



# CITRUS TRADE DYNAMICS: EU AND KEY PARTNER COUNTRIES ANALYSIS & RECOMMENDATIONS

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# INTRODUCTION

## MAIN PURPOSE

The objective of this analysis is to identify promising export markets for a citrus fruit farm in Spain.

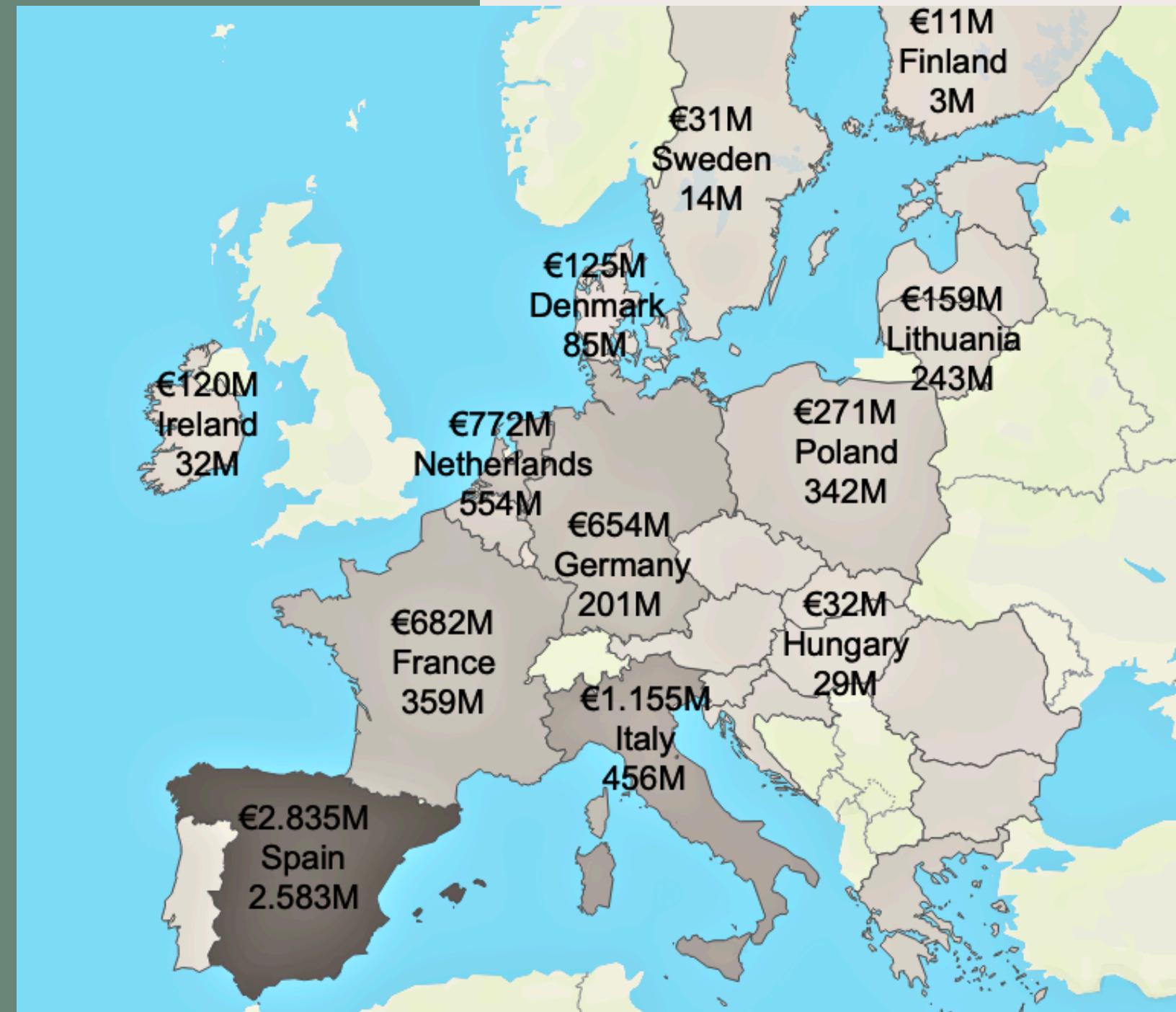
## DATA

Data from the EU's COMEXT Database and the World Bank, spanning the period from 2016 to 2020, were meticulously prepared, segmented, and analyzed using Python and Tableau. This process facilitated comprehensive exploratory data analysis (EDA).

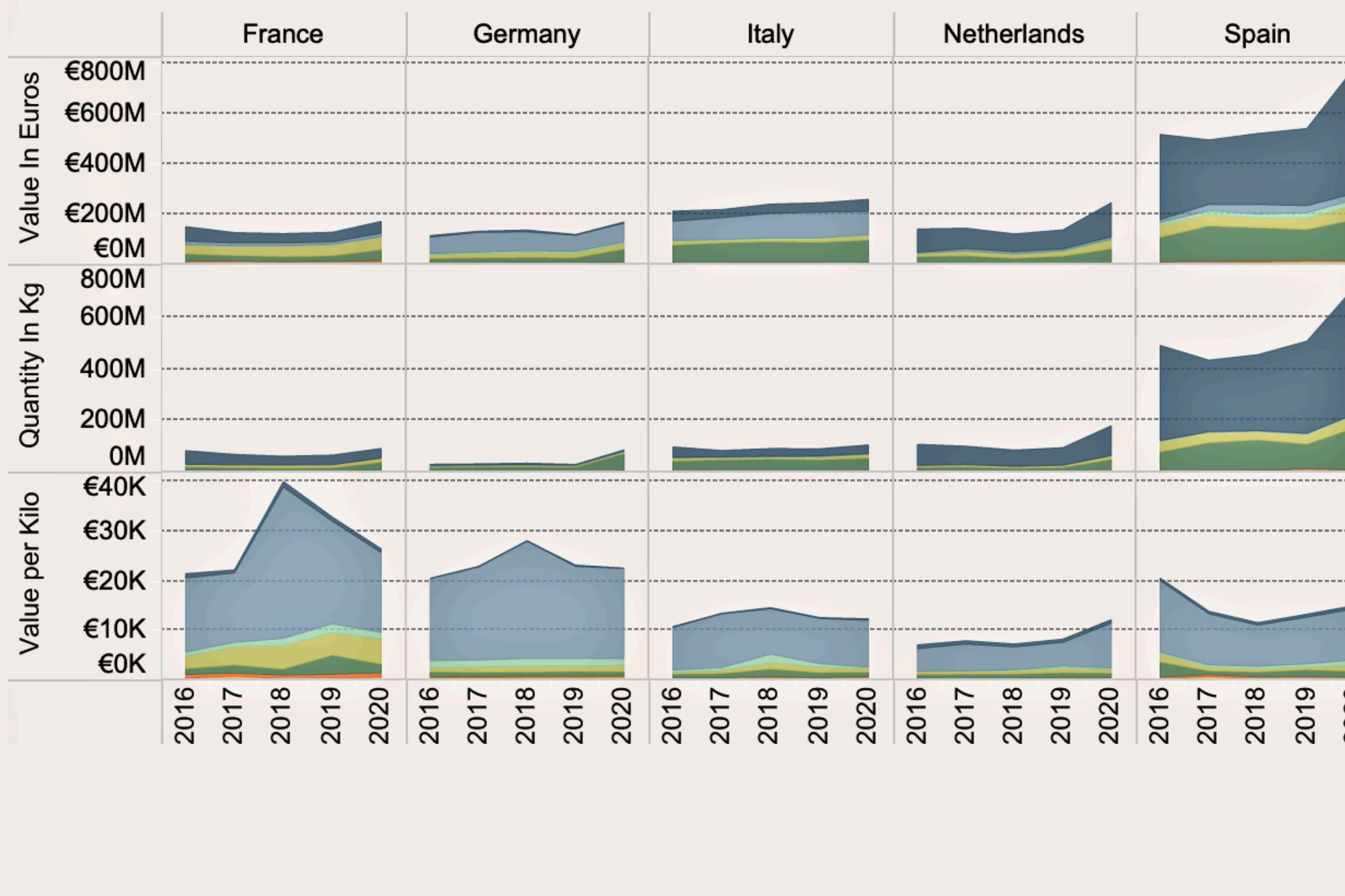
For all interactive graphs and tables please see: [Tableau Profile](#)

