

Are we seeing a structural shift in orange juice production?

By [Matt Hale](#) | 10 March 2025

The global orange juice sector is undergoing profound changes

From climate change and disease, to declining production and uncertainties around tariffs and trade, the global orange juice sector is going through unprecedented upheaval, which will result in winners and losers for both growers and processors.



Declining orange production

November 2024 was a key month for the world's orange juice producers. Not only was Donald Trump re-elected as the President of the US, but the World Citrus Organisation (WCO) published its first production forecast for the Northern Hemisphere, suggesting an 8.7 per cent decrease in production for the 2024/25 season. In fact, the estimated 27.297mn tonnes of Northern Hemisphere production is almost 6 per cent lower than the four-year average.

This worrying trend was confirmed by the US Department of Agriculture (USDA) in January this year, who predicted that global orange production for the 2024/25 season is 45.2mn tonnes, down 662,000 tonnes on the previous year as “higher production in Brazil is more than offset by lower crops in Egypt, Turkey, and the US”. Although a relatively small producer globally, the devastating floods seen in Valencia, Spain last autumn (which caused losses in the citrus sector valued at more than US\$200mn) could almost be a microcosm of the challenges facing the sector globally.

The big positive for juice producers is that not only is Brazil's crop forecast at 13mn tonnes (an increase of 700,000 tonnes) this year, but also a larger proportion of the crop will be used for processing. On the other hand, US production is forecast at just 2.2mn tonnes, the lowest level in 88 years and a 10 per cent fall on 2023/24, most likely due to the devastating effect of Hurricane Milton in Florida, as well as longer-term issues like citrus greening.

Changing production dynamics

Egyptian orange production is also forecast to fall this year by 12 per cent to 3.7mn tonnes after years of steady increase, which was driven by the development of strong export markets by both private enterprise and the government, as well as increasing domestic consumption. The current decrease in production is due to unfavourable weather during flowering and fruit set, but despite this the country is still the most important exporter of the fruit in the world.

While production in other countries such as South Africa, Mexico and China is set to remain fairly constant, Morocco and Australia are both up thanks to increased area, improved agronomy and favourable weather, helping to underline the global shift in production away from Brazil, the US and Mexico that has occurred in recent years. Further afield, analysts suggest that Argentina and Peru are also looking to increase exports to Europe.

Having said that, Brazil, Mexico and the US still dominate the worldwide orange juice market and are forecast to produce more than 1.25mn tonnes between them this year, more than 80 per cent of which is from Brazil, who will produce 1mn tonnes more juice this year due to higher fruit availability. As you would expect from low fruit production, US orange juice production is forecast to fall 28 per cent to a record low of just 80,000 tonnes.

Continued challenges ahead

These low levels of production mean the industry is having to adapt. Although at the time of writing Frozen Orange Juice Futures prices had dropped below US\$400 for the first time in ten months, they are still trading at twice their value at the start of 2023.

EUROFRUIT that citrus greening will continue to have an effect on output in key regions such as Brazil for the foreseeable future, while global juice consumption has also declined considerably, partly in response to higher retail prices – something that has particularly affected premium brands and not from concentrate (NFC) products. A shortage of stock can also make it harder to obtain the required Brix levels, and poor-quality juice means consumers question why they should pay a premium over value propositions.

The only benefit of global declines in consumption of around 17 per cent last year is that it has helped to balance demand with reduced stocks, as 2024/25 ended with a small surplus of around 1.2mn tonnes.

In many markets, orange juice is already subject to import duties or tariffs, and increased uncertainty caused by President Trump's comments on import tariffs will only increase uncertainty. Florida citrus giant Alico recently announced it was getting out of the sector in favour of property development. "We determined that it's not economically viable for us," said CEO John Kiernan at the time.

Adapting to changing market dynamics

Due to shortages of fruit and high prices, manufacturers are having to adapt, although this is easier for smaller and pioneering companies. For example, switching from orange to mandarin juice, or even moving into other beverages entirely.

For those major players, whose businesses are based around large volumes of orange juice, then maximising efficiency at every stage is no longer a 'nice to do', but essential. This includes minimising the amount of energy used to remelt, pasteurise or otherwise process their products.

** Matt Hale is global key account director of UK-based HRS Heat Exchangers, part of the EIL Group (Exchanger Industries Limited). HRS offers innovative heat transfer solutions worldwide across a diverse range of industries*