USDA United States Department of Agriculture
Foreign Agricultural Service

GAIN Global Agricultural Information Network

Required Report: Required - Public Distribution

Date: December 21, 2023

Report Number: AR2023-0021

Report Name: Citrus Annual

Country: Argentina

Post: Buenos Aires

Report Category: Citrus

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Report Highlights:

For marketing year (MY) 2023/24, Post estimates an increase in fresh lemon production. This upward revision is attributed to producers' expectations of favorable weather conditions. Post's MY 2022/23 production estimate is revised up 12 percent due to less severe drought conditions than initially expected. For MY 2023/24, fresh orange production is estimated increase significantly by 44 percent increase from the last official estimates. Similarly, fresh tangerine production is expected to increase 40 percent from the last estimates. Due to the increased production, lemon exports are expected to rise 25 percent from previous estimates. Sweet citrus exports are also expected to rise by 36 percent for fresh orange exports and 87 percent for tangerine exports.

Executive Summary

For marketing year (MY) 2023/24, Post estimates lemon production at 1.91 million metric tons (MMT), reflecting a notable increase of 6.5percent from the last official USDA estimates. This upward revision is attributed producers' optimistic outlook upon expectations of favorable weather conditions.

The revised forecast for MY2022/23 has been adjusted upward to 1.85 MMT, denoting a substantial 12 percent increase. This is attributed to less severe drought conditions than initially prognosticated, indicating a more favorable environment for production.

Fresh oranges and tangerines also exhibit robust growth prospects. Fresh orange production is forecasted to experience a significant surge of 44 percent, reaching 900,000 MT, while fresh tangerine production is expected to increase by 40 percent, reaching a total of 400,000 MT. These projections follow a severe drought with far worse production expected previously. Post estimates MY 2022/23 orange production down by 7 percent to 583,000 MT, due to more severe drought conditions than initially anticipated. Post MY 2022/23 tangerine production estimate remains unchanged at 286,000 MT, down 25 percent from the last estimate.

The heightened production will translate to higher exports. Lemon exports are anticipated to rise to 250,000 MT, marking a 25 percent increase from official estimates. Likewise, sweet citrus exports are poised for an uptick, with fresh orange exports forecast at 75,000 MT (a 36 percent increase) and tangerine exports projected to reach 56,000 MT (a 87 percent increase). In addition, in June 2023, after more than 20 years, the EU has approved the shipment of all Argentine organic citrus treated post-harvest with sodium bicarbonate. This approval marks an expansion to include sweet citrus from the previous authorization which was restricted solely to organic lemons.

Production

Lemons

For MY 2023/24, fresh lemon production is forecast to increase by 16 percent to 1.91 million metric tons, from USDA official estimates. This positive trajectory can be attributed to adjustments made in the domestic official estimates, revised to 1.85 million metric tons for the preceding marketing year 2022/23. Also, the adverse effects of the expected drought were less severe than anticipated.

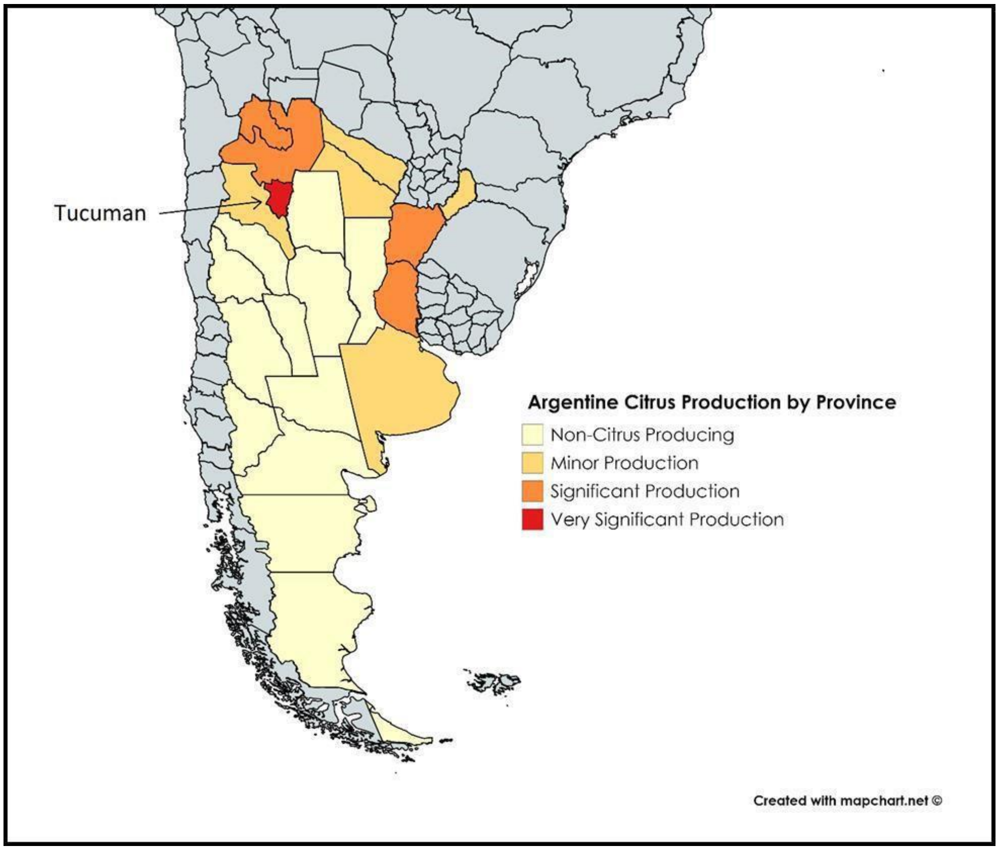
Lemon production in MY 2022/23 was affected not only by water scarcity but also elevated temperatures, which not only impacted the size of lemons but also damaged numerous lemon trees. Climate change has proven to be a multifaceted adversary in this context. However, the lemon harvest started approximately 40 days later than usual, a delay attributed by industry to the multifaceted effects of climate change. Despite the delay, the shift compensated for the negative expectations of production in quality and size of fruit.