# EU EXPORT REVENUES AND TRENDS

- In 2022, Citrus were the world's 279th most traded product (The Observatory of Economic Complexity).
- Citrus product range is impressively diverse, including citrus fruit (fresh or dried), essential oils, fruit juices, jams, fruit jellies, marmalade, and even the peel of citrus fruit or melons, ensuring a wide selection that caters to various market demands.
- Spain with 2835 million Euros, a leader in citrus exports, plays a critical role in the global market, followed by Italy with 1155 million Euros, and the Netherlands with 772 million Euros.



# TOP 5 EU COUNTRIES BY EXPORT SALES VALUE



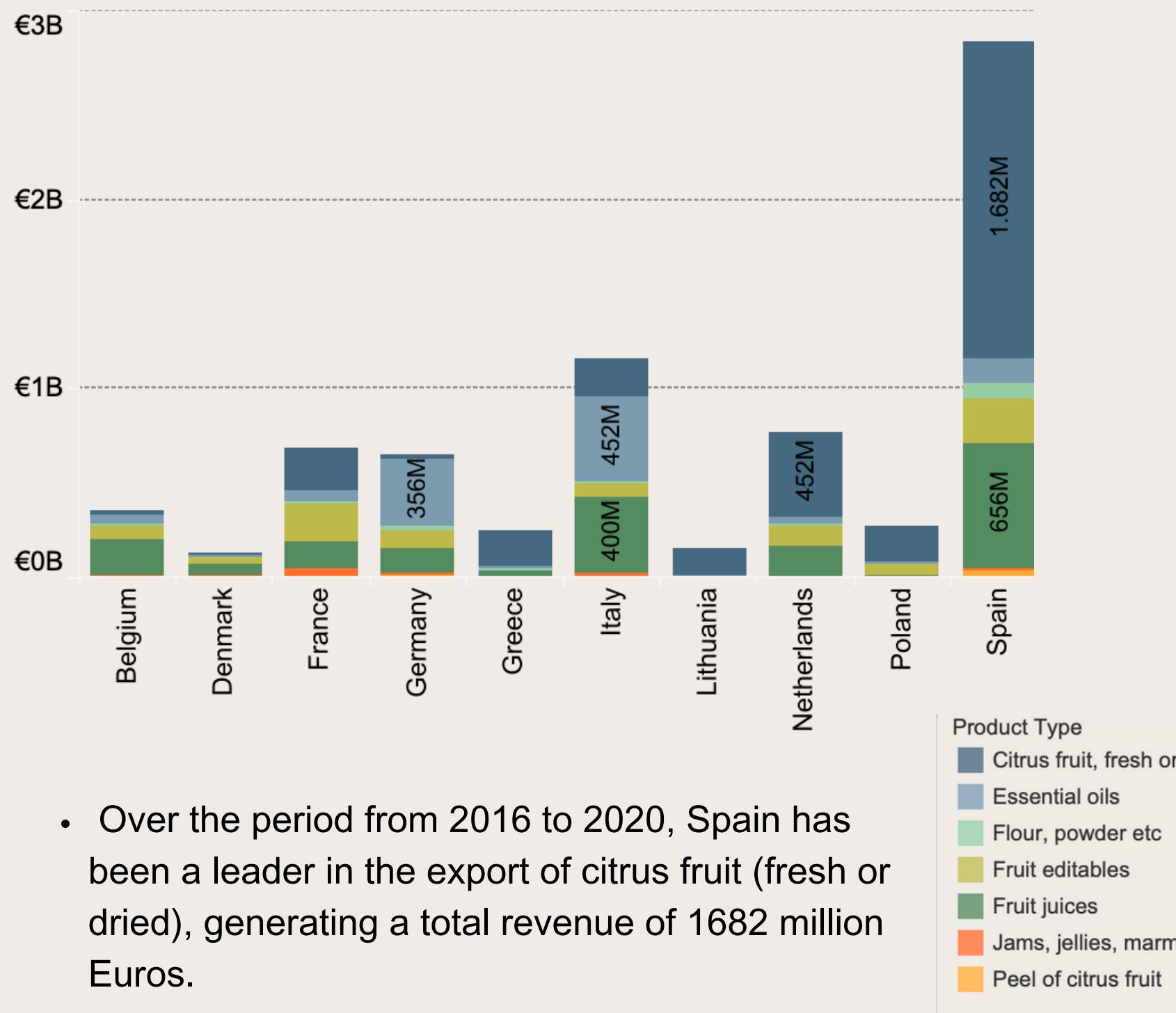
- Overall, there is a global upward trend in citrus exports.
- Spain leads in the export of “citrus fruit, fresh or dried” with a revenue of 502 million Euros in 2020.
- Essential oils have the highest value per kilo among products exported from EU countries.
- Spain lags behind France and Germany in revenue per kilogram due to these countries differentiating their products by exporting essential oils.

Product Type

- Citrus fruit, fresh or dried
- Essential oils
- Flour, powder etc
- Fruit editables
- Fruit juices
- Jams, jellies, marmalade
- Peel of citrus fruit

