orange planted area in the EU. It is worth noting that after several consecutive years of economic slowdown, citrus farmers left orange production for more profitable products such as persimmons and avocado. However, Spanish orange planted area has been stable since MY2017/18 at around 140,000 ha. Nevertheless, the productivity of Spanish

orange farms utilizing efficient varieties, and performance have kept Spain as the top orange producer and exporter in the EU.

Valencia and Andalusia are Spain's major orange producing regions, accounting for approximately 90 percent of the Spanish orange production. Spanish producers try to supply the market throughout 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.

Italy is the second largest European orange producer after Spain. Sicily and Calabria are the main orange-producing areas, accounting for approximately 63 and 19 percent of total production, respectively. *Tarocco, Moro, Sanguinello, Naveline*, and *Valencia* are the leading orange varieties grown in the country. Moreover, *Ippolito* and *Meli* cultivars are gaining popularity. Italy's MY 2020/21 orange production is forecast to increase 12 percent from the previous season, mainly due to new orchards entering into production.

Greece's MY 2020/21 orange production is expected to increase slightly by 1.1 percent compared to the previous year. For *Navelina* variety in Eastern Peloponnese the yields are lower due to adverse weather conditions during fruit setting. However, expected higher yields in *Commons* and *Lanelate* varieties will likely compensate for this yield loss. Peloponnese and Etoloakarnania (western Greece) are the main orange-producing areas. *Washington Navel, Commons, Skaggs Bonanza, Navelina, New Hall, Lanelate,* and *Valencia* are the chief varieties grown in Greece.

Conversely, according to official data, in MY2020/2021, Portuguese production is expected to decline slightly to 317,000 MT compared to previous season due to unfavorable weather. Nevertheless, over the last decade, Portugal has increased its orange production with more efficient and irrigated citrus farms. Seventy-five percent of Portuguese orange production is located in Algarve, the southern region. In late May 2019, Portugal signed a protocol with China to harmonize and streamline export procedures. The Portuguese Ministry of Agriculture is now working to increase market access for several fruit sectors, including oranges from Algarve. To date, based on Trade Data Monitor (TDM) figures, Portuguese citrus exports to China have not yet materialized.

Table 2. EU Fresh Orange Production by Country and Year (MT)

Country	MY 2018/19	MY 2019/20	MY 2020/21
Spain	3,930,000	3,279,000	3,449,000
Italy	1,592,000	1,650,000	1,850,000
Greece	910,125	910,186	920,000
Portugal	344,000	347,000	317,000
Cyprus	20,000	19,000	20,000
Total Production	**6,796,125**	**6,205,186**	**6,556,000**

Source: FAS offices

CONSUMPTION

In the EU, oranges are mainly consumed fresh. Late varieties are destined for both the processing and fresh markets. In MY 2020/21, orange consumption is expected to increase by 2.8 percent compared to the previous season. During the Covid-19 pandemic, EU consumers sought citrus fruits for their health benefits and as good natural sources of vitamin C. Seen as a food immunity product, the Covid-19 pandemic improved the position of citrus products among EU consumers. Thus, in MY 2019/20, EU citrus consumption rose compared to previous estimations in response to the Covid-19 pandemic. This growth in citrus consumption combined with lower EU citrus supplies, pushed EU citrus prices upward during the 2020 season.

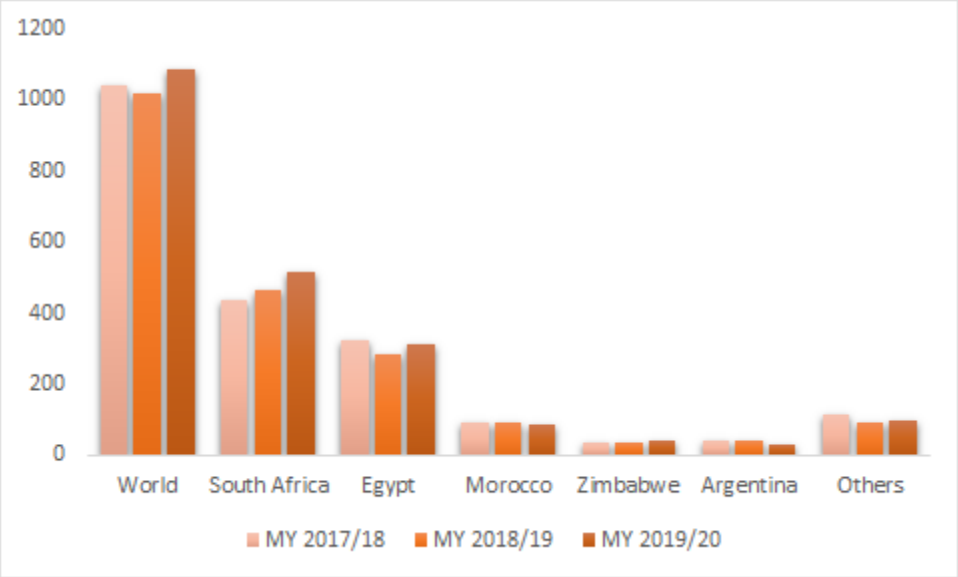
Spain's per capita orange consumption is estimated at approximately 20 kg. In Spain, most oranges are consumed fresh, especially *Navelina* and *Navelate* varieties. *Valencia Late* varieties are predominantly used for processing. In Spain, the increase in orange consumption during the government-mandated lockdown (March – June) led to a rise in citrus prices including orange prices. In Italy, blood varieties (*Tarocco*, *Moro*, and *Sanguinello*) are used primarily for fresh consumption. Late varieties (*Ovale* and *Valencia*) are destined for both the processing and fresh markets. In Greece and Portugal, the majority of oranges are also consumed fresh. In MY 2020/21, as consumers continue to search for good natural sources of vitamin C, orange consumption is expected to increase two percent in Greece and nine percent in Portugal.

EU oranges destined for processing constitute approximately 18 percent of EU orange production. In MY 2020/21, the volume of oranges for processing (mainly for orange juice) is expected to rise eight percent compared to previous period because of the growth in EU orange production. Spain is the major orange processor in the EU followed by Italy, and around 20 percent of Spanish orange production is used in processing. In Spain, there are more than 30 citrus processors for both domestic and international markets. The Spanish citrus processing industry also manufactures other essential citrus by-products following the circular economy concept. Additionally, important Spanish citrus processors are implementing sustainable measures to increase efficiency and respond to new consumer discernment. Sustainable packaging is also a significant trend in the EU.

TRADE

The EU is a net importer of oranges. According to Trade Data Monitor (TDM), during MY 2019/20, following a significant drop in EU orange production compared to previous season, the EU imported 1,086,540 MT of oranges. This import volume was almost seven percent higher compared to the previous season and valued at $931 million (see Chart 2). South Africa and Egypt continued to be the leading suppliers to the EU market, mainly shipping to the Netherlands and Portugal. Other important suppliers are Morocco, Zimbabwe, and Argentina. For MY 2020/21, EU orange imports may decline due to the expected growth in EU orange supplies.