Post also adjusted its estimate downward for lemon production for MY 2021/22 from 2.1 to 1.93 million metric tons. The average fruit size was smaller than originally estimated, reducing total production. This smaller fruit size can be explained by a combination of factors, including worse than expected weather conditions.

Lemons are grown primarily in the northwest provinces of Tucuman, Salta, and Jujuy, with some minor production in northeastern Argentina. Eureka Frost, Lisboa Frost, Limoneira 8 A, and Génova EEAT are the main lemon varieties grown in Argentina (source: Estacion Experimental Agroindustrial Obispo Colombres - EEAOC). Over the past decade, the lemon sector has been boosted by investments in new production and technology, with 70-75 percent of total production devoted to exports of processed lemon products, such as essential oil, frozen pulp, and dehydrated peel. Despite this, the lemon sector has faced challenges due to heightened global competition and economic contraction domestically.

Argentine lemon producers have been significantly affected by the international overproduction in the fresh citrus market coupled with stagnant demand, leading to a prolonged period of lower prices over the past five years compared to the previous decade. This has presented a considerable economic challenge for local producers to deal with a market characterized by excess supply.

Figure 1: Argentine Citrus Production by Province



Source: FAS (Foreign Agricultural Service) Buenos Aires based on statistics from SAGyP

Oranges and Tangerines

Post forecasts Argentine fresh oranges production to increase by 44 percent in MY 2023/24 to 900,000 MT from last official estimates. Post projects tangerine production at 400,000 MT with an increase of 40 percent from the last estimate. The increase in production in both sweet citruses is due to a combination of factors, including that the end of the drought and producers expectations of favorable weather conditions.

Post's MY 2022/23 fresh orange production estimate is revised downward from 626,000 MT to 583,000 MT, while fresh tangerine production estimates remain unchanged. This update is attributed to several factors including: the significant influence of the prolonged drought in the main sweet citrus-growing region of northeastern Argentina during the spring of 2021. The adverse weather, worsened by the extended drought, led to damage to many orange and tangerine trees. Consequently, the fruit's size and yield were negatively impacted, reducing overall production.

Sweet citrus is grown in both the northwestern (oranges) and northeastern (oranges and tangerines) regions of Argentina. The main orange varieties grown in northwestern Argentina are Hamlin, Pineapple, Robertson, and Navel. While in the northeast they are Navel, Salustiana, and improved

Valencia (Midnight, Delta Seedless). The main tangerine varieties are Clementina, Clemenvilla, Ellendale, Malvasio, Montenegrina, Murcott, and Ortanique. The expansion of sweet citrus includes seedless varieties such as Tango for oranges and Clementines and Clemenules for tangerines.

Planted Area

Lemons

Post estimates MY 2023/24 lemon planted area will decrease by 8.9 percent to 41,000 hectares. Argentine lemon producers have been significantly affected by the international overproduction in the fresh citrus market coupled with a stagnant demand, leading to a prolonged period of lower prices over the past five years compared to the previous decade. This has presented a considerable economic challenge for the local producers to deal with a market characterized by excess supply resulting in fewer trees.

A recent trend has been to decrease the number of plants per hectare, suggesting a strategic adjustment to the challenges of overproduction and market dynamics. In response, some lemon producers have diversified their agricultural pursuits, venturing into sugarcane, grains, or avocados, among others, highlighting their adaptability facing changing economic landscapes in the agriculture sector. Furthermore, the reduction in lemon planted area can also be attributed to an increase in production costs, adding another layer of complexity to the economic dynamics affecting fresh lemons production in Argentina.

For MY 2022/23 and MY 2021/22, Post estimates for lemon planted area remain unchanged.

Oranges and Tangerines

The projected planted area for MY 2023/24 and MY 2022/23 remains unchanged for oranges and tangerines at 37,000 HA and 26,900 HA, respectively, from the last estimates. There has been no significant investment in area expansion in recent years.

The challenges faced by smaller citrus producers are evident, as they struggle to compete in the market. A notable trend emerges as these smaller producers exit the business, often opting to sell their orchards to larger farmers. This consolidation reflects the economic pressures and barriers smaller producers face, leading to a concentration of citrus cultivation in the hands of larger, potentially more economically resilient, agricultural enterprises.

Additionally, there is a discernible shift in the industry, with some producers choosing to transition to more profitable crops like yerba mate or diversifying into other activities such as livestock production. This shift suggests a dynamic response to market conditions and changing economic landscapes, as growers seek alternatives that may offer greater financial viability.

Furthermore, regional disparities are apparent, with growers in the northeast typically operating on smaller plot sizes compared to their counterparts in the northwest, adding a geographical dimension to the challenges and adaptations within the citrus industry.

The resurgence in sweet citrus prices, triggered by a sudden global scarcity of the product, has initiated a shift in expectations among sweet citrus producers. This unexpected turn in market dynamics adds another layer of complexity to the strategic decisions and outlook of sweet citrus producers.

Processing

Lemons

The number of fresh lemons that will be processed in MY 2023/2024 is projected to increase to 1.42 MMT, reflecting a 7.2 percent rise from the last estimates. This increase is attributed to higher lemon production in Argentina.