# PRODUCT DIVERSIFICATION AND VALUE ADDITION

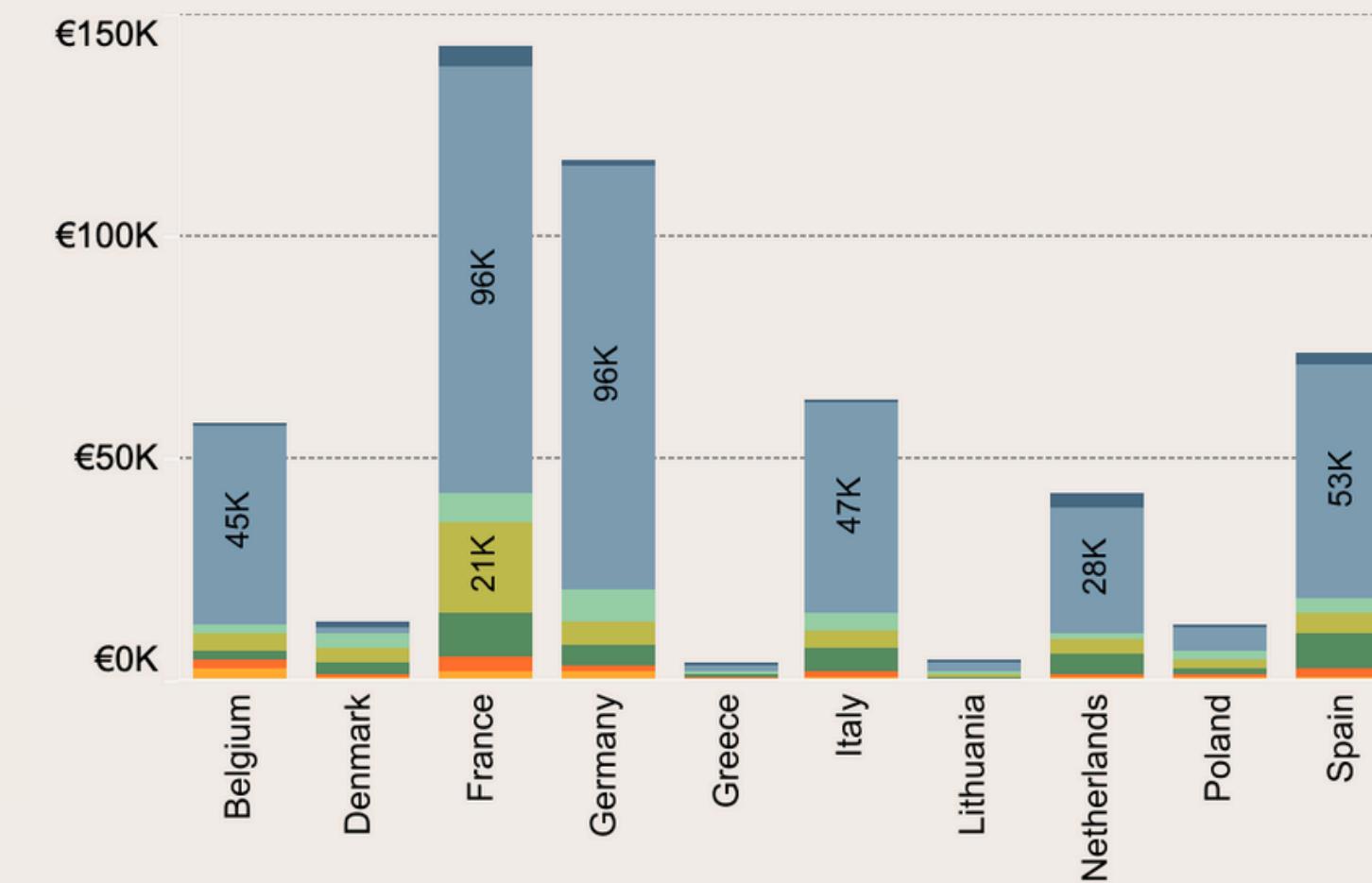
## Product Type Distribution by Country in Sales



- Over the period from 2016 to 2020, Spain has been a leader in the export of citrus fruit (fresh or dried), generating a total revenue of 1682 million Euros.

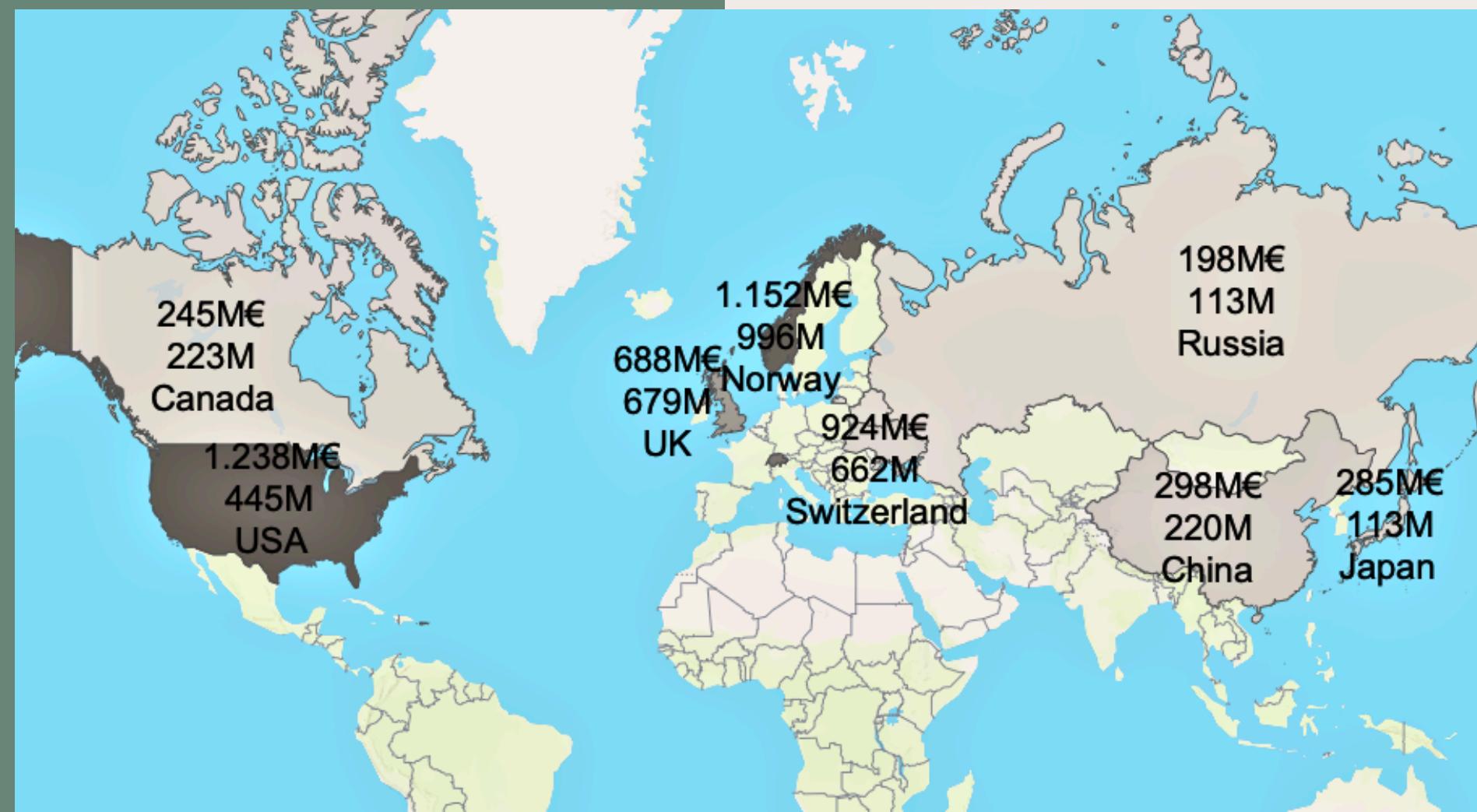
- Essential oils have the highest value per kilo among products exported from EU countries.
- Leading countries in essential oil exports are France, Germany and Spain.
- Unlike Spain, which focuses on raw citrus products, France and Germany focus on exporting high-value essential oils, resulting in nearly twice as much revenue per kilogram.