Chart 2. MY EU Imports of Oranges by Origin (thousand MT)



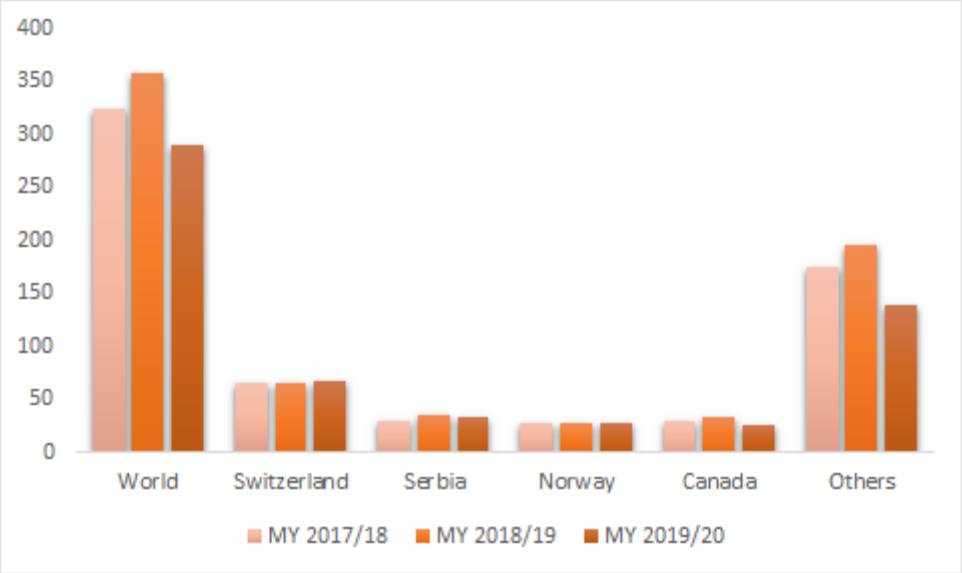
Source: TDM

Spain is the major citrus supplier to the EU. Ninety percent of Spain's orange exports are destined to other EU markets and 10 percent to non-EU countries. Due to the rise in EU imports of oranges from third countries, Spanish citrus growers maintain that the growing influx of citrus imports from South Africa and other African suppliers are negatively impacting their sector. In 2019, the Spanish Ministry of Agriculture and the sector agreed on 16 basic measures aimed to adjust the citrus supply, improving the sector's structure, and promoting export markets to revitalize the citrus industry and to guarantee its future. The Spanish Ministry of Agriculture has taken steps (in Spanish only) to address these concerns but also encouraged the sector to get better organized in order to improve their margins (see GAIN Report). Despite the MY 2019/20 production decline in Spain and the logistical difficulties derived from the COVID-19 pandemic, in MY 2019/20, Spain has been able to supply very significant quantities of citrus to the EU. This is evidenced by almost half a million tons of Spanish oranges exported in March 2020, which constitutes a record for that month.

According to TDM, during MY 2019/20, the volume of EU orange exports declined 19 percent to 289,805 MT and valued at $247 million. The main reasons for this drop were the shorter EU orange supply during this season and a larger EU orange consumption due to the COVID-19 pandemic. During this period, main export destinations were Switzerland, Serbia, Norway, and Canada. Meanwhile, higher global demand for citrus in EU's top markets, discouraged EU orange exports to China which plummeted by 79 percent (see Chart 3). The Middle East and Brazil are also growing markets for EU orange exports. In MY 2020/21, EU orange exports may grow due to the expected expansion in EU orange supplies.

On August 7, 2014, the Russian government banned a range of agricultural and food products, including fresh citrus, from the United States, the EU, Canada, Australia, and Norway (see Policy Section). This resulted in a total loss of $34 million in EU orange exports to Russia since 2013. To compensate for the loss of the Russian market, the EU's major orange exporters have reoriented their exports to new markets such as Canada, Brazil, Middle East, and China.

Chart 3. MY EU Exports of Oranges by Destination (thousand MT)



Source: TDM

Spain is the major European orange producer and exporter within the EU, exporting, according to TDM, a total 1.6 MMT in MY 2019/20 valued at $1.36 billion. Spain's main export market is the EU. In MY2019/20, Spanish exports to the EU reached 90 percent of its global orange exports, directed mainly to Germany, France, the Netherlands, Italy, and the United Kingdom. Regarding Brexit, Spanish fruit exporters have expressed concern about the lack of progress in the bilateral negotiations between the European Union and the United Kingdom. In fact, in MY 2019/20, Spain orange exports to the UK were 100,000 tons and valued at $86 million. The Spanish Ministry of Agriculture continues to monitor the Brexit situation. To avoid collapses in customs, the Spanish administration has created 13 new positions in Spanish central offices and 20 new positions in the most relevant Border Inspections Points (BIPs) for export to the UK, namely, Almeria, Santander, Bilbao, Gijon, Madrid, Barcelona, Tenerife, Vigo, Lleida, Gerona, and Valencia.

In MY 2019/20, the Spanish citrus trade was very dynamic, especially since the start of the COVID-19 pandemic, as citrus fruits are easily preserved, durable, and provide health benefits. Despite the decline in MY 2019/20 orange production and the initial logistical difficulties derived from the movement restrictions and health requirements imposed by the COVID-19 pandemic, Spanish citrus trade has been able to supply very significant quantities of citrus to the EU. In March 2020, Spain exported almost half a million tons of oranges to the EU, a record volume for that month. However, Spanish citrus

exports to third countries, like China and Middle East, have fallen significantly due to the growing demand in EU's main markets. Following the re-orientation of the Spanish citrus sector caused by the Russian embargo, over the last six years, exports of Spanish oranges to China have increased significantly in response to higher citrus demand in the Asian country. In MY 2018/19, China became the first non-EU market for Spanish oranges. Similarly, exports of Spanish oranges to Canada, Brazil, and Middle East continue trending upward. In November 2020, Peru approved the phytosanitary requirements necessary to start importing Spanish fresh oranges, mandarins, and persimmons. Once the cold treatment is virtually verified, due to COVID-19 restrictions, the Peruvian market will be open to authorized Spanish exporters. According to official information, this opening may expand Spanish citrus exports to the Andean market, which could serve as the gateway to other products and other countries in the region. Additionally, in MY 2019/20, Spain imported 191,655 tons valued at $207 million. The main Spanish orange suppliers are Portugal, Morocco, the Netherlands, Argentina, and Uruguay during the low season.

In MY 2019/20, Italy's orange imports increased by 7.6 percent compared to previous season, mainly due to increased volumes from Italy's leading suppliers. Imports of Spanish oranges grew 61 percent and imports from South Africa 21 percent. Conversely, during this period, Italy's orange exports decreased by 25 percent compared to previous year, mainly due to decreased quantities to Germany and France, Italy's top export destinations. In MY 2019/20, Greece's orange exports increased 11.2 percent to 321,395 MT, mainly to Romania, Germany, and Serbia. Greece's MY 2019/20 orange imports reached 5,363 MT, mainly from South Africa and Egypt. In addition, about 35 percent of Portugal's orange imports are sourced from within the EU, mainly from Spain. Seventy-five percent of Portuguese imports of oranges come from non-EU countries, namely South Africa, Zimbabwe, Uruguay, and Argentina. Portugal's orange exports are chiefly destined to the EU, mainly to Spain. Outside of the EU, Cape Verde is the main export destination for Portuguese oranges. In MY 2020/21, Portuguese citrus sector expects citrus imports, mainly oranges, to increase eight percent while exports may rise by four percent.

ORANGE JUICE

Table 3: Production, Supply, and Demand (Brix 65)

Orange Juice	2018/2019		2019/2020		2020/2021	
Market Begin Year	Oct 2018		Oct 2019		Oct 2020	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Deliv. To Processors	1,379,000	1,349,000	1,080,000	1,052,000		1,135,000
Beginning Stocks	15,000	15,000	15,000	15,000		15,000
Production	106,903	104,577	83,724	81,553		87,987
Imports	657,920	658,056	670,000	686,223		681,000
Total Supply	779,823	777,633	768,724	782,776		783,987
Exports	59,819	59,943	58,000	66,805		67,000
Domestic Consumption	705,004	702,690	695,724	700,971		701,987
Ending Stocks	15,000	15,000	15,000	15,000		15,000
Total Distribution	779,823	777,633	768,724	782,776		783,987
(MT)						

Source: FAS offices

PRODUCTION

For MY 2020/21, EU orange juice production is forecast at 87,987 MT, a rise of almost eight percent compared to the previous period. This forecast is in line with the expected growth in the volume of EU oranges destined for processing this season, specially from Spain and Italy. The total volume of oranges channeled to processing depends on the crop quality and quantity of oranges destined for the fresh markets at home and abroad.

