47th meeting of IOC Advisory Committee

The stakeholders from the olive oil and table olive industries - producers, consumers, processors and marketers - represented on the IOC Advisory Committee on Olive Oil and Table Olives recently met for their 47th meeting. During the committee meeting, which took place on 16 May, the Executive Secretariat gave an overview of IOC activities and an analysis of the market data for the 2014/15 and 2015/16 crop years and the changes with respect to the estimates released in November 2015.

Olive oil in 2015/16 – In November 2015, the estimates for 2015/16 put world output at 2 988 500 t but according to the latest figures supplied by countries, it will be more than 3 225 000 t (Chart I). Put differently, it will be 33 pc higher than in 2014/15 (+790 500 t). This increase is concentrated largely in EU producer countries like Spain, where production will reach almost 1 400 000 t (+65 pc on the season before), and Italy where it will total 470 000 t, equating with a 112 pc increase on the level of 2014/15 when the harvest (220 000 t) was the worst in 20 years. Increases are also recorded in Greece with a production figure of 310 000 t (+3 pc) and Portugal with 100 000 t (+65 pc). As a whole, EU production will total 2 287 000 t, up by 852 500 t on the season before. Production levels are also higher for other IOC member countries such as Algeria (+6 pc), Argentina (+317 pc), Egypt (+19 pc), Iran (+30 pc, Jordan (+26 pc), Libya (+16 pc) and Morocco (+8 pc). The opposite is the case of Tunisia, where production is lower than in 2014/15 (−59 pc), Turkey (−11 pc), Israel (−20 pc) and Albania and Lebanon (−5 pc each).

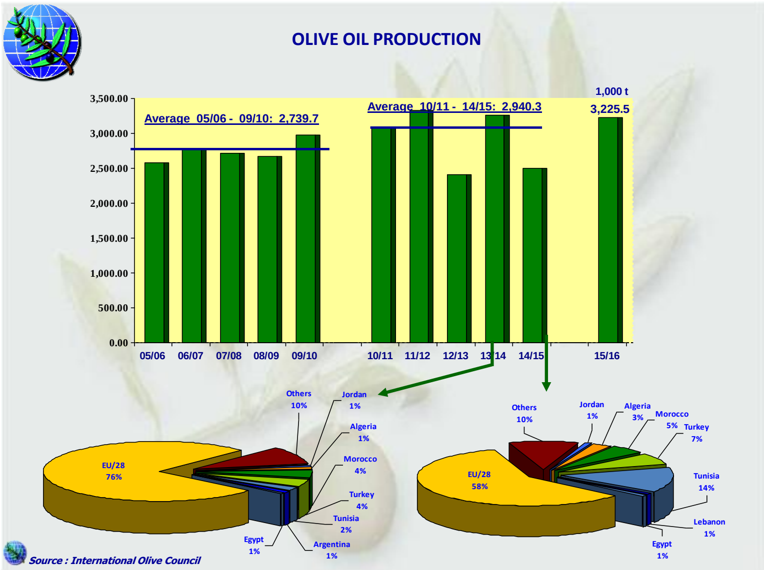


Chart I – World olive oil production

According to the data, world consumption will come to 3 012 000 t in 2015/16, rising by 6 pc versus 2014/15. Chart II reports the ranking of the world's leading consumer countries on the basis of the averages for recent crop years.

Though still provisional, world trade figures report total exports of some 763 000 t. The EU/28 leads the export ranking with a share of more than 68 pc of the world total. Next in line come Tunisia, Morocco, Turkey, Syria, Argentina and Chile, with other countries bringing up the rear with smaller volumes. World imports (823 500 t) look set to outstrip exports. A breakdown shows the United States in the lead (300 000 t), followed by the EU/28 (132 500 t), Brazil (66 500 t), Japan (60 000 t), Canada (38 500 t), China (31 000 t), Australia (24 000 t) and Russia (21 000 t). Smaller import volumes are recorded for the rest of the countries.