## Product Type Distribution by Country in Value per Kilo

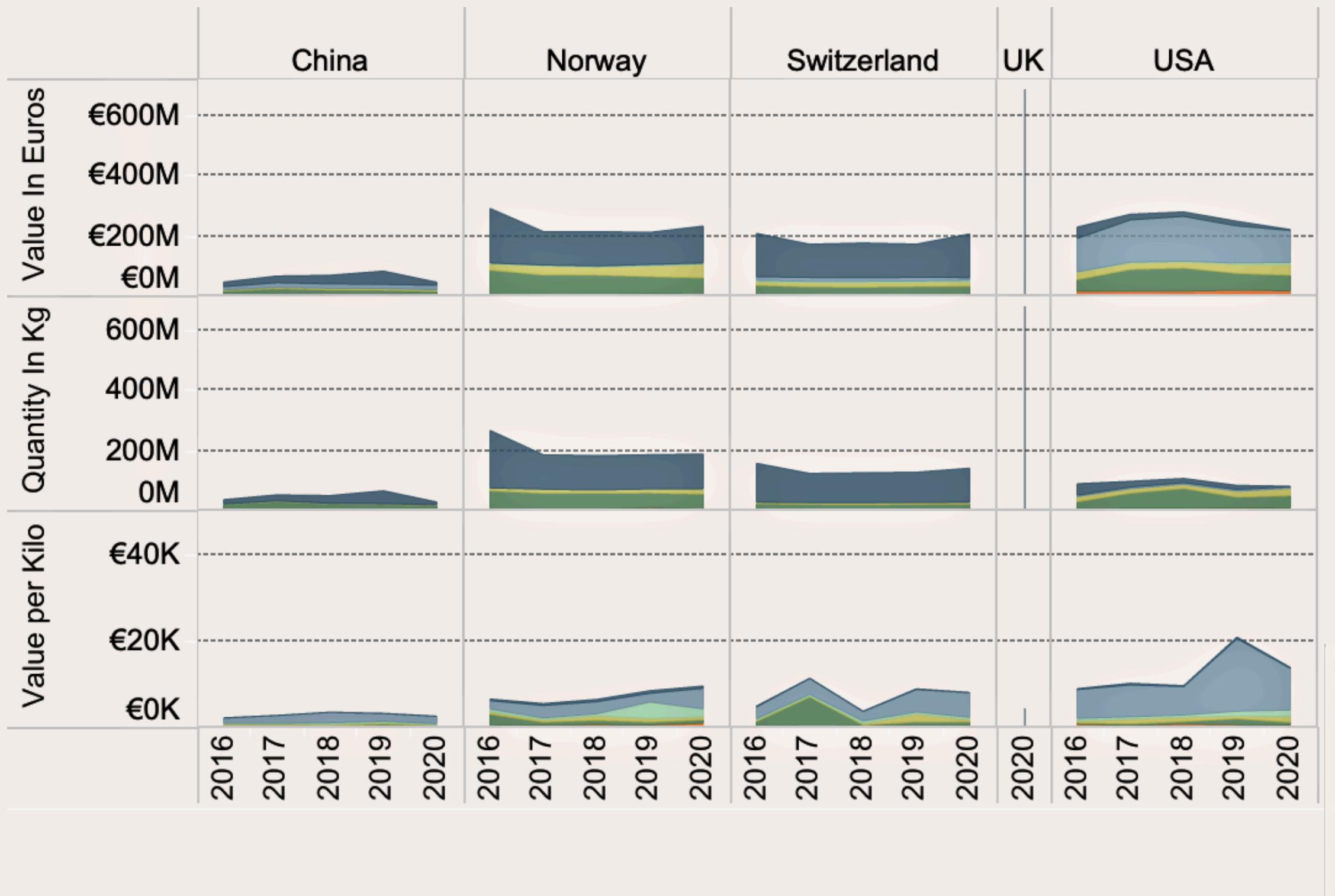


# IMPORT VALUES OF PARTNER COUNTRIES AND NEEDS

- Citrus products have a significant trade volume worldwide.
- Based on the total values over the five years, key partners are Norway, Switzerland, the United Kingdom and the United States. Despite having “partner data” only for 2020 due to its exit from the EU, the UK has shown significant demand, with a notable request for 679 million kilos in that single year.
- In non-EU partner countries, demand for citrus products is dynamic and there is a strong interest in variety.



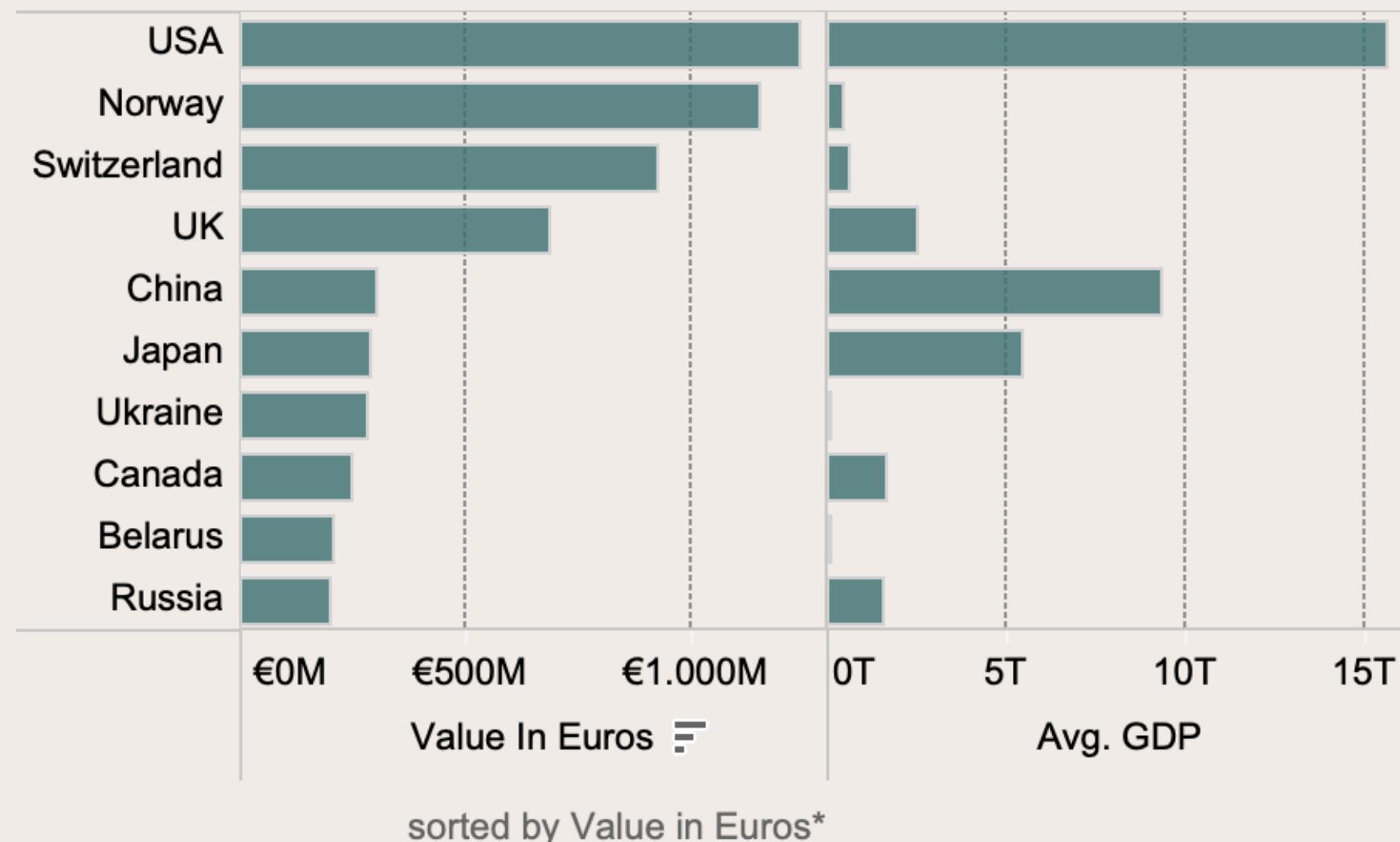
# TOP 5 PARTNER COUNTRIES BY IMPORT VALUE



- Trade value is increasing in Norway and Switzerland.
- There is a declining trend in the value of citrus products in the USA and China.
- The UK showed the highest demand in 2020, emphasizing its importance as a key market.
- Essential oils have the highest value per kilo among products.