Spain is the major orange processor in the EU followed by Italy, and around 20 percent of Spanish orange production is used in processing. The focus of Spanish orange juice processors is to increase domestic production to reduce imports of orange juice. In MY 2020/21, Italy is forecast to produce 23,051 MT of concentrate and Greece is expected to produce 1,303 MT.

CONSUMPTION

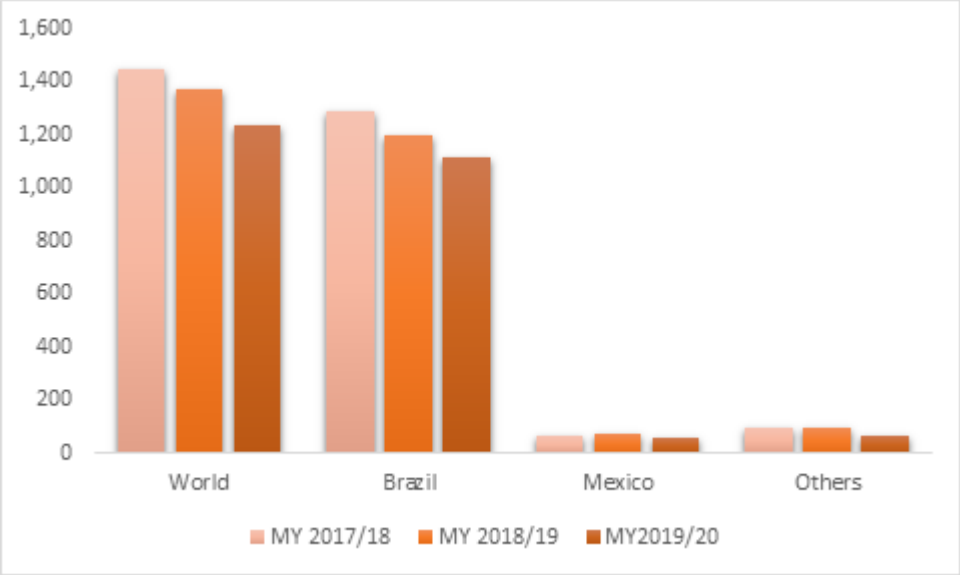
While orange juice is the most popular juice within the EU, it competes with other non-alcoholic drinks and other fruit juices. In recent years, such competition has effectively reduced consumption of orange juice in the EU. In MY 2020/21, EU orange juice consumption is forecast to grow slightly as a result

of increased domestic supplies and growing consumer interest for immune-strengthening products following the COVID-19 crisis.

TRADE

The EU is a net importer of orange juice. However, during the last decade, EU imports of orange juice declined by 17 percent due to the growth in production and downward trend of orange juice consumption. Conversely, EU exports increased by 45 percent. According to TDM, during MY 2019/20, EU imports of orange juice grew by four percent standing at 686,223 MT and valued 10 percent less than previous period at $1.2 billion. Brazil is by far the leading supplier of orange juice to the EU market, representing nearly 91 percent of total imports, followed by Mexico, South Africa, and Argentina (surpassing imports from Egypt). The United States used to be the third orange juice supplier to the EU. However, since 2018, EU imports of U.S. orange juice have declined. In MY 2019/20, the value of EU imports of U.S. orange juice dropped 27 percent to $2 million due to lower U.S. orange juice production, increased competition and EU retaliatory tariffs on U.S. orange juice, compared to the previous period following a 70 percent slump in MY 2018/19 (see Chart 4). For MY 2020/21, Post expects EU imports of orange juice to decline as a result of the expected growth in EU orange juice production.

Chart 4: EU Imports of Orange Juice by Origin in Million U.S. Dollars (Brix 65)

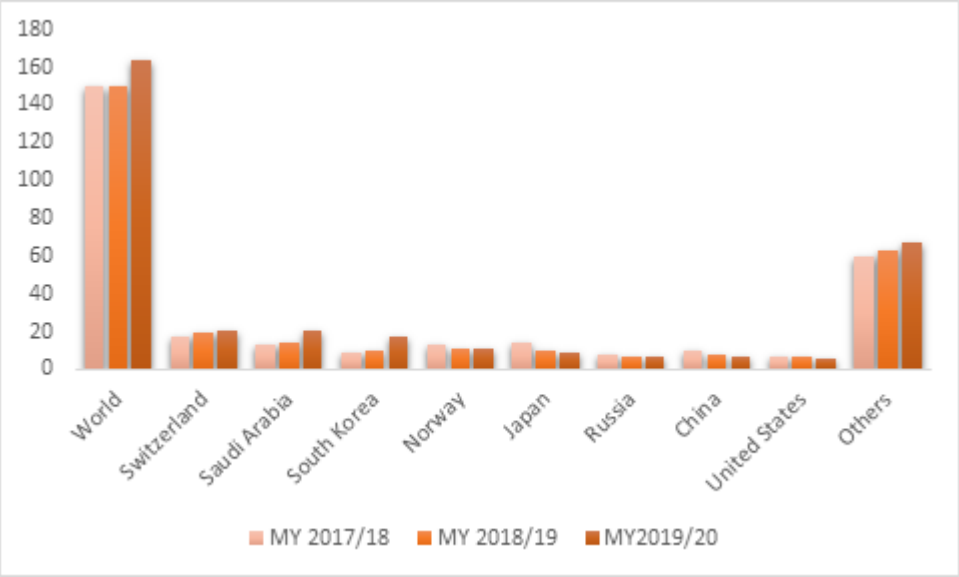


Source: TDM

In MY 2019/20, the EU exported 66,805 MT of orange juice, valued at $164 million. Main export destinations are Switzerland, Saudi Arabia, Norway, Japan, South Korea, and China (see Chart 5). In addition, in MY 2019/20, EU orange juice exports to the United States reached 2,084 MT and valued at

$5 million. In MY 2020/21, EU orange juice exports are expected to grow in line with the major supply of the EU orange production.

Chart 5: EU Exports of Orange Juice by Destination in Million U.S. Dollars (Brix 65)



Source: TDM

TANGERINES/MANDARINS

Table 4: Production, Supply, and Demand (MT)

Tangerines/Mandarins, Fresh	2018/2019		2019/2020		2020/2021	
Market Begin Year	Oct 2018		Oct 2019		Oct 2020	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	155,464	155,444	155,953	155,304		153,015
Area Harvested	142,768	142,337	143,001	142,632		142,331
Bearing Trees	0	0	0	0		0
Non-Bearing Trees	0	0	0	0		0
Total No. Of Trees	0	0	0	0		0
Production	3,211	3,225	2,761	2,834		3,117
Imports	483	483	530	558		480
Total Supply	3,694	3,708	3,291	3,392		3,597
Exports	246	246	245	172		245
Fresh Dom. Consumption	3,093	3,191	2,820	2,990		3,097
For Processing	355	271	226	230		255
Total Distribution	3,694	3,708	3,291	3,392		3,597
(HECTARES) ,(1000 TREES) ,(1000 MT)						

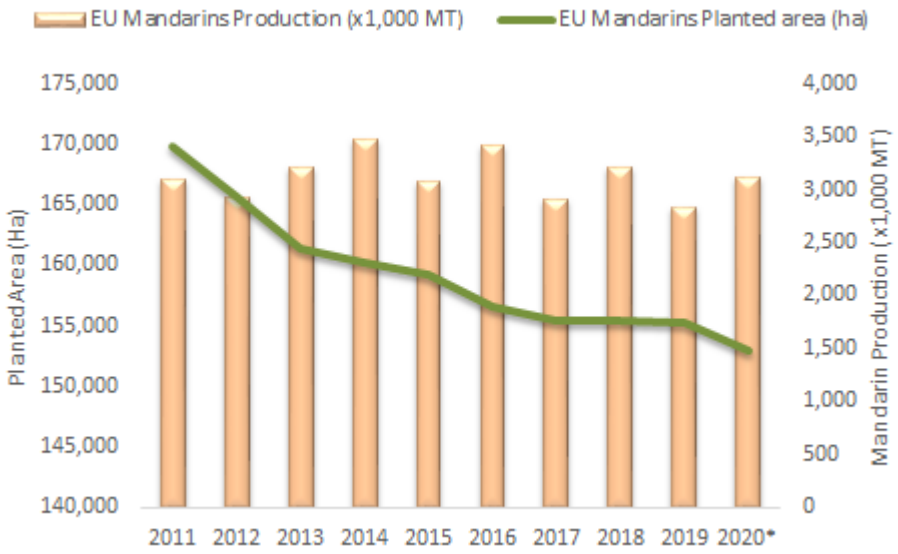
Source: FAS offices

PRODUCTION

MY 2020/21 EU mandarin production is forecast to rise 10 percent from the previous year to 3.1 MMT, stable with the ten-year average. The higher production expected for this marketing year is mainly the result of expected increases in EU's major mandarin producers (Spain and Italy) due to favorable weather conditions (see Table 5).