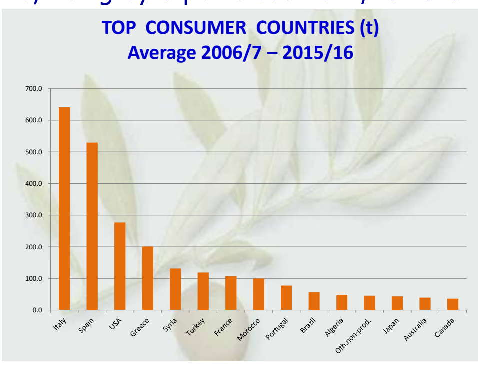


Chart II – Leading world consumers of olive oil

Table olives in 2015/16

In 2015/16, world production of table olives could hit one of its highest levels ever, reaching 2 755 000 t, which represents a 10 pc increase on 2014/15 (+257 000 t). In the EU producer countries, it is expected to be 4 pc lower but with variations in individual countries since production will be higher in Spain (+10 pc = +53 100 t), Italy (+19 pc) and Portugal (+14 pc) but lower in Greece (−40 pc) where it drops from 249 000 t in 2014/15 to 150 000 t in 2015/16. In the other IOC member countries, table olive production is higher overall (+13 pc), chiefly due to higher levels in Algeria, Argentina, Egypt, Iran, Jordan and Morocco, while it remains unchanged in Lebanon and goes down in Turkey, Albania and Israel.

World consumption of table olives looks set to reach 2 609 500 t, up by 4 pc on 2014/15 levels. Listed in descending order, the top consumer countries are Egypt (360 000 t), Turkey (327 500 t), Algeria (231 500 t), the United States (200 000 t), Spain (190 000 t), Syria (125 000 t), Italy (119 000 t) and Brazil (104 000 t). Elsewhere, consumption volumes are below 100 000 t.

The figures for world table olive imports in 2015/16 (still provisional) are expected to stand at around 665 000 t, i.e. 4 pc more than the season before. The data point to an increase of almost 17 pc in imports by EU producer countries and of 4 pc by the other IOC member countries.

World exports in 2015/16 are expected to be approximately 11 pc higher than in 2014/15. The decrease in EU producer countries is offset by the 23 pc increase in the other IOC member countries, led by Egypt (+43 pc), Morocco (+14 pc) and Argentina (+58 pc). Turkey reports similar export levels to 2014/15.

Entries being taken for the 2nd edition of the Mario Solinas Award 2016!

The winners of this year's 1st edition of the IOC Mario Solinas Quality Award have already gone home with their prizes. Now entries are open for the 2nd edition until the closing date of 21 June 2016. Download the registration form and competition rules here:

FORM

COMPETITION RULES

The IOC hopes to attract a large number of entries and encourages everyone – individual producers, producer associations and packers – to enter.

WORLD TRADE IN OLIVE OIL AND TABLE OLIVES

1. OLIVE OIL - 2015/16

Imports of olive oils and olive pomace oils in the first six months of the 2015/16 crop year (October 2015–March 2016) grew by 25 pc in China and 6 pc in the United States but fell in Brazil (–44 pc), Russia (–21 pc), Japan (–16 pc) and Australia (–5 pc). When this issue went to press, the March 2016 data were not available for Canada but its imports in the first five months of the season (October 2015–February 2016) were 2 pc up on season-before levels.

The EU[1] figures for the five-month period from October 2015 to February 2016 point to a 12 pc decrease in intra-EU acquisitions versus the same period of 2014/15 and a 19 pc drop in imports from outside the EU.

Olive oil imports (including olive-pomace oils) (t)

No	Importing country	October 14	October 15	November 14	November 15	December 14	December 15	January 15	January 16	February 15	February 16	March 15	March 16
1	Australia	3125.1	1717.8	2391.8	1818.9	1652.1	1265.9	1856.8	2065.8	1607.8	2109.3	1790.4	2868.5
2	Brazil	9584.6	5529.5	7269.9	4853.6	6249.3	2689.6	6367.2	4394.6	5517.4	3169.2	6662.1	2660.4
3	Canada	3985.0	3092.5	3257.6	2875.6	3070.4	3193.2	2343.1	3015.8	3009.0	3834.0	2873.2	nd
4	China	2410.8	3106.7	3651.5	3219.6	3530.5	6015.2	2850.1	3067.6	1471.1	1501.0	2503.5	3680.2
5	Japan	4776.0	4492.0	4735.0	3791.0	3965.4	3097.0	4531.0	3402.0	3474.0	3916.0	6753.0	4876.0
6	Russia	4259.5	1785.8	3192.4	2084.0	2653.1	1940.6	1513.0	1390.1	1216.5	1765.0	1589.2	2424.1
7	USA	23332.0	28580.0	28449.8	20324.3	18755.6	23627.0	24296.3	26922.3	27443.4	22368.4	27063.3	35723.2
8	Extra-EU/27	6722.0	17568.3	6801.8	8433.7	14707.0	10600.9	18871.7	8787.2	22619.4	11346.1	26731.0	nd
	Intra-EU/27	89729.0	65823.0	98016.0	81263.5	122803.0	112768.4	102347.8	96573.4	107246.2	100132.6	105629.9	nd
	Total	**147924.0**	**131695.6**	**157765.8**	**128664.2**	**177386.3**	**165197.8**	**164977.0**	**149618.8**	**173604.8**	**150141.6**	**181595.6**	