Post also updated the lemons processed in MY 2022/2023 to 1.37 MMT, marking a 3 percent increase from the previous official estimates. This adjustment is driven by higher lemon production in Argentina, and less severe drought impact.

In contrast, the estimate for the number of fresh lemons to be processed in MY 2021/2022 indicates a decrease from 1.64 MMT to 1.40 MMT. This reduction is attributed to the smaller-than-estimated fruit size, impacting the overall production during this period.

Oranges and Tangerines

The number of oranges that will be processed in MY 2023/2024 is projected to increase to 220,000 MT. This projection reflects a 10 percent upswing from the last official estimates and is primarily attributed to the rise of production of oranges in Argentina. Similarly, tangerines that will be processed in MY 2023/2024 is projected to increase to 80,000 MT, reflecting a 33 percent rise from the last estimates. This increase is attributed to higher tangerine production.

The amount of fresh oranges that will be processed in MY 2022/2023 remains unchanged at 200,000 MT. Fresh tangerines for processing are also expected to remain unchanged at 60,000 MT.

Investment

Producers are hesitant to invest as prices decline due to the global overproduction of lemons. Despite this, larger lemon producers are actively replacing unproductive trees and investing in new genetic material to enhance yields. The newly replanted orchards also feature higher tree densities. Private sector investments are directed towards enhancing efficiency in processing and packing facilities, irrigation systems, and various research and development projects.

In recent times, citrus exporters have further increased their investments to align with protocols mandated by emerging export markets, including the United States and China. Additionally, efforts have been intensified to meet the European Union (EU) Citrus Black Spot (CBS) requirements, aimed at preventing any potential detection issues in the export process.

Consumption

Lemons

Argentine domestic fresh lemon consumption is expected to reach to 240,000 MT in MY 2023/24, an increase of 84 percent from last estimate. This increase is primarily attributed to a modification in the methods used to calculate these consumption volumes.

Post revised the domestic consumption for MY 2022/23 to 263,000 MT from the last estimate of 130,000 MT. Domestic consumption of fresh lemons in Argentina is also expected to reach 271,000 MT from 150,000 MT set on the last estimate for MY 2021/22. These adjustments align with changes made to the calculation methodology for determining consumption volumes, underscoring the commitment to refining analytical approaches for a more accurate representation of domestic market trends are in line with a review of the Argentine official statistics for lemon consumption.

This methodology shift helped to understand the dynamics of lemon domestic consumption in Argentina. Price inelasticity was also observed in the fresh lemon market. This phenomenon implies consumer demand for lemons remains stable, even in the face of price fluctuations due to factors like lower production. Consumers are likely to maintain consistent lemon purchases, particularly during periods of illness or health concerns, as lemons are valued for their vitamin C content and believed to directly support the immune system. The versatility of lemons across various industries, including beverages, foods, cleaning, aromatherapy, and natural dyes, further contributes to their unwavering and stable consumption patterns.

Oranges and Tangerines

Domestic consumption of fresh oranges is forecast to increase to 608,000 MT in MY 2023/24, up 64 percent from the last estimate. This escalation is intricately tied to the anticipated surge in production of oranges for the same period. Simultaneously, fresh tangerine domestic consumption is projected to increase by 33 percent to 265,000 MT due to the increase in production as well for the upcoming marketing year.

In the context of the marketing year 2022/23, projections from Post indicate domestic consumption of fresh sweet citrus is expected to remain unchanged. Specifically, orange consumption is forecasted at 371,000 MT, while tangerines are expected to maintain a consumption of 196,000 MT. This stability in consumption levels is attributed to the impact of a scarcity in supply, particularly affecting the availability of fresh sweet citrus, notably oranges.

Internal Fruit Tracking

The implementation of "Plant Transit Certificates" (DTVs, in Spanish) by the Argentine Animal and Plant Health Service (SENASA) to control the transport of plants and plant material, continues to improve the information on the domestic movement of such products, including fruit. As a result, more complete data on fruit consumption is available (*Resolución* SENASA 31/2015 http://www.senasa.gob.ar/tags/dtv).

Trade

Exports

Lemons

Forecasted fresh lemon exports in MY 2023/24 stand at 250,000 MT, up 25 percent up from last year's estimate of 200,000 MT. This increase can be attributed to access to the European Union market for organic products and a rise in production levels. However, these factors need to be accompanied by favorable weather conditions to ensure these dynamics. Furthermore, the competitiveness of the lemon sector has been affected by significant production cost increases (especially labor, inputs, energy, inland, and ocean freight costs), a shortage of containers, and high inflation.

In MY 2022/2023, Post updated fresh lemon exports to 220,000 MT, with an increase of 20,000 MT from last estimate. This positive adjustment is attributed to the impact of the drought on lemon production being less severe than initially expected.

Fresh lemons exported in MY 2021/2022 remains unchanged at 258,000MT.