In the last nine years, EU has reduced its mandarin planted area by eight percent. In MY 2020/21, EU planted area for mandarin may drop at 153,015 ha as the expected growth in Italy will not be compensated by the decline in Spain (see Chart 6). According to Eurostat, during 2011-2019 period, Spain decreased its mandarin planted area by 12 percent. Spanish mandarin area stands at around 105,500 ha.

Chart 6. EU Mandarins Production and Planted Area 2011-2020



*: Estimation. Source: FAS offices

According to official data, Spain's MY 2020/21 mandarin production is forecast to rise strongly to approximately 2 MMT. Spain's main mandarin-producing areas are the Regions of Valencia, Andalusia, and Catalonia. Spain continues to develop new early and late seedless varieties to extend fruit availability throughout the year.

Italy's mandarin production consists of over 80 percent seedless clementines and nearly 20 percent mandarins. Calabria, Sicily, and Puglia are Italy's main mandarin-producing areas, accounting for 53, 20, and 15 percent of total production respectively. *Comune* or *Orova*l and *Monreal* are the leading clementine varieties grown in the country. *Avana* and *Tardivo di Ciaculli* are the chief mandarin cultivars. Italy's MY 2020/21 mandarin production is forecast to increase by eight percent from the previous season thanks to favorable weather conditions. Mandarin production rose significantly in MY 2019/20 compared to the previous marketing year which was affected by unusually warm and humid temperatures during the growing season.

Greece's MY 2020/21 mandarin production is expected to increase by 2.2 percent compared to the previous year due to good yields for *Clementine* and *Nova* varieties. The main producing areas include the prefectures of Igoumenitsa, Arta, Mesologgi, and Thesprotia, located in Western Greece and prefecture of Laconia in Peloponnese. *Clementine* is the major mandarin variety grown in Greece; new plantings include *Nova, Page* and *Ortanique* varieties. Meanwhile, according to Portuguese official data, the mandarin production in Portugal for MY 2020/21 is expected to decline at 34,000 MT.

Table 5: EU Fresh Mandarin Production by Country and Year (MT)

Country	MY 2018/19	MY 2019/20	MY 2020/21
Spain	2,398,000	1,832,000	2,050,000
Italy	577,000	763,000	825,000
Greece	176,881	174,147	178,000
Portugal	40,000	40,000	34,000
Cyprus	33,000	25,000	30,000
Total Production	**3,224,881**	**2,834,147**	**3,117,000**

Source: FAS offices

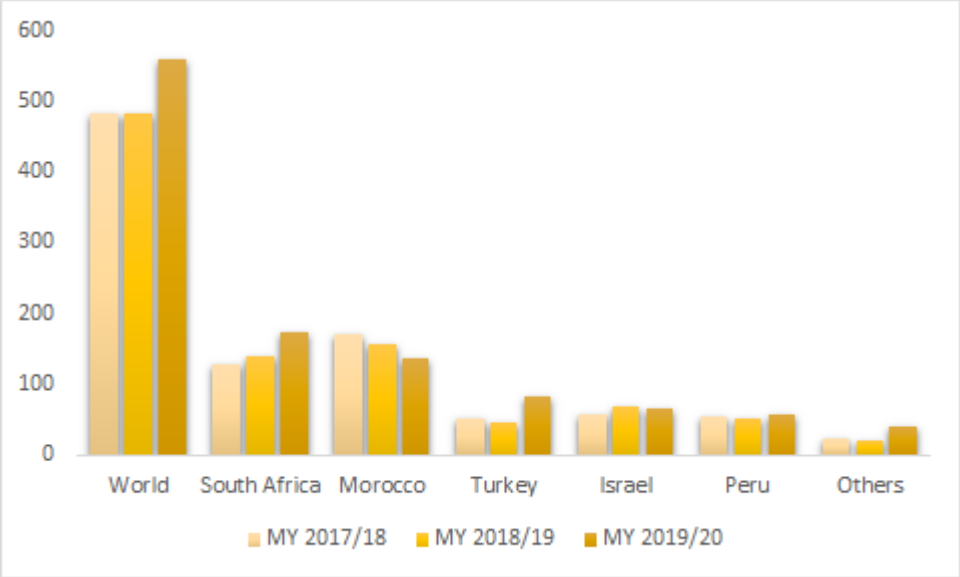
CONSUMPTION

EU mandarins are mainly consumed fresh. MY 2020/21 EU fresh mandarin for consumption and processing are forecast to increase in line with the expected growth in supply. Spain is the major consumer of mandarins in the EU for both fresh consumption and processing. Italy and Portugal also consume large quantities of mandarins. Greece consumes fresh mandarins mainly along the west coast.

TRADE

The EU is a net importer of mandarins. According to TDM, during MY 2019/20, due to a shorter domestic supply, EU imports of mandarins grew by 15 percent at 558,144 MT and valued at $657 million. South Africa and Morocco continue to be the leading suppliers to the EU market, followed by Turkey, Israel, and Peru (see Chart 7). Last season, EU imports of South African mandarins grew 25 percent and imports from Turkey jumped 83 percent. In MY 2019/20, the volume of imports from the United States decreased 2.6 percent and valued at $6 million due to a shorter U.S. crop. For MY2020/21, EU imports of mandarins are expected to drop as a result of the estimated increase in EU mandarin production.

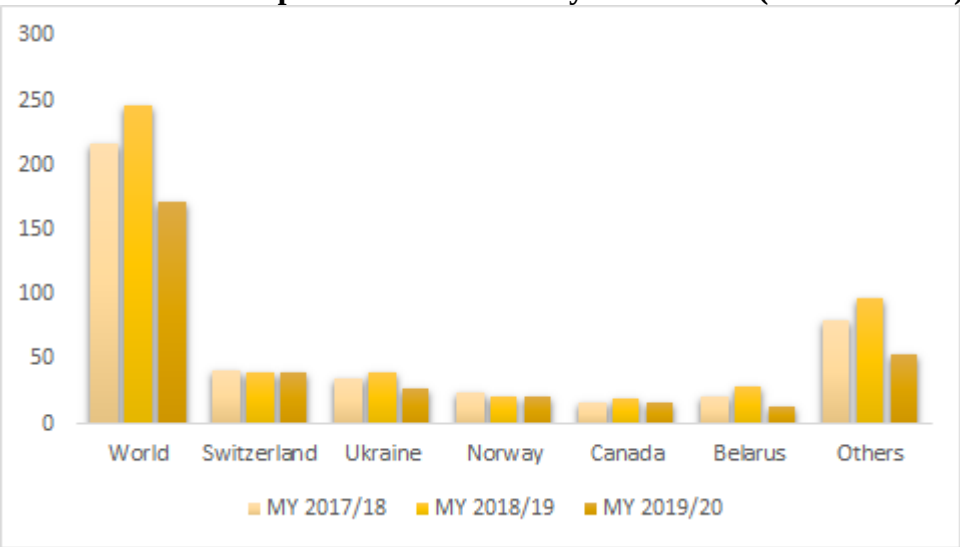
Chart 7. MY EU Imports of Mandarins by Origin (thousand MT)



Source: TDM

During MY 2019/20, the EU exports of mandarins declined 30 percent to 171,825 MT and valued at $201 million. This significant decrease in mandarin exports was mainly due to the growth in EU consumption of mandarins as a result of the COVID-19 pandemic and last season's shorter domestic supply. In volume terms, EU's main export market destinations were Switzerland, the Ukraine, Norway, Canada, and Belarus, (see Chart 8). Prior to MY 2012/13, Spain was the top global supplier of mandarins to the United States with exports valued at around $70 million. Since then, Latin America, North Africa, and South Africa have surpassed Spanish mandarins in the U.S. market. In MY 2019/20, EU exports to the United States, were almost negligible. Major global competition together with U.S. tariffs related to the WTO case against EU subsidies on aircraft imposed on October 18, 2019, discouraged shipments of Spanish mandarins to the U.S. market. In response, EU exporters searched for new alternative third markets such as Canada, the Middle East, Brazil, and China. In addition, EU mandarin exports to Russia have plummeted by $106 million since 2013 due to the Russian ban (see Policy Section). In MY2020/21, EU mandarins exports are forecast to grow despite the expected reduction of EU mandarin production to maintain the growing markets outside the EU.