[1] EU data for March 2016 were not available at the time of writing

2. TABLE OLIVES - 2015/16

In the first six months of the 2015/16 season (October 2015–March 2016), table olive imports increased in Australia (+5 pc) but fell in the other countries listed in the table below, i.e. Brazil (−14 pc), Russia (−13 pc) and the United States (−1 pc). Again, the March 2016 figures had not been released for Canada at the time of writing, but Canadian purchases of table olives during the five months from October 2015 to February 2016 were 1 pc down on the season before.

EU[2] trade data for the first five months of the 2015/16 crop year (October 2015–February 2016) report a 7 pc period-on-period increase in intra-EU acquisitions, contrasting with a 4 pc decrease in extra-EU imports.

Table Olive Imports (t)

No	Importing country	October 14	October 15	November 14	November 15	December 14	December 15	January 15	January 15	February 15	February 16	March 15	March 16
1	Australia	1547.0	1156.0	1234.0	1469.0	1580.0	1682.0	1408.0	1355.0	1064.0	1116.0	1416.0	1875.0
2	Brazil	12930.3	7793.4	10285.5	9311.3	8685.1	8834.9	8007.7	6034.8	6715.2	7737.9	9256.8	8273.8
3	Canada	2413.0	2636.0	2469.0	3090.0	2810.0	3003.0	2144.0	1494.0	2390.0	1843.0	1890.0	nd
4	Russia	11076.5	6646.9	8719.1	7216.6	7288.0	5467.0	3413.8	3970.7	2313.8	3548.3	3292.9	4589.4
5	USA	10367.0	12738.0	10164.0	11635.0	12219.0	11997.0	11629.0	8133.0	10732.0	11348.0	16677.0	15441.0
6	Extra-EU/27	8283.2	6386.7	7032.3	7133.3	8053.5	7836.3	7666.5	7633.0	6899.9	7568.4	9333.8	nd
	Intra-EU/27	27945.4	30114.0	23889.4	31646.4	27859.4	30882.0	22021.7	20158.5	23698.1	20831.7	27484.3	nd
	Total	**74562.4**	**67471.0**	**63793.3**	**71501.6**	**68495.0**	**69702.2**	**56290.7**	**48779.0**	**53813.0**	**53993.3**	**69350.8**	

II. PRODUCER PRICES

Graph 1 tracks the weekly movements in the prices paid to producers for extra virgin olive oil in the three top EU producing countries plus Tunisia while Graph 3 shows the weekly changes in the producer prices for refined olive oil in the three main EU producers. Monthly price movements for the same two grades are given in Graphs 2 and 4.

