

AILIMPO CONFIRMS A LEMON CROP IN SPAIN OF 1,115,000 TONNES FOR THE 2017/2018 SEASON

Spain strengthens its position as lead supplier in the EU for quantity, quality, and safety of lemons.

Murcia, 29 September, 2017

AILIMPO's lemon harvest estimate (forecast) for the 2017/2018 season confirms a harvest of 1,115,000 tonnes in Spain, a decrease of 3.7% with regard to the production figure for the 2016/2017 season, which ended on 31 August, with 1,157,800 tonnes.

Regarding varieties of lemon, an increase of 12% is expected for FINO lemon, with a total expected harvest of 907,000 tonnes. The increase in FINO lemon is due to new plantations entering into production. The VERNA variety, however, has an estimated decrease of 40%, due to high temperatures that affected flowering in May and June, with an expected production of 208,000 tonnes. Nevertheless, there has been significant flowering in September in late-blossoming crops, and the volume available for harvest in the summer months will be quantified in Ailimpo's next forecast report.

Start of the Spanish season

The FINO lemon season started the last week of September with harvest and export activity developing gradually during October. The water and the weather in the coming weeks will cause the supply to have a limited availability of commercial size lemon in the coming weeks of the season.

With these figures for the 2017/2018 season, Spain will continue to strengthen its commercial position in the EU with a market share of over 80%, where it has an unquestionable leadership in high-quality lemon, health guarantee, and excellent service.

General Outlook

The overall figure of lemon production in Spain of over one million tonnes will allow the sector to continue reinforcing its export volume to EU markets this season. It will also allow for satisfying growing demand from the domestic market and reintroducing exports to overseas markets outside of the EU, such as the Middle East, Canada, and Brazil, increasing the diversification of markets started by the export sector years ago.

Moreover, this harvest volume may allow for normal activity in the processing of lemon, in which Spain ranks 2nd in the world, and which plays a key role in regulating supply and market balance.

The fulfilment of field notebooks by growers, accreditation by the GlobalGAP and GRASP certificates, the involvement of the sector in sustainability programmes, and the use of standardised contracts from the Ministry of Agriculture that fulfil Act 12/2013, on measures for improving the operation of the food supply chain, will be some of the essential elements of this season.

COMMITMENT TO TRANSPARENCY

2016/2017 SEASON BALANCE SHEET (Tonnes)

	LEMON
EXPORT	672,162
DOMESTIC MARKET	160,000
LOSSES	44,105
PROCESSING	281,533
TOTAL	1,157,800

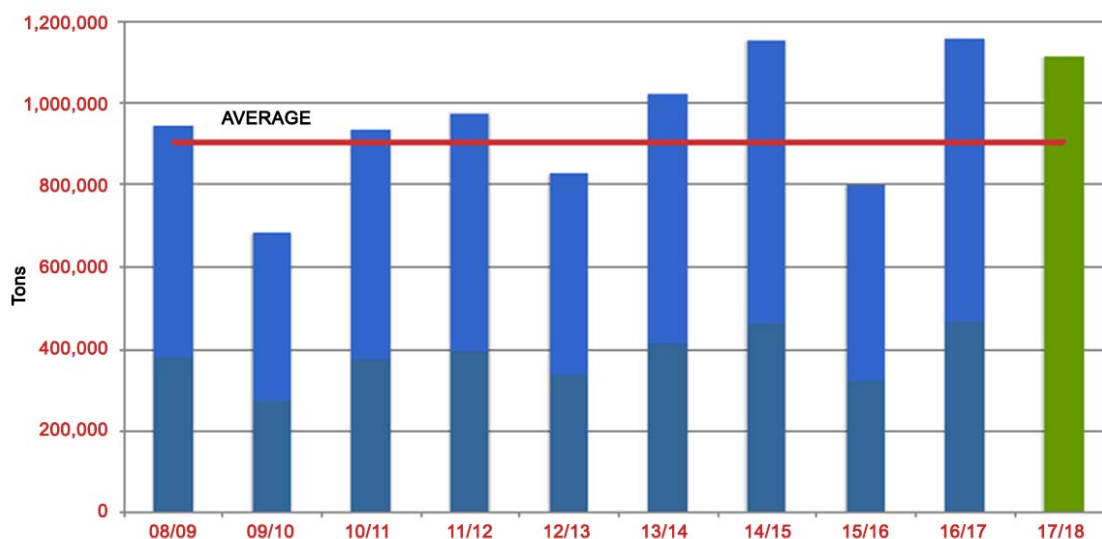
Tonnes	16/17 Balance Sheet	17/18 Estimate	Difference %
FINO LEMON	810,000	907,000	+12%
VERNA LEMON	347,800	208,000	-40%
TOTAL	1,157,800	1,115,000	-3.70%

Historical Record of LEMON Production in Spain

	2007/08 S.	2008/09 S.	2009/10 S.	2010/11 S.	2011/12 S.	2012/13 S.	2013/14 S.	2014/15 S.	2015/16 S.	2016/17 S.*	2017/18 S.**
Production	553,000	946,000	682,000	936,000	977,000	830,000	1,024,000	1,154,000	800,852	1,157,800	1,115,000

TONNES *Tentative data at the close of the 2016/17 season **Ailimpo's harvest forecast for 17/18

	AVERAGE OF LAST 10 SEASONS 2007-2016	CAPACITY 2017/2018 Season
Production	906,065 Tonnes	1,115,000 Tonnes



COMMITMENT TO TRANSPARENCY



Next Update: Ailimpo will update the harvest forecast, with an emphasis on the estimate of Verna lemon, on:

✓ ***Thursday, 25 January, 2018***

Note on Methodology: Ailimpo drew up this technical report following the working protocol, using information provided by surveys given to producers, cooperatives, exporters, and processing industries, in addition to field information from its control farms.

Ailimpo is a national inter-professional association, based in Murcia, officially recognised by the Ministry of Agriculture and the European Commission, which represents the economic interests of producers, cooperatives, exporters, and lemon and grapefruit industries in Spain, a sector in which Spain is the world leader for fresh product and 2nd in the ranking of processing countries, with a turnover of €688 million per year, generating 19.875 direct jobs, and a turnover of over €250 million in related industries.

The lemon sector contributes to environmental sustainability, with a positive net balance of 304,840 tonnes of CO2 captured per year.

By law, its functions include: Ensuring the proper operation of the food supply chain, Drawing up agri-food contracts and developing methods for monitoring and streamlining the use of phytosanitary products to guarantee the quality of the products and the protection of the environment, and Boosting and promoting quality and excellence standards in the sector