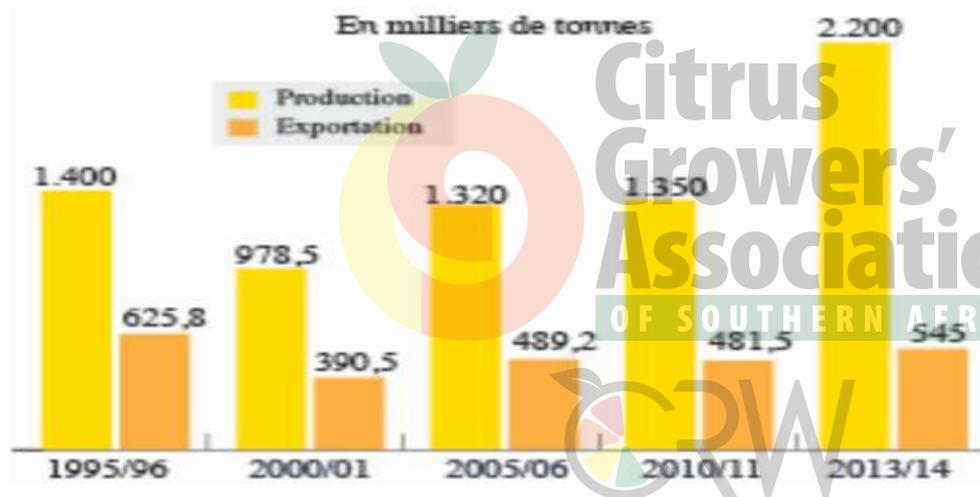


Citrus Spotlight: Morocco's Citrus Woes

An article in *leconomiste.com* dated 13 May 2014 pointed to a crisis in Morocco's citrus sector. The prospect of poor returns in the Russian market which has absorbed 65% of exports of their citrus fruits this season was raised. European Union, Scandinavian countries and the Canadian market have been neglected in favour of Russia. Quality defects, market conditions and decrease the value of the ruble reinforce growers' fears. At least 120,000 tons of clementine are expected to yield zero profits. They reported the risk of payment much worsened after the bankruptcy of some large importers, resulting in Moroccan exporters no longer getting advances on goods delivered. They identified the root cause of the crisis as being linked to the plethora of exporters, to the lack of coordination at the lack of monitoring and control of the different parameters for export. At the same time, investment in plantations was very strong during the past five years, so production has almost doubled on the five-year period. However, the exportable portion of the volume produced is in sharp decline: 25% vs. 40% five years ago. The effect of a local market paying more and less demanding in terms of quality was cited as one reason. They suggest that the change in citrus export structure over the last ten years, with a strong focus on soft citrus at the expense of oranges has resulted in the loss of market share to Turkey and Egyptian particularly in the European Union. Egyptian oranges get the lion's share in the EU whilst Turkey exports half its production of oranges and one-quarter that of soft citrus on the Russian market.



During the 1980s, the exportable part was half of Morocco's citrus production. It rose to 43% over the period 1990-1995 but these days represents only a quarter of a production estimated at 2.2 million tonnes.

[graph source:ASPAM]

The graph below shows the Russian imports of mandarins for the first four months by the main exporters.
[source: Comtrade; Russian Customs]