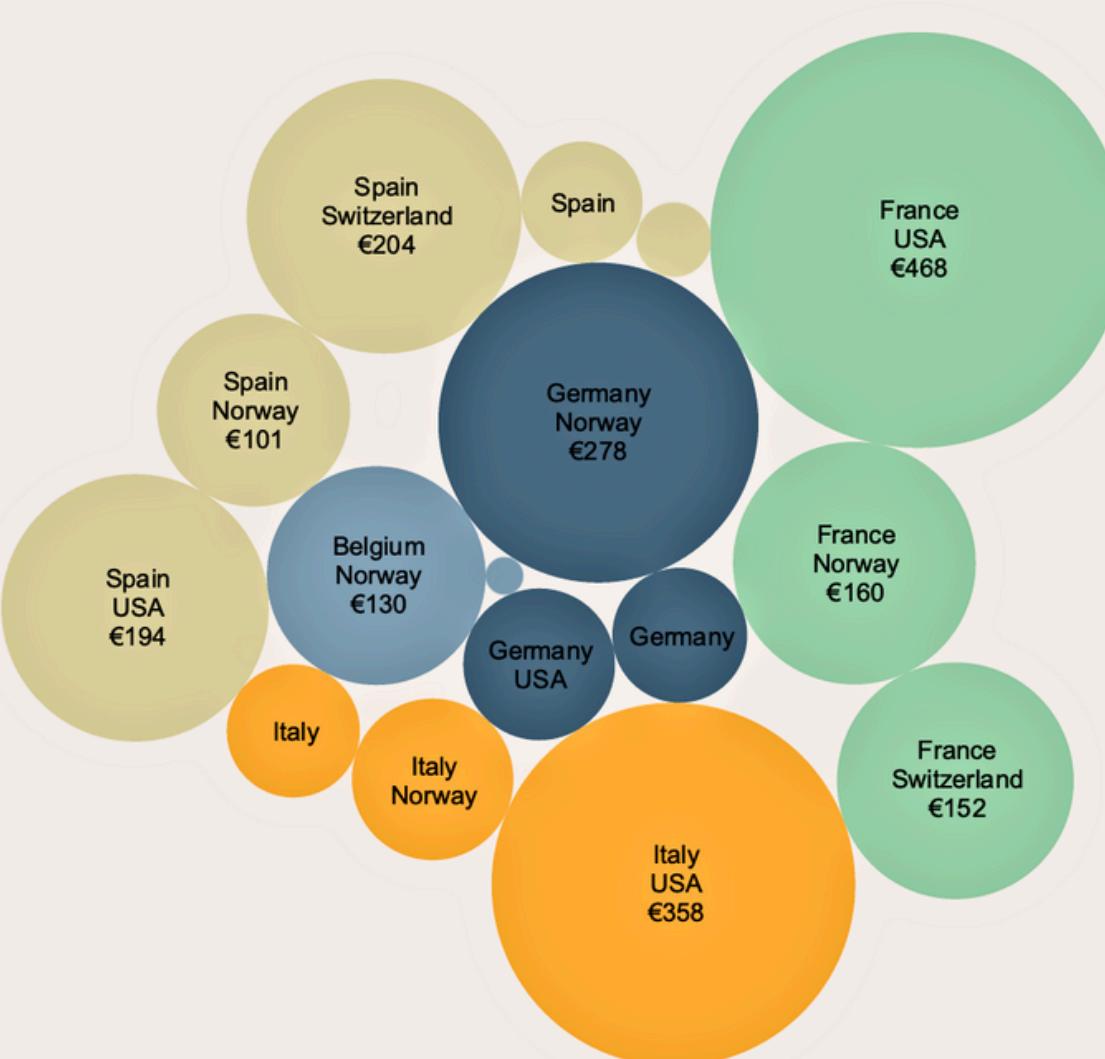
# PARTNER COUNTRIES GDP & MARKET SATURATION ANALYSIS

- Switzerland, Norway, and the United Kingdom present large and wealthy markets. Due to their proximity to the EU, prioritizing these markets for citrus exports can be advantageous.
- Although total trade volume is declining, the USA and China remain a market to watch for future opportunities.
- Canada and Japan, with their high GDPs, still offer considerable potential for growth and expansion.