Oranges and Tangerines

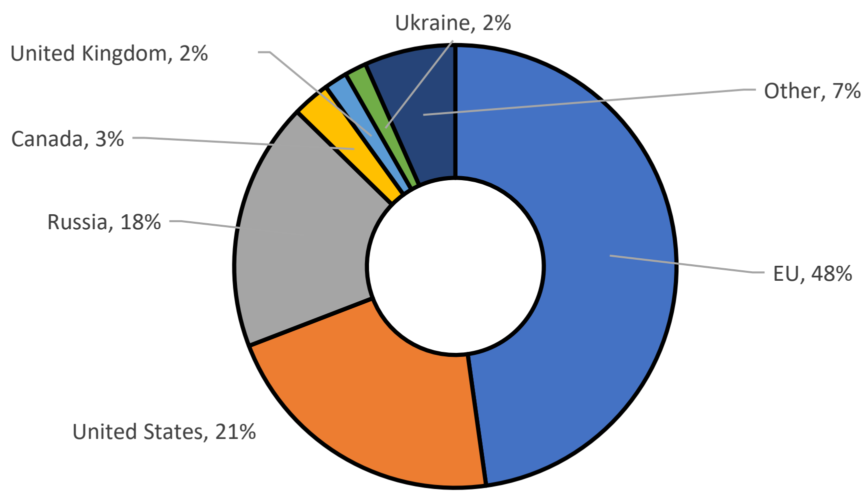
Fresh orange exports from Argentina are forecasted to increase to 75,000 metric tons (MT) for MY 2023/24, an increase of 36 percent from the last estimate. Simultaneously, tangerine exports for MY 2023/24 are estimated at 56,000 MT with an increase of 87 percent from the last estimate. Favorable weather, with optimal growing conditions, adequate rainfall, and suitable temperatures, enhances citrus fruit quality and yield. Such weather can contribute to an optimal crop, resulting in increased production and subsequently higher export volumes. Also, higher prices of sweet citrus can act as a powerful incentive for producers to expand cultivation and increase production to capitalize on the potential for increased revenue.

For MY 2022/23, Post's sweet citrus export estimate for remains unchanged at 63,000 MT for oranges and 33,000 MT for tangerines. Exports of both fruits will be below normal levels due to poor economic and financial conditions affecting the domestic citrus business. In addition, both sweet citrus fruits continue to face fierce competition from Southern Hemisphere competitors, primarily South Africa, and other non-traditional competitors, such as Peru, Chile, and Uruguay.

Export Destinations

During the first nine months of 2023, there was a decline in volume of 15 percent of fresh lemons exports compared to the same period in 2022. The Argentine citrus sector has focused its exports to concentrate on the United States market. Approximately 34 percent of exports were sent to the United States, representing a notable increase from the 21 percent market share during the same period in 2022. However, it is worth highlighting the diversification efforts into nontraditional markets, such as Albania and Ukraine. During January-September 2023, the EU retained its status as the largest export market for Argentine fresh lemons, accounting for 37 percent of total exports. Russia shifted to the third position with 16 percent of total exports.

Figure 2: Argentine Fresh Lemon Exports by Volume in 2022



Source: FAS Buenos Aires based on Trade Data Monitor, LLC

In June 2023, and after more than 20 years, the EU approved the shipment of all Argentine organic citrus treated post-harvest with sodium bicarbonate. This approval marks a departure from the previous restriction solely to organic lemons, expanding the authorization to include sweet citrus as well. The decision by European authorities heralds a positive impact on the production of organic citrus fruits in Argentina, where approximately 3,342 hectares are currently cultivated under these conditions, as per Argentina's official estimations for 2023. This development is poised to open new opportunities for Argentina's organic citrus sector in the European market.

In February 2023, Argentina's SENASA introduced rigorous measures to reduce the spread of Black Spot in citrus shipments for the European Union (EU). The Resolution 131/2023 mandates additional preventive treatments, including the use of strobilurins, for all citrus production units during the susceptibility period. This update extends treatments to all citrus varieties, such as oranges, mandarins, and grapefruits. Establishments with previous Black Spot detections are now required to apply strobilurins twice for export-bound produce. The resolution also increases sampling percentages for establishments with previous detections, emphasizing a comprehensive risk approach. Penalties for non-compliance, including exclusion from exporting citrus to the EU for a campaign period, remain unchanged.

On May 1, 2021, the EU reopened its market to Argentine fresh lemons and oranges after the detection of CBS in MY 2019/20. Argentine exporters had to make additional investments to ensure their compliance with the EU's technical requirements, which resulted in virtually zero CBS detections during the MY 2021/22 marketing season. In February 2021, following Brexit, the United Kingdom deregulated citrus imports from all origins allowing Argentina to export citrus fruit without a phytosanitary certificate.

Table 1: Lemon Export Volume to the U.S. by Marketing Year

Fresh Lemon Exports to the U.S.	
Marketing Year	**Metric Tons**
MY 2017/18	10,640
MY 2018/19	23,179
MY 2019/20	33,963
MY 2021/22	72,998
MY 2022/23	55,253

Source: FAS Buenos Aires based on Trade Data Monitor, LLC

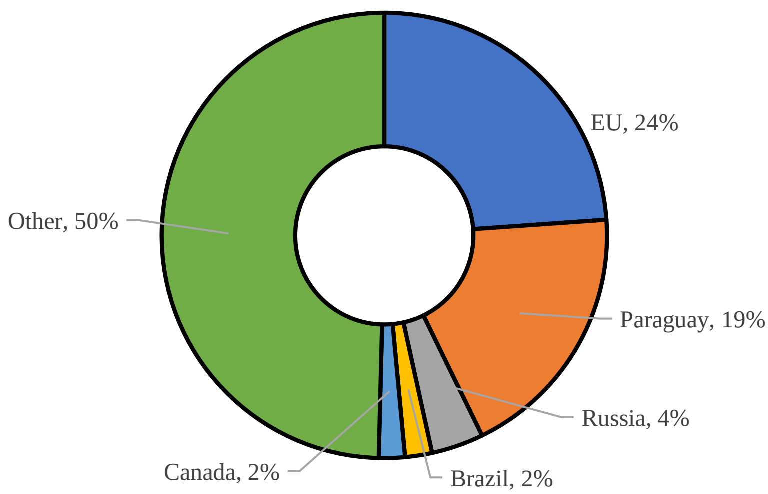
After regaining market access to the United States in MY 2016/17, the Argentina's fresh lemon exports to the United States exhibited a notable upward trend. The exports volumes went by approximately 117 percent from 10,640 to 23,179 metric tons in MY 2018/19, followed by a further increase of about 46 percent to reach 33,963 metric tons in MY 2019/20. The most significant growth occurred in MY 2021/22, with a remarkable upswing of approximately 115 percent, peaking at 72,998 metric tons. However, the subsequent year, MY 2022/23, witnessed a decline of about 24percent, decreasing to 55,253 metric tons.

