



José - Antonio García  
Director



Linkedin

**"Tell the truth. Transparency breeds legitimacy" (John C. Maxwell)**

## Inflation

**Spain has closed 2021 with an inflation rate of 6.5%, the highest in the last 30 years.** A figure that is causing concern both on the supply side (due to the increase in production costs) and on the demand side (due to the psychological effect it may have on consumption). It is very difficult to evaluate in detail the micro impact on the lemon and grapefruit sector. But there is such a thing, just like the witches do exist.

**We can do little about this macro scenario,** just act as a spectator and try to adapt as best as possible. Now it is the turn of the leading role of the "seers". Some tell us to be calm that this is a matter of a few months and that 2022 will close with a very low figure. Generally this is the speech of the government that tries to give us this medicine to calm us down. On the other hand, the economic studies services do not agree and each one throws a percentage on the table.

**The reality is that there is little we can do, except to claim that lemon and grapefruit are natural medicines full of vitamin C, and that as such medicines they should have an adequate price for the consumer but sufficiently demanding to make consumers feel that they are paying for a product that improves their health and also cares for the environment. Cheapness is not valued.**



## UPDATED LEMON FORECAST

AILIMPO has updated the lemon harvest forecast in Spain for the current 2021/2022 campaign. The latest data indicates a total production of 990,000 tons, of which 800,000 will be of the fino variety, and 190,000 for the verna variety. A figure that is slightly below the average production of the last 10 campaigns, and which is significantly lower than the 1,375,000 tons of last campaign, which was a record. 5.3 million lemon trees have been planted in the last 6 years. **What is the reason for this short-term reduction?** Basically there are two reasons: the first is that we come from an absolutely record previous year and nature is wise and the trees ask for a little rest. The second is the weather that negatively affected flowering and fruit set, 2 absolutely key moments. Catastrophic weather events such as frosts, droughts or floods are not necessary to affect production. Agricultural activity is very sensitive. That is why it is important to monitor the effects of climate change with the most modern technologies in order to anticipate and develop agronomic techniques that help us minimize or avoid these negative effects.

This harvest forecast report has 3 milestones in the calendar: July with a first approximation, September with a more adjusted estimate at the beginning of the commercial campaign, and the end of January in order to be able to correct possible deviations and analyze the forecast in detail. for the Verna lemon, a variety native to Spain that allows us to produce the only summer lemon in the world, a fruit with different and very particular



characteristics of juice content, acidity, aroma and essential oil. It is AILIMPO's response to our commitment to transparency.

**Preparing lemon and grapefruit harvest forecasts is by no means an exercise in fortune-telling or seeing through a crystal ball.** The easy thing is to analyze the past, what has already happened. **Working in the future is a difficult job that requires method and technique** using surveys, field work and statistics as tools. A working method developed by AILIMPO that is refined campaign after campaign and that enjoys credibility not only in Spain but also on the international scene of the sector. But there is much to be done, taking advantage of new technological tools through big data. But **without forgetting or underestimating the immense knowledge accumulated by farmers**, who sometimes surprise us and with just a look at their lemon trees, the sky or the behavior of insects, they are able to decipher some keys in seconds and offer qualitative information that a priori they do not know how to do the algorithms. **A few years ago the mantra was "think global and act local", perhaps now it would be better to "think global, act global, but take advantage of local talent and wisdom".**