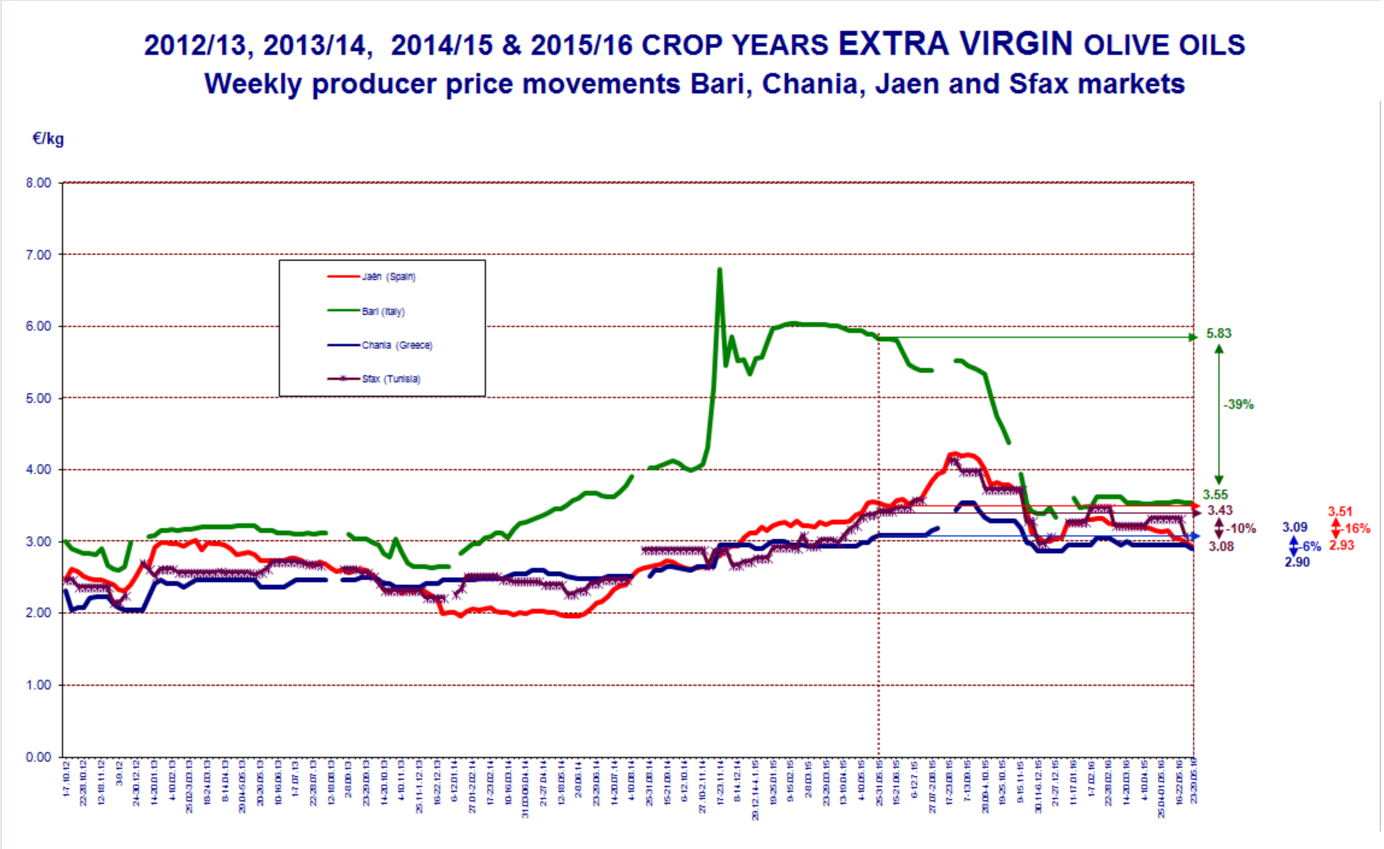
Extra virgin olive oil: After remaining fairly stable in recent months, producer prices in **Spain** started to go down in the last two weeks until they fell below the €3 mark in the **last week of May (€2.93/kg)**. This is 16 pc lower than a year earlier and 20 pc below the maximum (€4.23/kg) but 52 pc higher than the low recorded in the third week of May 2014 (€1.96/kg) (Graph 1).

Italy: Producer prices in Italy have been steady in the last three months. **At the end of May** they were lying at **€3.55/kg**, down by 39 pc on the level of a year earlier. Graph 2 shows how the monthly prices of extra virgin olive oil have behaved in recent crop years.