Chart 8. MY EU Exports of Mandarins by Destination (thousand MT)



Source: TDM

In MY2019/20, as the leading EU mandarin producer and exporter, Spain decreased its mandarin exports by 13 percent to 1,291 MMT due to shorter supplies during that season. Ninety-three percent of these exports were sent to other EU Member States. Canada, the Middle East, Brazil, and China continue to be important new strategic markets for Spanish mandarin exports. Due to the Russian ban, Spain lost $37 million of mandarin exports to Russia. Despite the lockdown in response to the COVID-19 pandemic, the Spanish mandarin sector remains strong, satisfying domestic and export demands.

LEMONS

Table 6: Production, Supply, and Demand (MT)

Lemons/Limes, Fresh Market Begin Year European Union	2018/2019		2019/2020		2020/2021	
	Oct 2018		Oct 2019		Oct 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	77,128	77,028	77,929	78,229		79,046
Area Harvested	66,046	66,792	66,914	67,933		69,712
Bearing Trees	0	0	0	0		0
Non-Bearing Trees	0	0	0	0		0
Total No. Of Trees	0	0	0	0		0
Production	1,683	1,683	1,417	1,480		1,640
Imports	548	548	600	580		550
Total Supply	2,231	2,231	2,017	2,060		2,190
Exports	82	82	80	81		82
Fresh Dom. Consumption	1,871	1,871	1,716	1,747		1,818
For Processing	278	278	221	232		290
Total Distribution	2,231	2,231	2,017	2,060		2,190
(HECTARES), (1000 TREES), (1000 MT)						

Source: FAS offices

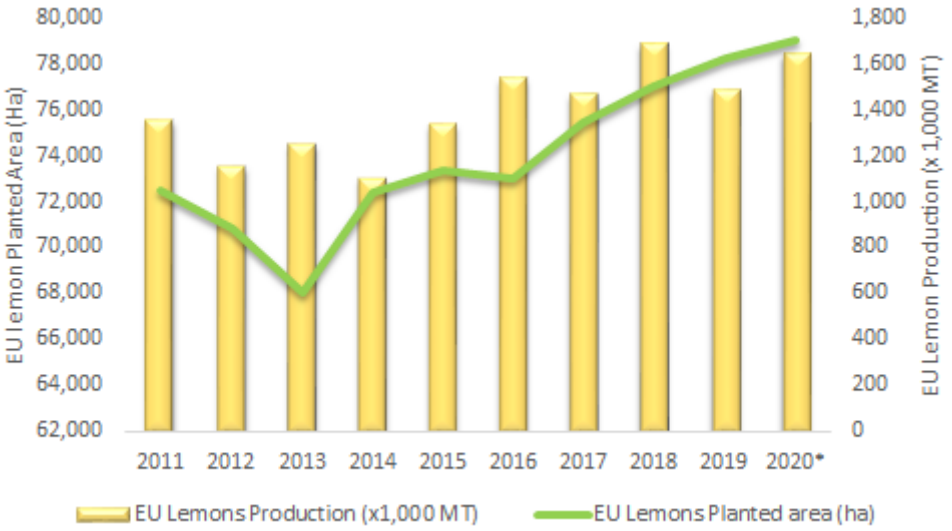
PRODUCTION

In MY 2020/21, EU lemon production is forecast to increase by almost 11 percent compared to previous season to 1,640 MMT. This expansion is due to the overall expected production rise in EU's main lemon producers (see Table 7). Additionally, EU lemon planted area continuous trending upwards at around 78,000 ha in MY 2019/20 (see Chart 9). According to the latest data from the Spanish Ministry of Agriculture, Fisheries, and Food (MAPA), Spain's MY 2020/21 lemon production is forecast at 1,031 MMT, an increase of almost 11 percent compared to the previous year. In addition, in recent years Spain has increased its total planted area for lemons standing at around 45,000 ha. Spain will continue to consolidate its leading commercial position in Europe with its guarantees for quality and phytosanitary. Following Argentina, Spain is the second largest lemon producer in the world but the first global exporter of lemons for fresh consumption. Spanish lemon production is concentrated in the regions of Murcia and Valencia, and the Provinces of Malaga and Almeria in Andalusia. The leading lemon varieties grown in Spain are *Fino* accounting for 70 percent of total production, and *Verna,* representing 30 percent. The *Fino* variety is predominantly used for processing.

Italy is the second largest European lemon producer after Spain. Sicily is the main lemon-producing area, accounting for 88 percent of production. *Femminello Siracusano, Lunario, Interdonato, Limone di*

Sorrento, and *Limone di Procida* are the leading lemon varieties grown in the country. Italy's MY 2020/21 lemon production is forecast to increase 10.3 percent compared to the previous season. Greece's MY 2020/21 lemon production is expected to rise three percent to approximately 85,000 MT. The main lemon-producing areas include the prefectures of Achaia, Korinthos, Crete, and Laconia, located in southern Greece. The major lemon variety grown in Greece is *Maglini.* The early varieties *Interdonato* and *Eureka* are also grown in Greece. Portuguese official data reflects that lemon production may increase strongly in MY 2020/21.

Chart 9. EU Lemon Production and Planted Area 2011-2020



*: Estimation. Source: FAS offices

Table 7: EU Fresh Lemons Production by Country and MY (MT)

Country	MY 2018/19	MY 2019/20	MY 2020/21
Spain	1,149,000	931,000	1,031
Italy	424,000	445,000	491,000
Greece	88,258	82,255	85,000
Portugal	16,000	17,000	27,000
Cyprus	6,000	5,000	6,000
Total Production	**1,683,258**	**1,480,255**	**1,640,000**

Source: FAS offices

CONSUMPTION

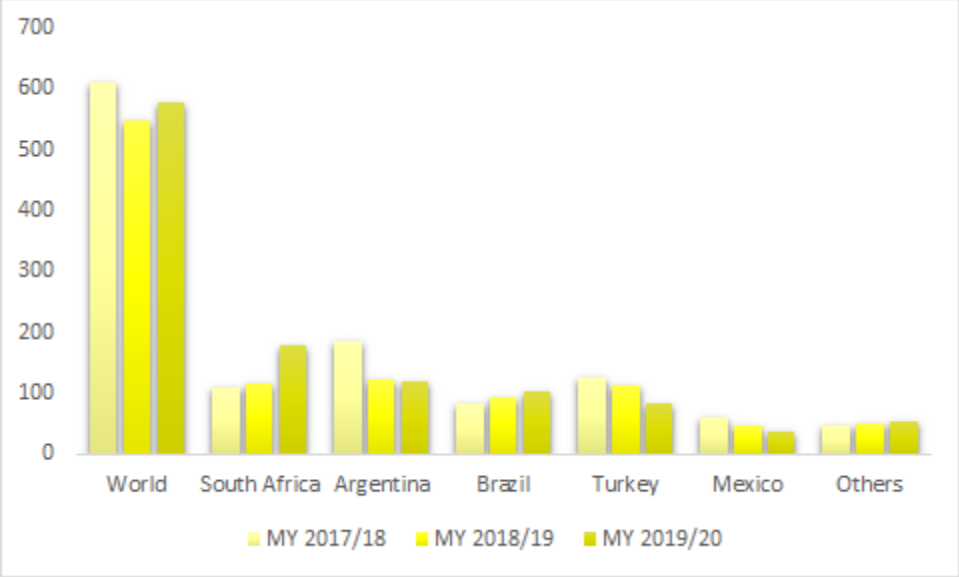
EU lemons are mainly consumed fresh. In MY 2020/21, EU fresh lemon consumption and lemons for processing are forecast to increase in line with the rise in EU lemon production. EU per capita lemon consumption stands at 3kg. According to industry sources, Spain has become the second global producer of processed lemons. The Spanish lemon industry estimates that between 20 to 25 percent of

Spanish lemon production is destined for processing. Greece has become increasingly reliant on imported lemon juice to meet consumer demand for soft drinks.