Argentina has access to Brazil for all citrus fruits but faces competitive challenges in this market. In 2017, the Brazilian market for citrus fruits was reopened to Argentine exports after being closed for two years due to the detection of the citrus greening disease. However, the reopening of the market was accompanied by strict sanitary measures, which have made it more difficult for Argentina to export citrus fruits to Brazil. The access of citrus fruits from other countries, such as Uruguay and Chile, into the Brazilian market has made it more competitive for Argentine producers.

Argentina has had access to sweet citrus to China since 2004, and access to South Korea, Indonesia, and the Philippines since 2017.

During the period January-September 2023, orange exports were affected by the drought and lower production, and Paraguay accounted for 44-96 percent of total exports, but there was a 71 percent decrease compared to the same period last year.

Figure 3: Argentine Fresh Oranges Exports by Volume in 2022

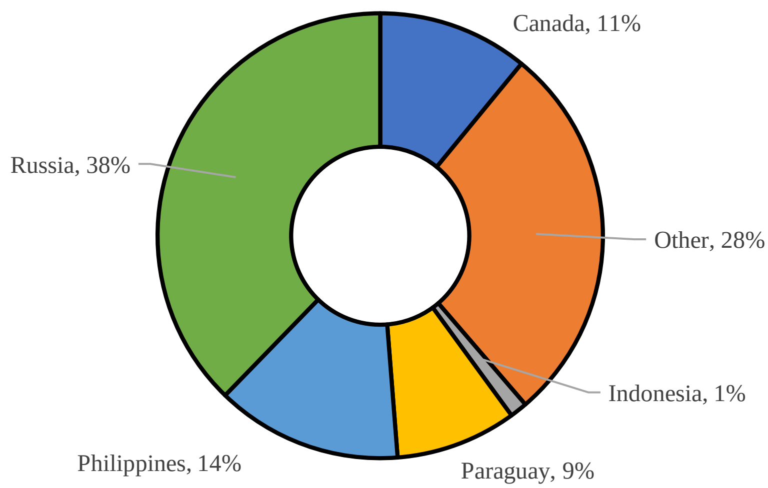


Source: FAS Buenos Aires based on Trade Data Monitor, LLC

During the initial nine months of 2023, Argentina faced a substantial contraction in the volume of fresh orange exports, a 51percent decline compared to the same period in 2022. Notably, the Argentine citrus industry has strategically centered its fresh orange exports, allocating 60 percent of the total to the European Union (EU) market during the same period. The decline was particularly pronounced in the Paraguayan market, experiencing a staggering 76 percent decrease compared to 2022, while the EU market also witnessed a significant 30 percent fall.

During the initial nine months of 2023, Argentina faced a substantial contraction in the volume of tangerine exports, registering a 30 percent decline in comparison to the same period in 2022. The noteworthy downturns in the Russian market by 36percent and the Canadian market by 50 percent during this period provide explanatory factors for this overall decrease.

Figure 4: Argentine Fresh Tangerine Exports by Volume in 2022



Source: FAS Buenos Aires based on Trade Data Monitor, LLC

Export Promotion

"ALL LEMON Tested & Certified for Export" (ALL LEMON) is a seal that guarantees the quality of fresh Argentine lemons for export. It involves an audit program of the sixteen leading lemon producers, packers, and exporters in Argentina, which certifies quality standards for export of about 85 percent of the country's total lemon production. Lemons identified under ALL LEMON parameters must comply with:

- Food safety standards
- Traceability
- Freshness
- Firmness
- Durability
- High juice content
- Aesthetic care
- Balanced color
- Uniform format.

For additional information on All Lemon: http://www.latinlemon.com.ar/all-lemon-english.html

Imports

Post forecasts lemon imports at 1,000 metric tons (MT) in MY 2023/2024. Additionally, imports for MY 2022/2023 are revised to 1,000 MT. This adjustment is attributed to better-than-expected lemon production.

Post forecasts orange imports at 3,000 metric tons (MT) in MY 2023/2024. Additionally, MY 2022/2023 orange imports are revised to 1,000 MT. This adjustment is attributed to worse than expected orange production.

Post forecasts tangerine imports at 1,000 metric tons in MY 2023/2024. Additionally, MY 2022/2023 imports are revised to 1,000 MT. This adjustment is attributed to worse than expected tangerine production.

Policy

Import and Export Regulations

The Argentine government's investment in the citrus sector has been limited. This has led to some producers without access to all the resources required for international market competitiveness. Despite the complex macroeconomic context, the government of Argentina successfully established the *Programa de Incremento Exportador para las Economías Regionales* (PIER) to provide financial and technical assistance to a specific group of ag producers. This program offered several benefits, such as a preferential exchange rate exceeding the official rate. This implies that exporters can secure a higher value in pesos for each dollar exported, thereby enhancing their overall profitability.