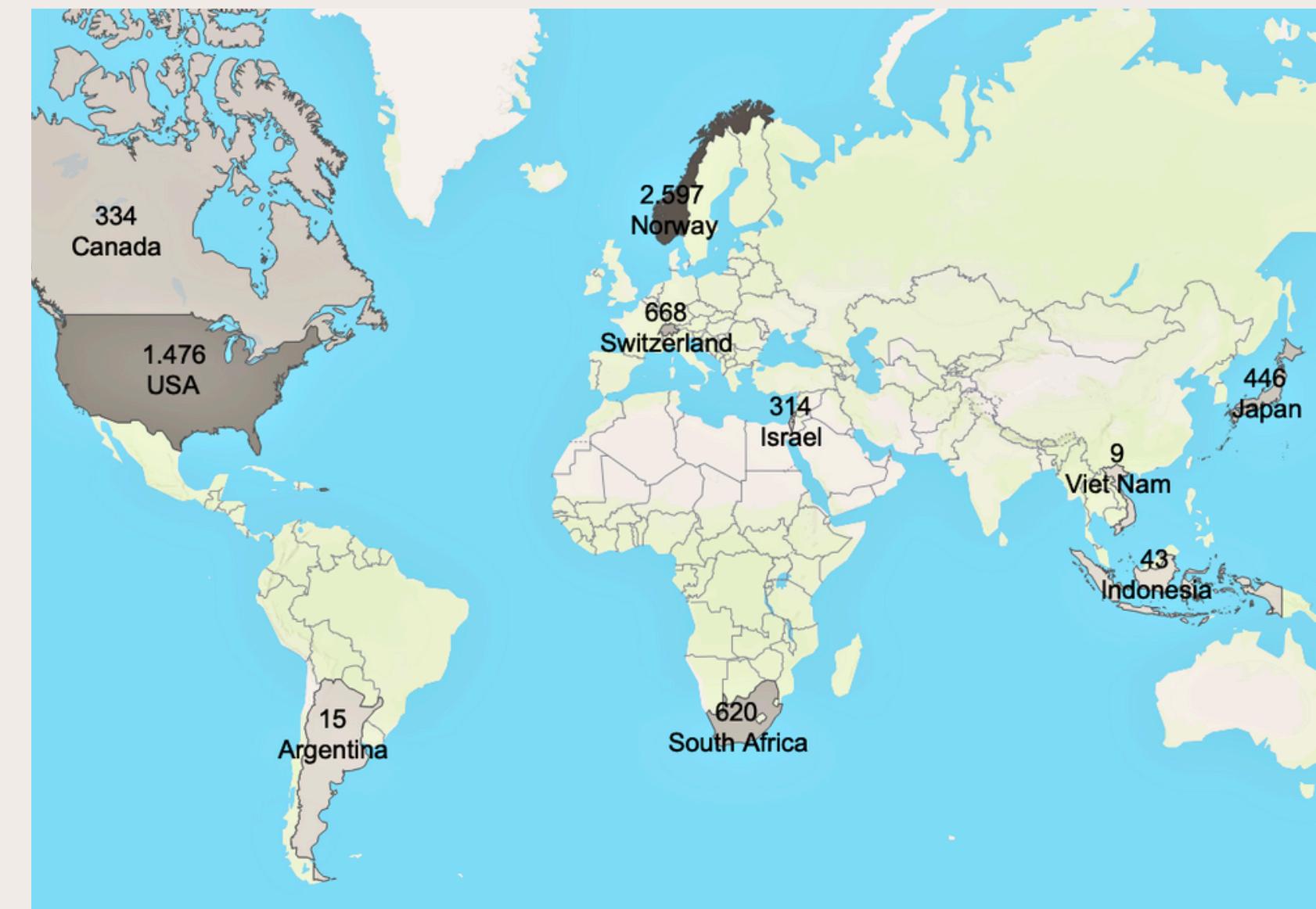


# KEY TRADE RELATIONS IN "CITRUS FRUIT, FRESH OR DRIED" BY VALUE PER KILO, 2016-2020

- Norway, with 2597 Euros per kilogram total, shows its willing to pay the highest value per kilogram for raw citrus products.
- The proximity of Norway to EU countries makes it a favorable partner due to reduced transportation costs and shorter delivery times.



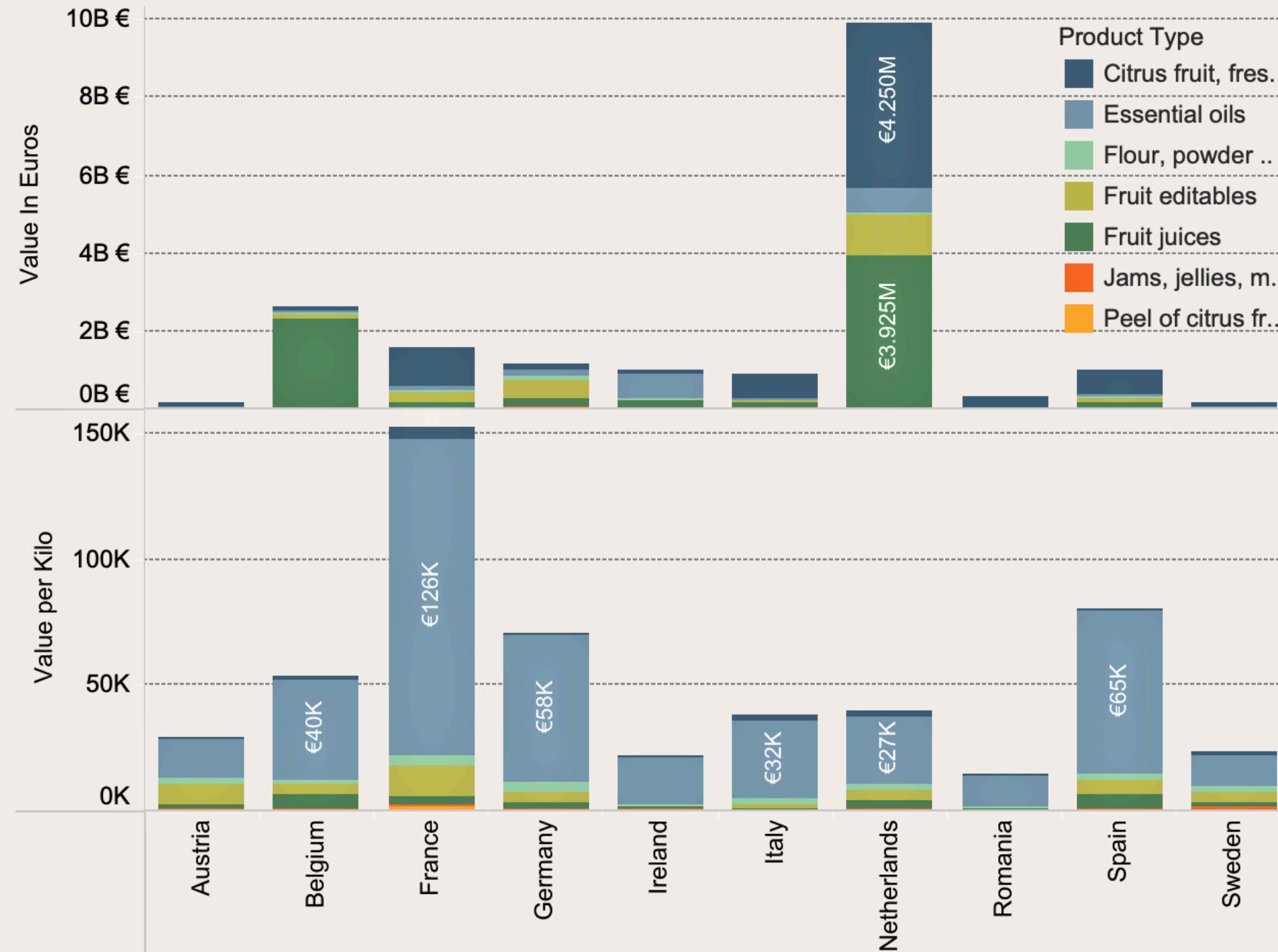
- In the USA market, Spain ranks as the fourth largest partner after Italy, France and Germany. As a member of leading supplier in the EU, more competitive pricing can be offered, the quality of citrus can be emphasized, and product diversification can be assured to increase value per kilo.