TRADE

The EU is a net importer of lemons. During MY 2019/20, the EU imported 579,948 MT of lemons or 5.5 percent more due to the decrease in EU lemon production during this season. By value, EU imports rose 12 percent to $646 million compared to the previous year. South Africa, which surpasses Argentina, Brazil, and Turkey are the leading suppliers to the EU market, followed by Mexico (see Chart 10). Given the expected growth in EU lemon production in MY 2020/21, EU imports of lemons are expected to decline slightly.

Chart 10. MY EU Imports of Lemons by Origin (thousand MT)



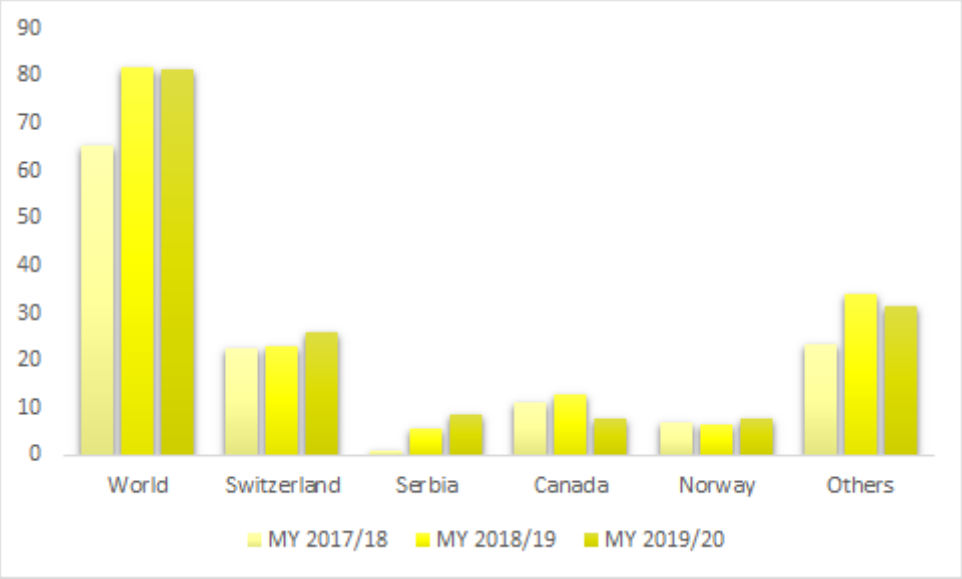
Source: TDM

During MY 2019/20, the volume of EU lemon exports stayed flat compared to the previous year at 81,523 MT, the value rose 16 percent to $123 million. Shipping primarily from Spain, main export destinations for EU lemons were Switzerland, Serbia, Canada, and Norway. During the last season, EU lemon exports to the United States, declined sharply 86 percent to 1,001 MT in volume, and in value to $1.3 million. In MY 2018/19, the United States became the EU's third largest lemon export destination (see Chart 11). However, U.S. tariffs related to the WTO Case against EU aircraft subsidies impacted Spanish lemon exports to this market.

EU lemon exports to UK were valued $116 million. In MY 2019/20, Spanish lemon exports rose almost five percent compared to previous season to 737,804 MT and grew in valued 24 percent to $994 million. Spanish lemon strategic export markets outside the EU continue to be Switzerland, Canada, Norway, Serbia, and Brazil. In addition, UK is Spain's third largest lemon export market with

exports valued at $89 million. The Spanish lemon industry expects to at least maintain lemon exports in MY 2020/21 despite the current global market uncertainties.

Chart 11. MY EU Exports of Lemons by Destination (thousand MT)



Source: TDM

GRAPEFRUIT

Table 8: Production, Supply, and Demand (MT)

Grapefruit, Fresh Market Begin Year European Union	2018/2019		2019/2020		2020/2021	
	Oct 2018		Oct 2019		Oct 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	3,311	3,311	3,312	3,292		3,292
Area Harvested	2,914	2,911	2,904	2,884		2,874
Bearing Trees	0	0	0	0		0
Non-Bearing Trees	0	0	0	0		0
Total No. Of Trees	0	0	0	0		0
Production	108	108	96	95		96
Imports	324	324	370	340		340
Total Supply	432	432	466	435		436
Exports	16	16	17	17		17
Fresh Dom. Consumption	395	395	434	404		405
For Processing	21	21	15	14		14
Total Distribution	432	432	466	435		436
(HECTARES), (1000 TREES), (1000 MT)						

Source: FAS offices

PRODUCTION

MY 2020/21 EU grapefruit production is forecast to remain stable at 96,000 MT. EU area planted of grapefruits stands at around 3,300 ha. According to the Spanish grapefruit industry, the major EU grapefruit producer, Spain's MY 2020/21 grapefruit production is forecast to remain flat at 73,000 MT. Leading grapefruit producing areas include the Regions of Murcia, Andalusia, and Valencia. *Ruby Red* is the main grapefruit variety planted in Spain. Cyprus is the second largest grapefruit producer in the EU. *White Marsh Seedless*, mostly grown in the Limassol area, is the leading Cypriot grapefruit variety (see Table 9). Sicily is the main grapefruit-producing area in Italy, accounting for 86 percent of domestic production. Greek's prefectures of Corinth and Kavala, the region of Thessaly, and the island of Crete are the major grapefruit-producing areas in Greece.

Table 9: EU Fresh Grapefruit Production by Country and Year (MT)

Country	MY 2018/19	MY 2019/20	MY 2020/21
Spain	81,000	71,000	73,000
Cyprus	19,000	16,000	16,000
Italy	5,160	5,210	5,215
Greece	3,051	3,098	3,000
Portugal	210	260	260
Total Production	**108,421**	**95,568**	**96,475**

Source: FAS offices

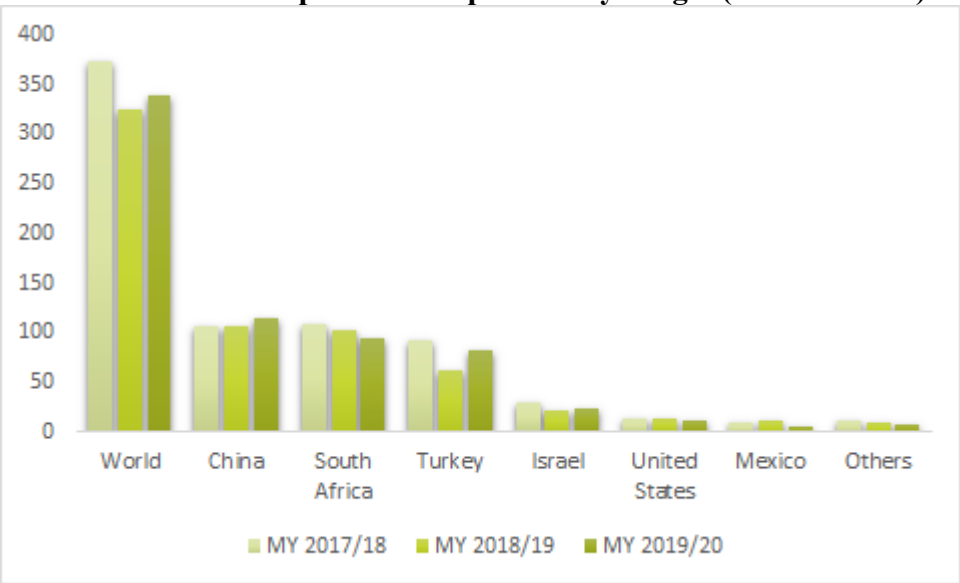
CONSUMPTION

EU grapefruits are mainly consumed fresh with consumption significantly surpassing grapefruit production. In MY 2020/21, EU fresh grapefruit consumption is forecast to remain flat. Spain and Cyprus are the main grapefruit processors in the EU.