The PIER offered a fixed exchange rate to agricultural exporters of specific products, called the "agro dollar." The exchange rate was set at 300 Argentine pesos per US dollar from April 8, 2023, to August 31, 2023. This was a 40 percent premium over the official exchange rate at the beginning of the program, but it decreased to only 10 percent by the end of the program due to inflation. The PIER has been a valuable tool for citrus producers in Argentina because it has helped them to marginally increase the values in pesos for each dollar exported.
Argentina relaunched the PIER program with an exchange rate of 340 from July 24, 2023, to August 31, 2023, because inflation continued to rise, and the 300 pesos exchange rate was no longer providing a subsidy to agricultural exporters. The new exchange rate of 340 pesos per US dollar was intended to offset the rising costs of imported inputs for agricultural producers.

In October 2023, the "agro dollar" was extended through Decree 549/23 to all exported products such as intermediate goods, final goods, services, or primary products, among others until November 17th, 2023. This new exchange rate was set with 30 percent based on the financial exchange rate called "contado con liquidación" or CCL and the remaining 70 percent based on the official exchange rate. The result was an exchange rate of 520 pesos per dollar as of November 16th, 2023.

However, through Decree 597/2023, issued on November 17th, 2023, the new exchange rate was further adjusted to 50 percent based on CCL and 50 percent based on the official exchange rate, effective until December 10th, 2023. Consequently, the approximate exchange rate as of November 16th, 2023, reached 645 pesos per dollar. These measures highlight the government's efforts to address economic challenges and support the agricultural sector amid evolving financial conditions.

The presence of numerous exchange rates, distinct from the official rate, shows the distortions on the Argentine foreign exchange market. The government employs various financial instruments to regulate this market, leading to many exchange rates across various economic activities, including the citrus sector. Table 2 below includes current tariffs, taxes, and rebates for all types of citrus fruit:

Table 2: Tariffs, taxes, & rebates for all citrus fruit.

Tariffs, taxes, & rebates for all citrus fruit	
(HTS codes: 080510, 080521, 080522, 080529, 080550)	percent
Import Tariff (outside Mercosur)	10.00
Advance Value-added Tax	10.5
Statistical Tax	3.00
Value-added Tax	21
Export Tax	0.00
Export Rebate (bulk) (*)	1.00

Source: FAS Buenos Aires based on Tarifar. (*) The export rebate applies equally within and outside Mercosur

Phytosanitary Issues: Citrus Greening

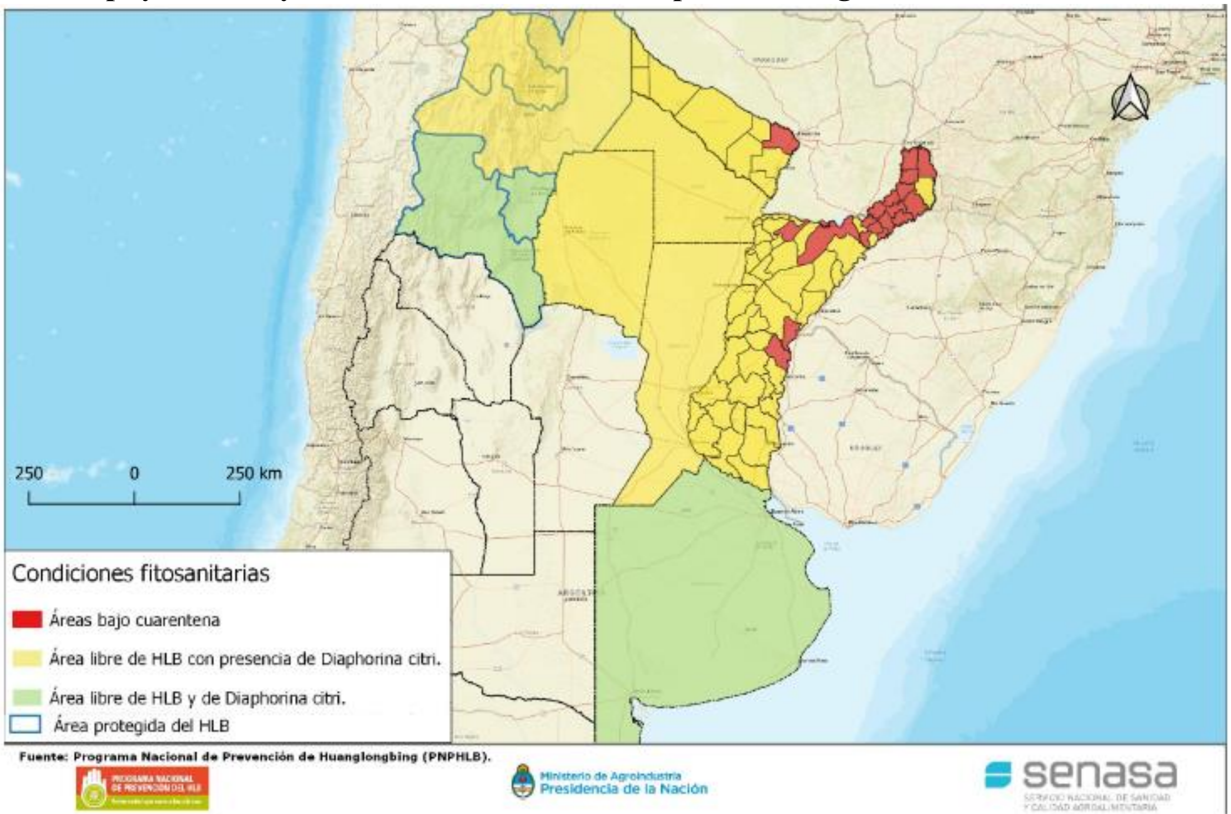
In July 2014, a non-commercial case of Huanglongbing (HLB) was found in Mocoreta, Corrientes province (Northeastern region of Argentina – near the border with Uruguay). The Argentine government immediately implemented its monitoring system in the area, per the National HLB Prevention Program and subsequently found no further evidence of the disease. The program was established by Secretariat of Agriculture Resolution No. 517/2009, and ratified by National Law No. 26.888/2013, and SENASA Resolution 336/14.