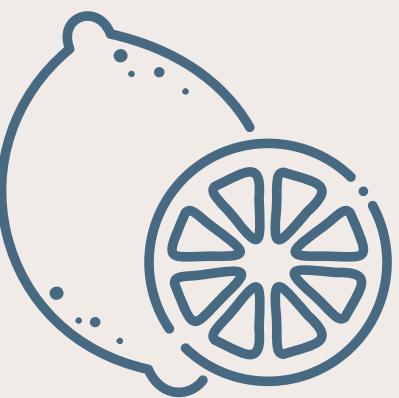


# IMPORT VALUES OF EU AND NEEDS, 2016-2020



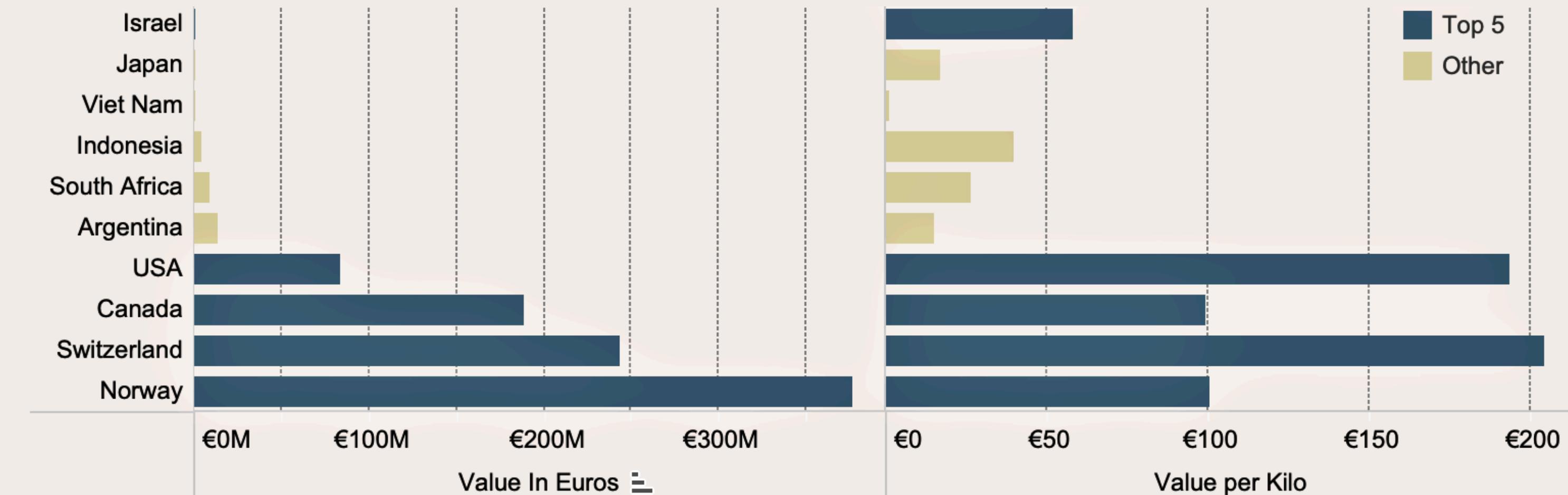
- The top EU countries importing the most citrus are the Netherlands, Belgium and France.
- Essential oil imports are highest in the France and Spain.
- Supplying raw materials to France and local market could be a significant opportunity.





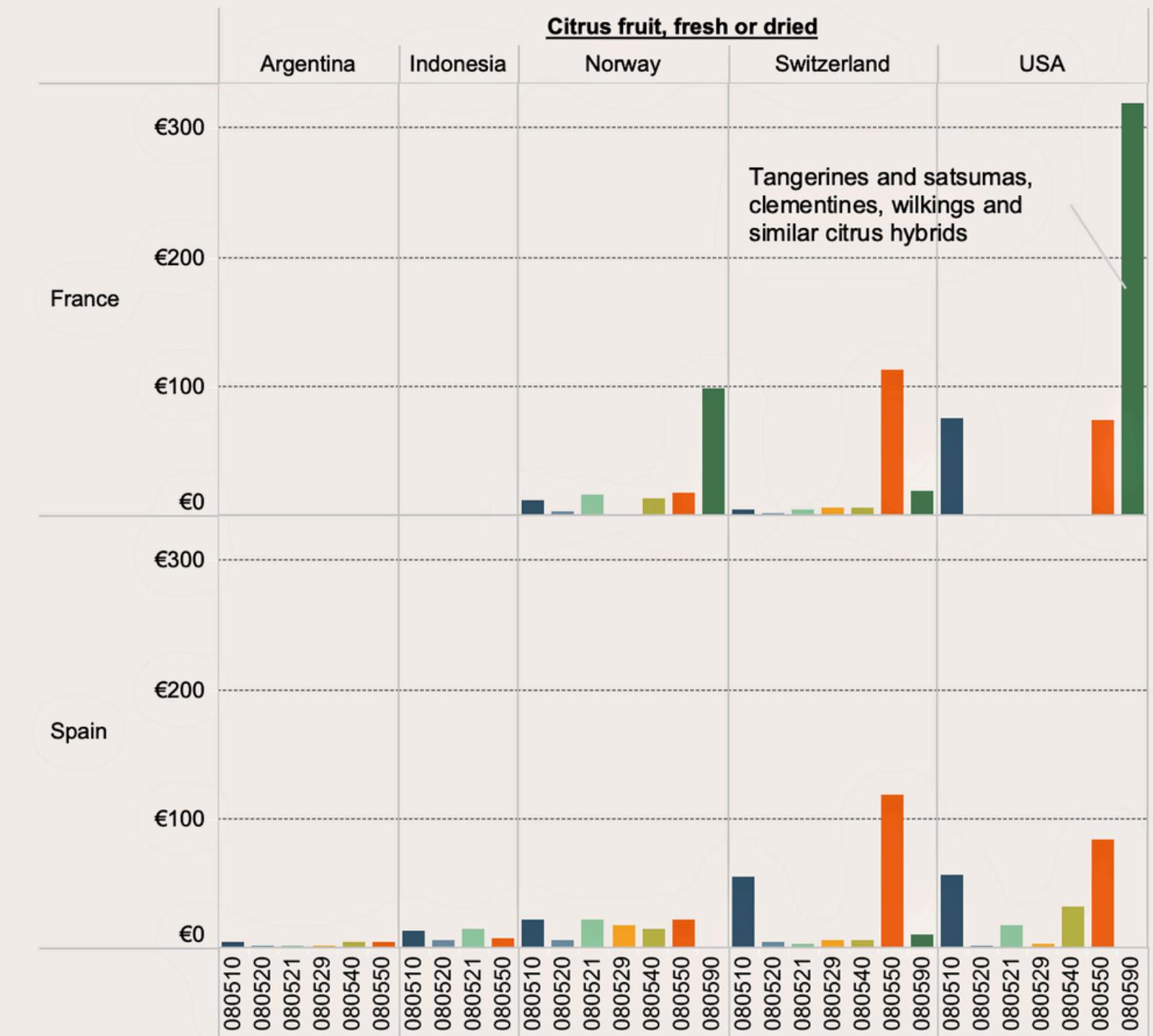
# SPAIN'S TOP 10 PARTNER DESTINATIONS FOR CITRUS FRUIT BY VALUE PER KILO

- Norway presents itself as substantial market with high total values in Euros, suggesting robust existing trade relations.
- Switzerland stands out not only for its high total value but also for its significant value per kilo, indicating a market with a strong preference for high-quality goods.
- As a leading supplier in the EU, Spain can offer more competitive pricing, emphasize the quality of its citrus, and assure product diversification to increase value per kilogram in USA and Canada.
- Israel with its modest total value, could be targeted for market penetration efforts, aiming to establish a stronger presence and increase our export volumes.