TRADE

The EU is a net importer of grapefruits to satisfy the EU domestic demand. EU grapefruit imports comprise around 75 percent of EU's total grapefruit supply. During MY 2019/20, EU imports of grapefruit increased almost five percent to 340,035 MT compared to previous period, and valued at $285 million. China, South Africa, Turkey, Israel, and the United States are the leading suppliers to the EU market. Imports from the United States dropped 15 percent to almost 11,000 MT and valued at $14.5 million (see Chart 12). However, additional tariffs imposed by the EU on November 9, 2020, related to the WTO case against U.S. aircraft subsidies on U.S. products, including grapefruits, may impact EU imports from the United States in MY 2020/21. Mexico is also another active supplier to the EU market. Due to the expected stability in EU grapefruit production, EU imports are expected to remain flat in MY2020/21.

Chart 12. MY EU Imports of Grapefruits by Origin (thousand MT)



Source: TDM

During MY 2019/20, the EU grapefruit exports grew nine percent to 17,818 MT and valued at $18 million. EU exports ship mainly to Switzerland, Ukraine, and Belarus. In MY 2020/21, EU grapefruit exports are expected to remain unchanged.

POLICY SECTION

Citrus fruit falls under the European Union (EU) fruit and vegetables regime and is part of the Common Agriculture Policy (CAP). The following sections explain the main elements of the EU fruit and vegetables policy that refer to the citrus sector, with special attention for the measures taken to address the COVID-19 crisis in the fruit and vegetable sector.

I. EU Policy Related to Citrus Fruit

1. The Common Agriculture Policy (CAP)

Regulation (EU) No 1308/2013 outlines a framework for market measures under the CAP by the single Common Market Organization (CMO), and it entered into force on January 1, 2014. The CAP consists of four basic regulations, supplemented by delegated acts, and amends the implementing rules for the fresh and processed fruit and vegetables sectors (Commission implementing Regulation (EU) No 543/2011).

On June 1, 2017, Commission Delegated Regulation 2017/891 entered into force and amended regulation 543/2011. The new framework seeks to make Producer Organizations (POs) more attractive to non-members and provide greater clarity about what actions are eligible for EU funding. The

framework seeks to set the maximum percentage of produce that can be marketed outside the organization to 25 percent in order to create shorter supply chains where producers can sell directly to consumers. It also simplifies and clarifies legislation with regard to payments to transnational POs and their associations. In addition, it increases the support for withdrawals for fruit and vegetable from the market POs.

These market measures under the CAP aim to:

a. Create a more competitive and market-oriented sector

The POs are still the key elements in the EU's CMO for fruit and vegetables. POs are legal entities established by producers to market commodities, including citrus fruit. These POs are eligible to receive EU subsidies instead of individual producers. In order to qualify for EU subsidies, a PO must submit an operational program financed through an operational fund and directly receives the EU's financial contribution. The basis for the calculation of the estimated amount of the operational fund is the operational program and the value of the marketed production. The approval of operational programs happens under Regulation (EU) No 1308/2013.

COVID – 19: Flexibility in operational programs

On April 30, 2020, the Commission published Commission Delegated Regulation (EU) 2020/592 to address the market disturbance in the fruit and vegetables and wine sectors caused by the COVID-19 pandemic and the measures linked to it. Producer organizations may implement crisis and prevention measures as part of their operational programs to increase their resilience to market disturbances. Under normal conditions, these crisis prevention and management measures may not exceed one third of the expenditure under the operational program, but according to this regulation that rule does not apply in the year 2020.

In general, and under normal market conditions, fresh fruit and vegetable imports into the EU also have to comply with the EU-harmonized marketing standards. These standards apply at all marketing stages and include criteria such as quality, size, labeling, packaging, and presentation. Commission implementing Regulation (EU) No 543/2011 provides for a general marketing standard for all fresh fruits and vegetables. Specific marketing standards are still in place for ten products, including citrus fruit. The specific marketing standards are set out in Part B of Annex I to this Regulation: citrus fruit can be found in Part 2 of that same section (p.111).

b. Diminish crisis-related fluctuations in producers' income

To achieve this objective, the EU offers funding under the operational programs for:

- Product withdrawal;
- Green harvesting/non-harvesting;
- Promotion/communication tools;
- Training measures;

- Harvest insurance;
- Assistance to secure bank loans, and support for administrative costs associated with setting up mutual funds.

The national authorities must determine, in their national strategies, which of these instruments can receive funds in their countries. POs may take out loans on commercial terms to finance crisis prevention and management measures. The repayment of the capital and the interest on those loans may be eligible for financial assistance under the operational programs of the POs.

c. Encourage increased consumption of fruit and vegetables in the EU

The European "School Fruit Scheme" originated in 2009 as a measure to combat child obesity. It includes three elements: free distribution of fruit and vegetables in schools, informational campaigns on healthy eating habits, and monitoring and evaluation. As in previous years, the EU funds of $264 million (€250 million) are allocated for the school year 2020/2021 to all of the Member States (MS), according to Commission Implementing Decision (EU) 2020/467 , which applies since August 1, 2020.

COVID – 19: School Scheme Extended

On April 30, 2020, the Commission published Commission Implementing Regulation (EU) 2020/600, which extended the definition of 'school year' until September 30, 2020. This was disrupted due to the temporary closure of educational establishments in the Member States to address the COVID-19 pandemic. In addition, time limits for the submission of aid applications for the accompanying educational measures have also been extended. There is also a possibility to reallocate unrequested Union aid amongst the Member States participating in the school scheme in the 2021/2022 school year. In addition to the school fruit scheme, there is another way to encourage to increase the consumption of fruit and vegetables since the sector may also benefit from the European promotion budget for agricultural products and quality schemes. The Commission reformed its promotion policy with an extension of the product scope and a greater focus on export markets. The current promotion budget reached $255 million (€200 million) in 2020. There is no longer a need for national co-funding; EU associations will be able to apply directly for a program.

d. Increase the use of environmentally friendly cultivation and production techniques

At least ten percent of operational program funding must be spent on environmental actions that go beyond mandatory environmental standards. The EU MS with recognized POs must draw up a National Framework for Environmental Action (NEF) as part of their "national strategy for (a) sustainable operational program." The NEF must contain a non-exhaustive list of environmental actions and the conditions applicable to them in the MS concerned.

CAP after 2020

On 1 June 2018, the European Commission presented legislative proposals on the CAP beyond 2020. The aim of the new proposals is to be more responsive to current and future challenges such as climate change. The CAP will continue to support European farmers, but the overall budget is lower compared to the previous period. For information on the CAP after 2020, please see: https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/future-cap_en

2. Certification of Fruit Shipments

Fruit, vegetable, and nut shipments exported to the EU require a phytosanitary certificate. A USDA/Animal Plant Health Inspection Service inspector issues these certificates in accordance with international regulations established by the International Plant Protection Convention of the Food and Agriculture Organization of the United Nations. This standard-setting body coordinates cooperation between nations to control plant and plant product pests and to prevent their spread.