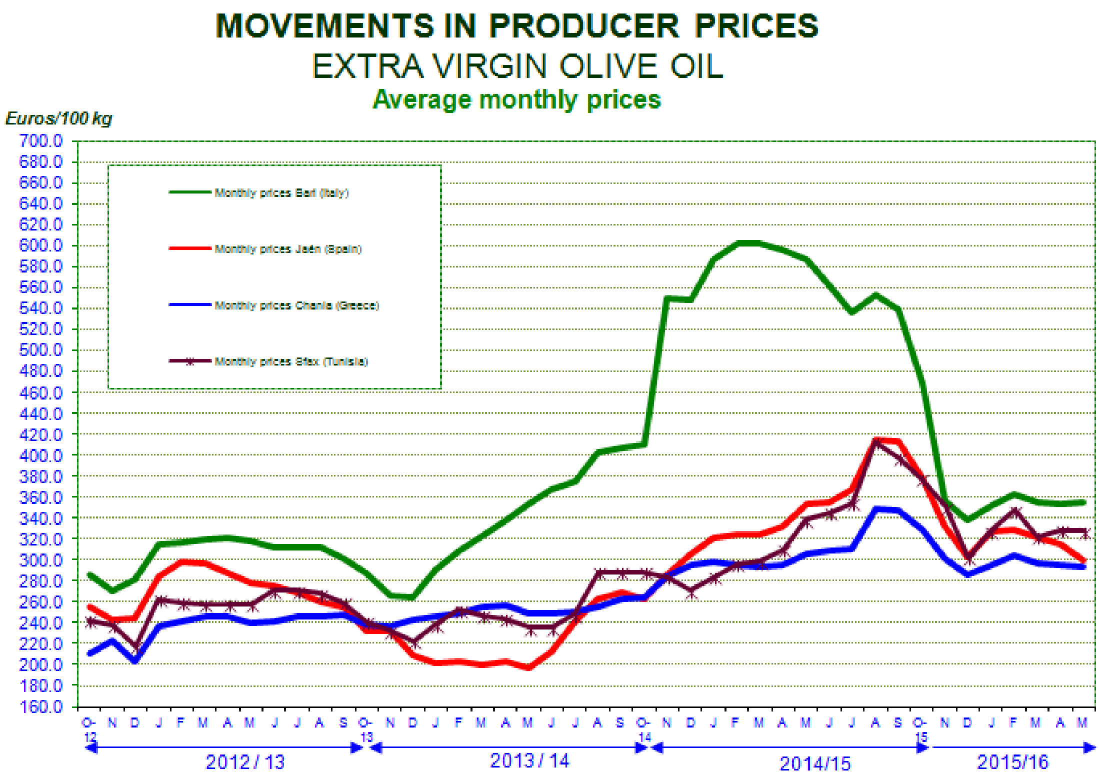
Greece: In recent weeks producer prices have been stable in Greece too. They were standing at **€2.90/kg** at the **close of May 2016**, i.e. 6 pc lower than a season earlier.

Tunisia: Producer prices had steadied in recent weeks but then started to drop, reaching **€3.08/kg** by the **end of May 2016**, thus showing a period-on-period drop of 10 pc.