On July 4, 2012, USDA’s Animal and Plant Health Inspection Service (APHIS) was officially notified that a case of HLB had been reported in one infected tangerine tree in Puerto Deseado, Misiones province (northeastern region of Argentina – close to the border with Brazil). The infected tree was destroyed as a precautionary action. In addition, SENASA intensified the surveillance for citrus species in the area with sampling in 150 premises with negative results for both: the symptoms and the vector (Diaphorina citri) of the disease. SENASA stated since the location is not a citrus commercial area, and it is surrounded by national parks, it is likely that this was an illegal introduction from outside the country. Nevertheless, Diaphorina citri was reported in other areas of Argentina. A few additional cases were detected in Misiones and Corrientes provinces and, in 2016, for the first time, in citrus commercial areas (i.e., vector presence, no disease).

In November 2017, the Ministry of Agroindustry and the Argentine Citrus Federation (FEDERCITRUS, in Spanish) signed an agreement to work jointly on the prevention of HLB into Argentina and, in March 2019, under the framework of the National Program for HLB Prevention, SENASA, the Secretariat of Agroindustry's National Trust Fund (FONDAGRO, in Spanish), and the Phytosanitary Association of the Northwest of Argentina (AFINOA, in Spanish) signed an agreement for resource contribution and management. SENASA recently made some changes to the national program for HLB Prevention to protect citrus production. Since the presence of the pest was detected in new areas, these recently affected areas were declared under quarantine in Resolution Nr 875/2020.

In the province of Entre Ríos, HLB was initially identified in samples of the Diaphorina citri in November 2017. This marked the beginning of the Phytosanitary Contingency Plan in the area. Throughout 2018, HLB detections persisted in the vector, and by June, the first positive HLB results were confirmed in plant samples taken from eradicated plants.

Figure 5: The phytosanitary condition of HLB in the Republic of Argentina in November 2023.



Source: SENASA - Red means area under HLB-related quarantine. Yellow means area free of HLB with presence of Diaphorina citri and green area means area free of hlb and/or Diaphorina citri.

SENASA has defined the following areas based on HLB presence or absence, as follows:

- Area free of HLB and/or Diaphorina citri: Buenos Aires, Catamarca, and Tucuman. Green area of Figure 5.

- Area free of HLB with presence of Diaphorina citri: Jujuy, Salta, Santa Fe, Chaco, Misiones, Entre Ríos (some departments), Corrientes, Formosa, and Santiago del Estero. Yellow area of Figure 5.

- Areas under quarantine: Corrientes (some departments); Misiones (some departments), Entre Ríos (Federación), and Formosa (some departments). Red area of Figure 5.

- Area protected from HLB: Northwest Argentina (NOA) region.

Currently, SENASA operates a network of approximately 400 trapping sites across the country for the early detection of the HLB vector insect. These traps undergo inspection every 15 or 30 days, depending on their specific installation conditions. They serve as an additional tool focused on the early detection of the vector insect in areas where it is currently absent.

Based on Senasa data, the existence of this disease in the Federación department (Entre Ríos) and Monte Caseros department (Corrientes), recognized as integral citrus regions along the Uruguay River coast, presents a significant obstacle to sustaining current production in the long term. This suggests an uncertain outlook for citrus cultivation in these areas.

For additional information on HLB in Argentina visit:

https://www.argentina.gob.ar/senasa/micrositios/hlb

Marketing

International (FOB) Prices for Fresh Citrus Fruit

FOB prices for fresh lemons were lower during January-October 2023 than the same period in MY 2022/2023. This decline is attributed to the increased supply of these fruits in the market, resulting in an oversupply situation putting some pressure to push prices down.

There was a noteworthy increase in orange prices during July and August across the three years (2021, 2022, and 2023). In 2021, prices surged from 447 US$/MT in July to 487 US$/MT in August. Similarly, in 2022, there was a notable rise from 352 US$/MT in July to 394 US$/MT in August. The most pronounced increase occurred in 2023, with prices escalating from 603 US$/MT in July to 579 US$/MT in August due to a smaller than expected crop in many major producing countries.

The FOB prices for fresh tangerines remained stable over the past three years, showing consistent pricing trends. Notably, there was a common surge in prices during June, with values of 311 US$/MT in 2021, 299 US$/MT in 2022, and 306 US$/MT in 2023. Despite this periodic increase, the overall stability in FOB prices suggests a degree of resilience in the fresh tangerine market.

Table 3: Argentine export prices for lemons

US$/MT	2021	2022	2023
Jan	--	595	571
Feb	--	684	495
Mar	628	607	532
Apr	642	610	569
May	657	637	562
Jun	667	635	558
Jul	656	602	563
Aug	643	577	582
Sep	654	483	562
Oct	--	408	515
Nov	589	516	--
Dec	619	--	--
Average	640	578	551

Source: FAS Buenos Aires based on Trade Data Monitor, LLC

Table 4: Argentine export prices for oranges

US$/MT	2021	2022	2023
Jan	52	60	66
Feb	61	53	51
Mar	56	58	50
Apr	53	59	41
May	107	93	107
Jun	311	299	306
Jul	447	352	603
Aug	487	394	579
Sep	442	397	390
Oct	415	425	--
Nov	306	453	--
Dec	78	95	--
Average	235	228	244

Source: FAS Buenos Aires based on Trade Data Monitor, LLC

Table 5: Argentine export prices for tangerines

US$/MT	2021	2022	2023
Jan	--	56	--
Feb	--	62	--
Mar	638	--	--
Apr	687	626	667
May	698	636	597
Jun	673	676	617
Jul	722	695	648
Aug	673	604	575
Sep	530	473	456
Oct	281	270	--
Nov	74	131	--
Dec	84	113	--
Average	506	395	594

Source: FAS Buenos Aires based on Trade Data Monitor, LLC

The observed trend in Argentine tangerine export prices reveals distinctive dynamics over the analyzed years. The yearly averages underscore the fluctuating nature of tangerine export prices. The average cost per metric ton was 506 US$/MT in 2021, declining notably to 395 US$/MT in 2022, and then increasing to 594 US$/MT in 2023. This implies a market that experiences significant shifts in pricing dynamics.