Council Directive 2000/29/EC contains provisions concerning compulsory plant health checks. This includes documentary, identity, and physical plant health checks to verify compliance with EU import requirements. Directive 2019/523 amends Annexes I to IV of Directive 2000/29/EC and sets (new) protective measures against the introduction of harmful organisms for the import of several fruit and vegetable products from September 1, 2019. However, it is the worthwhile to check the specific article in Directive 2019/523 for each of the product/harmful organism combinations since these are all different. Most requirements (e.g. for citrus and mango) are applicable for all third countries, but there are also requirements for certain products (apple, pear, blueberry) which only apply to the United States, Canada and Mexico. The new legislation established the obligation for non-EU countries to communicate some information for importing certain commodities under specific import requirements.

On the following website you can find official information submitted by non-EU countries: https://ec.europa.eu/food/plant/plant_health_biosecurity/non_eu_trade/declarations_en

In addition, Directive 2000/29/EC was replaced by Regulation 2016/2031 of the European Parliament and of the Council concerning protective measures against pests of plants since December 14, 2019. Commission Implementing Regulation (EU) 2019/2072 is establishing uniform conditions for the implementation of Regulation (EU) 2016/2031.

There is more information available on the DG Health and Food Safety (DG SANTE) website: http://ec.europa.eu/food/plant/plant_health_biosecurity/non_eu_trade/index_en.htm

Commission Regulation 1756/2004 provides for a possibility to carry out plant health checks at reduced frequency when justified. The European Commission published the updated list of products on October

22, 2020. The Commission monitors imports of fruit and vegetables on an annual basis to determine how to adjust the frequency of testing consignments.

3. Maximum Residue Levels for Fruit

Maximum Residue Levels (MRLs) for pesticides, including import tolerances, have been harmonized throughout the EU since September 2008. As a marketing tool, some retail chains in the EU adopt private standards that exceed EU regulations by requiring their suppliers to adhere to stricter company policies that limit the maximum residues to 30, 50, or 70 percent of the respective EU MRL. Please find the link to the EU MRL database, as well as to the subscription page for the global MRL database for MRLs worldwide.

4. Tariffs

EU imports of fresh fruit and vegetables are subject to the Entry Price System, which has been in place in its current form since the Uruguay Round. It is a complex tariff system, which provides a high level of protection to EU producers. In this system, fruits and vegetables imported at or above an established entry price are charged an ad valorem duty only. Produce valued below the entry price are charged a tariff equivalent in addition to the ad valorem duty. The tariff equivalent is graduated for products valued between 92 and 100 percent of the entry price. The ad valorem duty and the full tariff equivalent are levied on imports valued at less than 92 percent of the entry price.

Tariff levels for 2020 are published in Commission Implementing Regulation 2019/1776.
The tariffs for citrus fruit can be found on page 96 for oranges, mandarins, lemons, grapefruit and other citrus fruit, while the tariff for orange juice can be found on page 163.

5. EU's Decision on Citrus Canker

Commission Implementing Directive 2017/1279, published on July 14, 2017, amends the requirements set forth in Council Directive 2000/29/EC for citrus fruit exported from areas where *Xanthomonas citri* (Citrus canker) is known to exist. The previous regulation required certification that "no symptoms…have been observed in the field of production and in its immediate vicinity", which was overly burdensome and would require expensive and time-consuming inspections of entire groves. The new regulation, effective as of January 1, 2018, instead requires that groves be appropriately managed and that the fruit be free of symptoms of canker.

II. Russian ban on agricultural products

On August 7, 2014, the Russian government implemented a (then) one-year ban on a range of agricultural and food products, including citrus fruit, from the United States, the EU, Canada, Australia, and Norway, in response to U.S. and EU sanctions over Russian actions in Ukraine. Russia has

extended the ban every year since. The CMO rules (see Regulation 1308/2013 in part I) provide various market management tools to stabilize markets and the Commission is also empowered under the reformed CAP to take "exceptional measures" in case of market disruption. As such, the Commission introduced specific market support measures for the first time for citrus fruit, including oranges, mandarins, and clementines until 2017. The last emergency measures for fruit and vegetables were phased out on June 30, 2018. The impact on the citrus sector is very limited, since exports to Russia have not been significant in terms of volumes. Overall, the EU granted $588 million (€500 million) of aid to EU producers of fruit and vegetables corresponding to 1.7 million tons of withdrawals from the market. Please find more information on the Commission's website regarding the Russian ban.

III. Brexit

On March 29, 2017, the U.K. officially informed the European Council of its intent to leave the EU. It left the Union on January 31, 2020. The relationship between the EU and the United Kingdom is now in a transition period until December 31, 2020. During this period, the U.K. is still bound by EU rules and remains a member of the customs union and the European Single Market. At the same time, the U.K. and EU are negotiating the future of their relationship after the transition period has ended. More information on the state of the negotiations is available on the European Commission's website: https://ec.europa.eu/commission/brexit-negotiations_en

IV. Upcoming MRL reviews under Article 12 of Regulation 396/2005

Plant protection products (PPPs) along with MRLs and import tolerances are an increasingly important issue in the EU since there is a significant reduction in the number of active substances approved for use. Regulation (EC) No 1107/2009 and Regulation (EC) No 396/2005 regulate PPPs and MRLs, respectively. There is a consistent review of active substances for which the approval is up for renewal, as well as their associated MRLs.

Existing MRLs are also being reviewed through a process known as an Article 12 review. The link below refers to a list indicating the upcoming MRL reviews for the main fruit and vegetable commodities under this Article 12 process. The second list includes the active substances that are, or will soon be, up for renewal. It is important to note that these lists are not all-inclusive.

Due to the complexity of the renewal process and the importance of the issue, **stakeholders are encouraged to actively engage early in these review processes by reaching out to the applicant**. Together with the applicant, they can ensure that the necessary data is available for the review or if trials for data collection are in progress or should be initiated etc., especially if the substance is not used or authorized in the EU. It is highly recommended to contact the assigned "Rapporteur Member State" (RMS) which will carry out the first evaluation of the active substance and existing EU pesticide MRLs. **Stakeholders are encouraged to engage with FAS on substances and MRLs of importance to their commodities** and to check its EU website for updates of the EU early Alert. The

information presented in this document provides interested stakeholders with advance notice of active ingredients under review for renewal of approval in the EU and highlights which substances have expired, are expected to expire, may have restricted renewal or non-renewal of approval.

1) Article 12 review
https://www.efsa.europa.eu/sites/default/files/pesticides-MRL-review-progress-report.pdf

2) Active substances up for review

Active substance	Expiration date	Last day of application for renewal of the active substance:
Eugenol	11/30/2023	02/28/2021
Geraniol	11/30/2023	02/28/2021
Thymol	11/30/2023	02/28/2021
Fluopyram	01/31/2024	04/30/2021
Chlorantraniliprole	04/30/2024	07/30/2021
Emamectin	04/30/2024	07/30/2021
Orange oil	04/30/2024	07/30/2021
Prosulfuron	04/30/2024	07/30/2021
Sodium silver thiosulphate	04/30/2024	07/30/2021
Spirotetramat	04/30/2024	07/30/2021
Tembotrione	04/30/2024	07/30/2021
Amisulbrom	06/30/2024	09/30/2021
Ascorbic acid	06/30/2024	09/30/2021
S-Abscisic acid	06/30/2024	09/30/2021
Spinetoram	06/30/2024	09/30/2021
Thiencarbazone	06/30/2024	09/30/2021
Valifenalate (formerly Valiphenal)	06/30/2024	09/30/2021
Acequinocyl	08/31/2024	11/30/2021
Flubendiamide	08/31/2024	11/30/2021
Ipconazole	08/31/2024	11/30/2021
Pendimethalin	08/31/2024	11/30/2021
Imazamox	10/31/2024	01/31/2022
Aminopyralid	12/31/2024	03/31/2022
Metaflumizone	12/31/2024	03/31/2022
Metobromuron	12/31/2024	03/31/2022

Attachments:

No Attachments