[2] EU data for February 2016 were not available at the time of writing



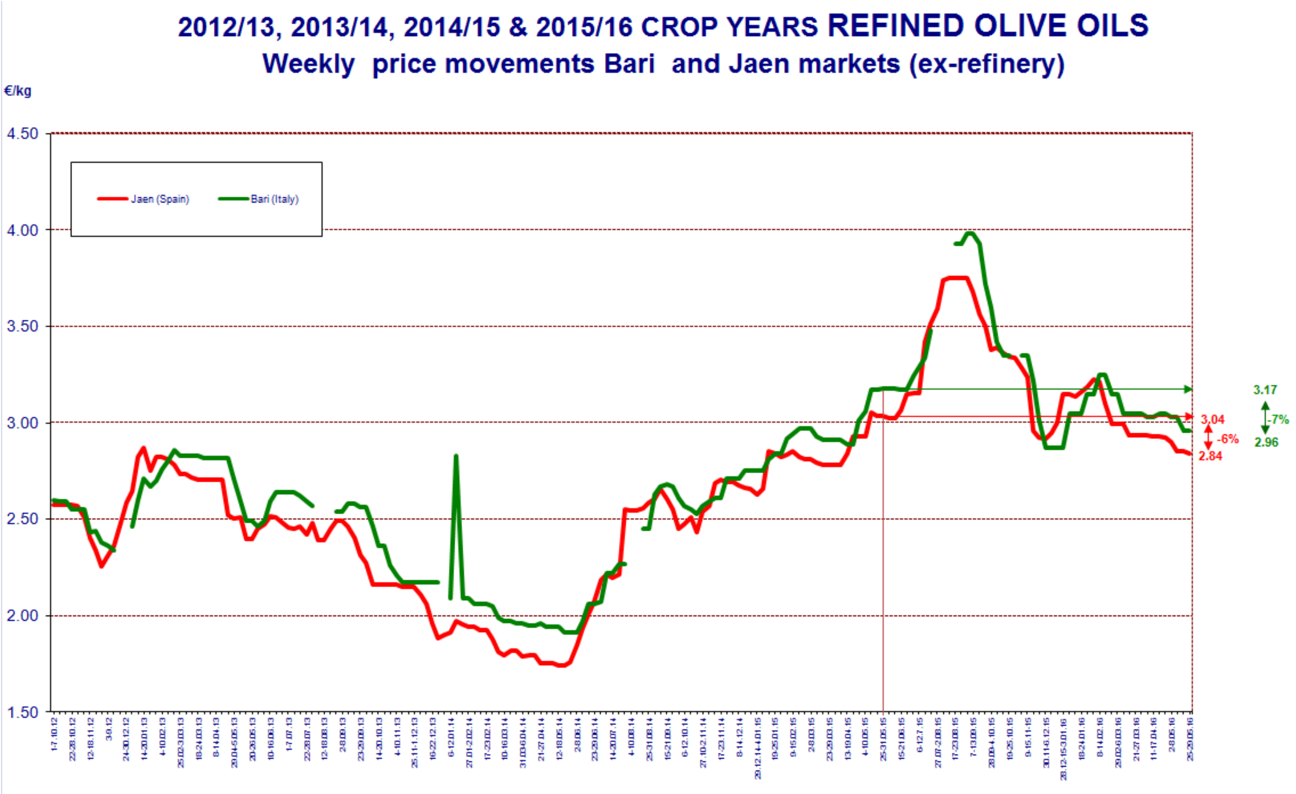
Graph 1



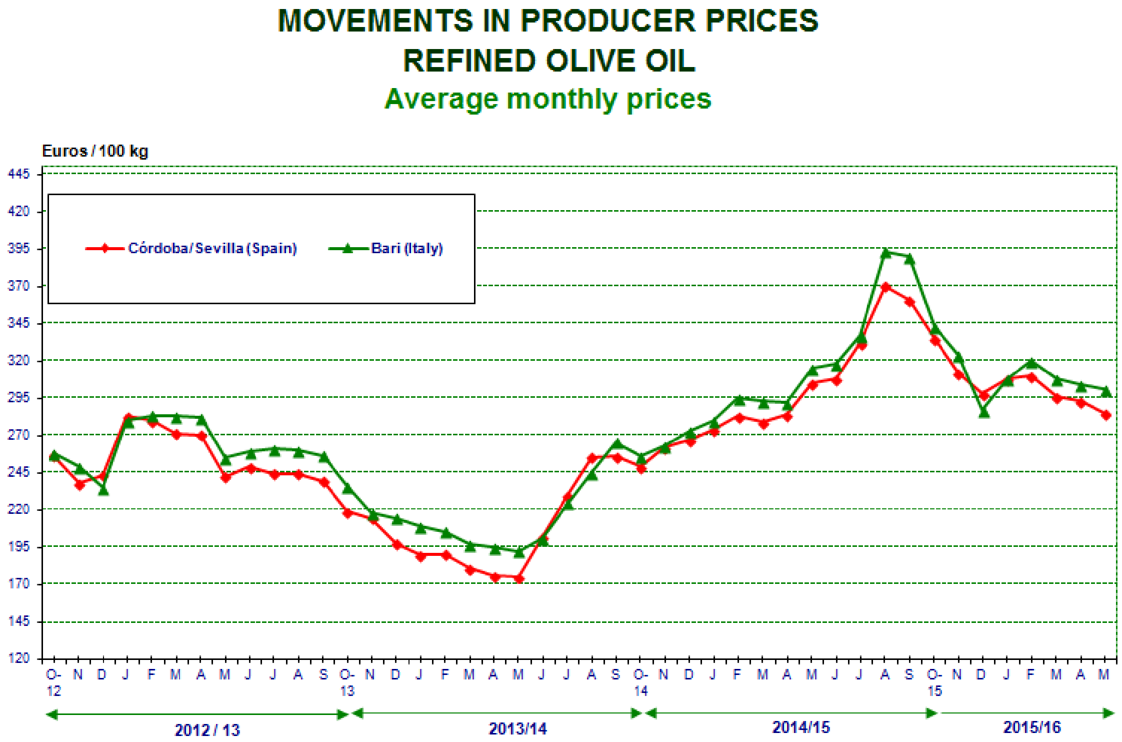
Graph 2

- **Refined olive oil**: Producer prices for refined olive oil in Spain and Italy have moved in the same downward direction as extra virgin prices. In **Spain** they fell sharply but started to rally in the third week of January 2016. They have fallen again lately and stood at **€2.84/kg** at the end of May 2016, i.e. down by 6 pc versus the same period of the preceding crop year. The trend in **Italy** has been similar, with prices lying at **€2.96/kg** at the end of May 2016, which is 7 pc lower than in the same period of the season before. No price data are available for this product category in Greece.

  At the end of May 2016, the price of refined olive oil (€2.84/kg) and extra virgin olive oil (€2.93/kg) differed by €0.09/kg in Spain whereas the price differential in Italy was higher at €0.59/kg (Graph 3).



Graph 3



Graph 4

STAY TUNED

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