Table 6: Domestic retail prices for fresh citrus fruit in Argentina:

Fresh Citrus Fruit	US$/kg
Lemon (Standard)	0.67
Lemon (Premium)	0.89
Orange "Valencia" (Standard)	1.41
Orange "Valencia" (Premium)	1.68
Orange "Navel" (Standard)	1.41
Orange "Navel" (Premium)	1.68
Tangerine "Okitsu"	1.30
Tangerine "Murcot"	1.12
Tangerine "Criolla"	1.49
Tangerine "Nova"	1.30

Source: FAS Buenos Aires based on data gathered from supermarkets and grocery stores. Exchange rate: Argentine pesos 365.5/US$1. Date of quote: 01/14/2023

The link below to the Buenos Aires Central Market provides updated wholesale citrus prices:
http://www.mercadocentral.gob.ar/informacipercent C3percent B3n/precios-mayoristas

Tables 7-9: Production, Supply and Distribution of Lemons, Oranges, and Tangerines

Lemons/Limes, Fresh	2021/2022			2022/2023			2023/2024			
Market Begin Year	Jan 2022			Jan 2023			Jan 2024			
Argentina	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	
Area Planted	51000	51000	51000	45000	52000	45000	0	0	41000	(HECTARES)
Area Harvested	49000	49000	49000	43200	50000	43200	0	0	39000	(HECTARES)
Bearing Trees	12050	12050	12050	10462	12300	10462	0	0	10332	(1000 TREES)
Non-Bearing Trees	900	900	900	788	950	788	0	0	789	(1000 TREES)
Total No. Of Trees	12950	12950	12950	11250	13250	11250	0	0	11121	(1000 TREES)
Production	2050	1900	1930	1650	1770	1850	0	0	1907	(1000 MT)
Imports	2	1	2	3	1	1	0	0	1	(1000 MT)
Total Supply	2052	1901	1932	1653	1771	1851	0	0	1908	(1000 MT)
Exports	258	260	258	200	235	220	0	0	250	(1000 MT)
Fresh Dom. Consumption	150	150	273	130	130	263	0	0	240	(1000 MT)
For Processing	1644	1491	1401	1323	1406	1368	0	0	1418	(1000 MT)
Total Distribution	2052	1901	1932	1653	1771	1851	0	0	1908	(1000 MT)

Oranges, Fresh	2021/2022			2022/2023			2023/2024			
Market Begin Year	Jan 2022			Jan 2023			Jan 2024			
Argentina	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	
										(Units)
Area Planted	38000	38000	38000	37000	37000	37000	0	0	37000	(HECTARES)
Area Harvested	35000	35000	35000	33300	34500	34500	0	0	33300	(HECTARES)
Bearing Trees	16800	16800	16800	16500	16500	16500	0	0	1650	(1000 TREES)
Non-Bearing Trees	1500	1500	1500	1400	1400	1400	0	0	1400	(1000 TREES)
Total No. Of Trees	18300	18300	18300	17900	17900	17900	0	0	17900	(1000 TREES)
Production	830	830	726	623	800	580	0	0	900	(1000 MT)
Imports	2	1	2	3	1	3	0	0	3	(1000 MT)
Total Supply	832	831	728	626	801	583	0	0	903	(1000 MT)
Exports	63	63	63	55	60	32	0	0	75	(1000 MT)
Fresh Dom. Consumption	569	568	549	371	541	371	0	0	608	(1000 MT)
For Processing	200	200	116	200	200	197	0	0	220	(1000 MT)
Total Distribution	832	831	728	626	801	600	0	0	903	(1000 MT)

Tangerines/Mandarins, Fresh	2021/2022			2022/2023			2023/2024			
Market Begin Year	Jan 2022			Jan 2023			Jan 2024			
Argentina	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	
										(Units)
Area Planted	27500	27500	27500	26900	26900	26900	0	0	27500	(HECTARES)
Area Harvested	22550	23000	22550	22058	23000	23000	0	0	22550	(HECTARES)
Bearing Trees	12600	12600	12600	12500	12500	12500	0	0	12600	(1000 TREES)
Non-Bearing Trees	1350	1350	1350	1300	1300	1300	0	0	1350	(1000 TREES)
Total No. Of Trees	13950	13950	13950	13800	13800	13800	0	0	13950	(1000 TREES)
Production	380	380	380	285	380	285	0	0	400	(1000 MT)
Imports	0	0	0	1	0	1	0	0	1	(1000 MT)
Total Supply	380	380	380	286	380	286	0	0	401	(1000 MT)
Exports	33	33	33	30	57	30	0	0	56	(1000 MT)
Fresh Dom. Consumption	277	277	277	196	263	196	0	0	265	(1000 MT)
For Processing	70	70	70	60	60	60	0	0	80	(1000 MT)
Total Distribution	380	380	380	286	380	286	0	0	401	(1000 MT)

Attachments:

No Attachments