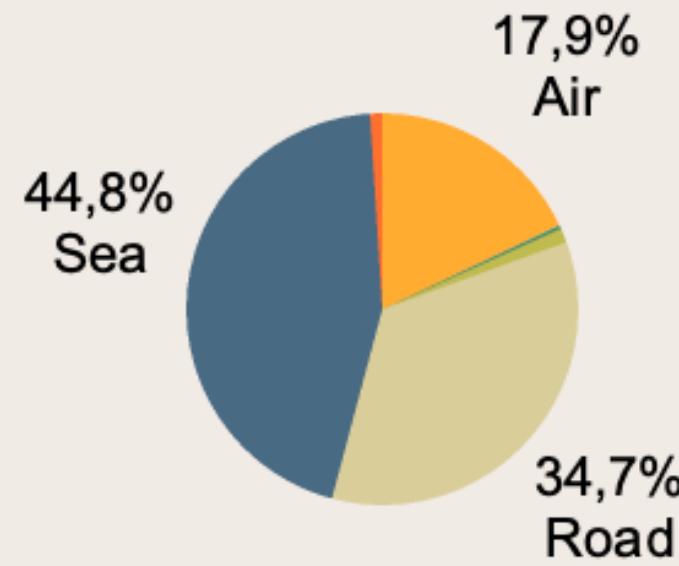


# VALUE PER KILO COMPARISON: FRANCE VS. SPAIN IN FRESH OR DRIED CITRUS

- France's leadership across all product groups is a testament to its strong market position.
- Focusing solely on raw materials, strategically emphasizing France's ability to achieve high value per kilo, which enables swift actions to capitalize on this strength.
- France excels in tangerines, clementines, and similar hybrids category, where it significantly outperforms Spain in terms of value per kilo.

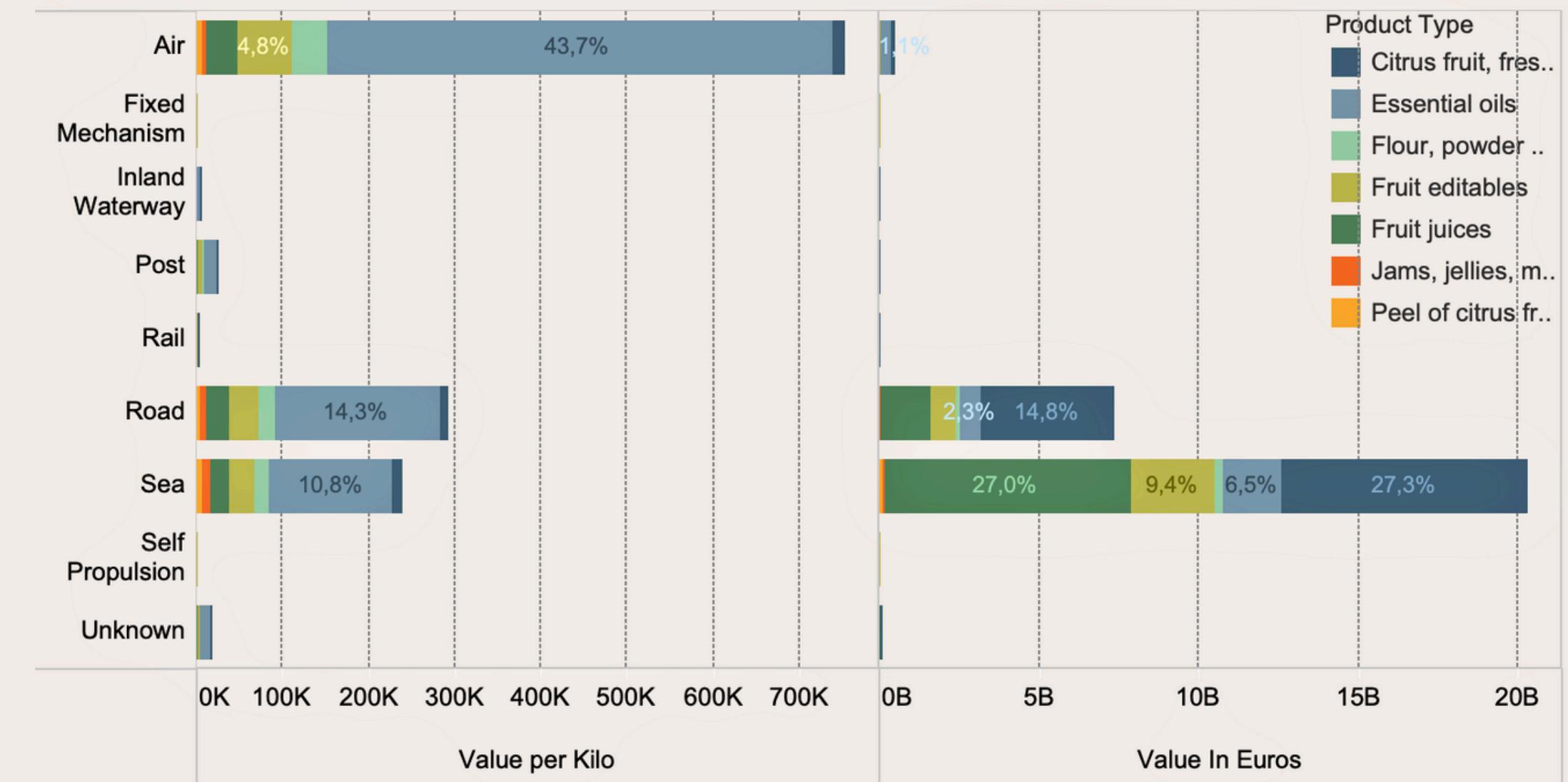


# CITRUS PRODUCTS TRANSPORTATION METHODS IN EU



- Sea (44.8%) and road (34.7%) transportation are predominantly used for exports from EU.

- Air transport, while limited in volume, has the highest value per kilogram and offers faster delivery times.
- This means, air is faster and more suitable for high-value goods like essential oils.
- Road transport can be an effective alternative to sea transport, providing flexibility and faster transit times.



# SPAIN

## SWOT ANALYSIS



### STRENGTHS

- Leading Exporter: 1682 million Euros in total revenue over 2016-2020 in raw citrus fruits.
- Diverse Product Range: Includes fresh citrus, fruit juices, essential oils and many.
- Developed Logistics Infrastructure: Strong infrastructure for sea and road transport, capable of high-volume exports.

### WEAKNESSES

- Low Revenue Per Kilogram: Lagging behind France in revenue per kilogram due to lack of processed products like essential oils or fewer hybrid products.
- Limited Market Diversity: Declining presence in the USA & China.

### OPPORTUNITIES

- Local Market Strategies: Enhancing citrus derivatives (tangerines, satsuma etc) potential.
- Product Differentiation: Transitioning to essential oil production or supplying these products could increase revenue per kilogram both with local firms or France etc.
- Potential Markets: UK, Norway, Switzerland and Canada have high potential. In the EU market, the Netherlands and France stand out with their raw material imports.
- Utilizing Air Transport: Increasing the use of air transport for high-value products to boost value per kilo.

### THREATS

- Competitive Markets: France and Germany's competitive advantage in product differentiation and high-value products.
- Economic Fluctuations: Global economic fluctuations and trade wars create uncertainties in export markets.

# KEY FINDINGS & RECOMMENDATIONS



## Product Diversification and Local Market Strategies:

- Focus on the “Tangerines and satsumas, clementines, wilkins, and similar citrus hybrids” group, where France leads.
- Transition to essential oil production or Collaboration on processing with local firms.

## Market Diversification and Targeting:

- Prioritize high-GDP markets like Switzerland, Norway and the United Kingdom.
- Focus on the Netherlands, France and Germany, which are major citrus importers in the EU, to capitalize on opportunities for sustained trade and strategic partnerships.
- Explore growth potential in mature markets like Canada, Japan and especially USA by diversify product offerings.
- Target Israel for market penetration efforts to establish a stronger presence and increase export volumes, leveraging its modest total values.

## Logistics and Distribution Strategies:

- Optimize costs by combining sea and road transport.
- Increase the use of air transport for high-value products.



THANK YOU