



## FOCUS ON EGYPT: THE ADVISORY COMMITTEE OF THE IOC IN CAIRO, EGYPT

**Cairo** - The latest meeting of the Advisory Committee of the IOC demonstrated just how global the International Agreement on Olive Oil and Table Olives, 2015, has become. The meeting was held in Cairo, Egypt and opened by **Ezz El Din Abu Steit**, the country's Minister of Agriculture (picture with IOC Executive Director **Abdellatif Ghedira** and the Chair of the Advisory Committee **Ali Ben El Hadj M'Barek**). Observers attended the meeting from a wide range of countries, including some newcomers, and they were given the opportunity to take part in various scientific interventions and express their interest in the activities of the IOC.



■ The Chair of the Advisory Committee Ali Ben Hadj M'Barek, the Minister of Agriculture Ezz El Din Abu Steit, and the Executive Director Abdellatif Ghedira

**George Svanidze**, the Vice-Minister of Agriculture of Georgia, described the progress of olive cultivation in his country, stressing that Georgia was firmly committed to applying the International Agreement and seeking full IOC membership. Participants also attended a presentation by representatives of the **University of Jaen** on the new project for removing plastic from the olive oil market. This project, which will require much in-depth research, has already attracted the interest of the global olive sector that is represented within the Advisory Committee.

The technical phase of the Committee's work was coordinated by Deputy Executive Director **Jaime Lillo**, who is in charge of operational aspects of the IOC. Mr Lillo spoke before the presentations given by the various heads of unit at the Executive Secretariat, including **Abdelkrim Adi**, on technology and the environment; **Mercedes Fernández**, on chemistry and research; and **Ender Gunduz**, on economics and promotion. The Head of the IOC Legal Department, **Eduardo Muela**, gave an update on accessions to the International Agreement 2015, while **Mounir Fourati**, the Head of External Relations, spoke about future accessions and new requests for observer status. The Deputy Executive Director in charge of administration and finance, **Mustafa Sepetçi**, gave an overview of the construction of the new world documentation centre for olive oil, the Observatory, and provided information on the transition from the old to the new IOC website.



With regard to the sensorial analysis of virgin olive oil, the Advisory Committee reiterated the validity of the method, while stressing the need to strengthen this valuable tool. The Executive Director committed to submitting a proposal to strengthen the IOC's support for the Advisory Committee at the next session of the Council of Members to be held in Marrakech, Morocco, in June 2019. This would give it more time and resources to formulate a joint proposal to be submitted at the session in November 2019.

## THE EVOLUTION OF OLIVE GROWING IN EGYPT

### THE EGYPTIAN OLIVE SECTOR

Although the existence of the olive tree dates back to the twelfth millennium BC, the origin of its cultivation can be traced to Asia Minor some 6,000 years ago.

The earliest evidence of the olive tree in Egypt can be found in a relief from Dynasty XVIII (1570-1345 BC). Documents reveal that Pharaoh Ramses III (1197-1165 BC) promoted cultivating olive trees and offered the oil extracted from olives in Heliopolis to the Sun God Ra. Many lamps discovered in the tombs of pharaohs show that olive oil was widely used in Egyptian temples. The existence of olive groves in Thebaid, Alexandria and above all in the Fayoum oasis is recorded in documents from the Graeco-Roman period when olive cultivation expanded rapidly.

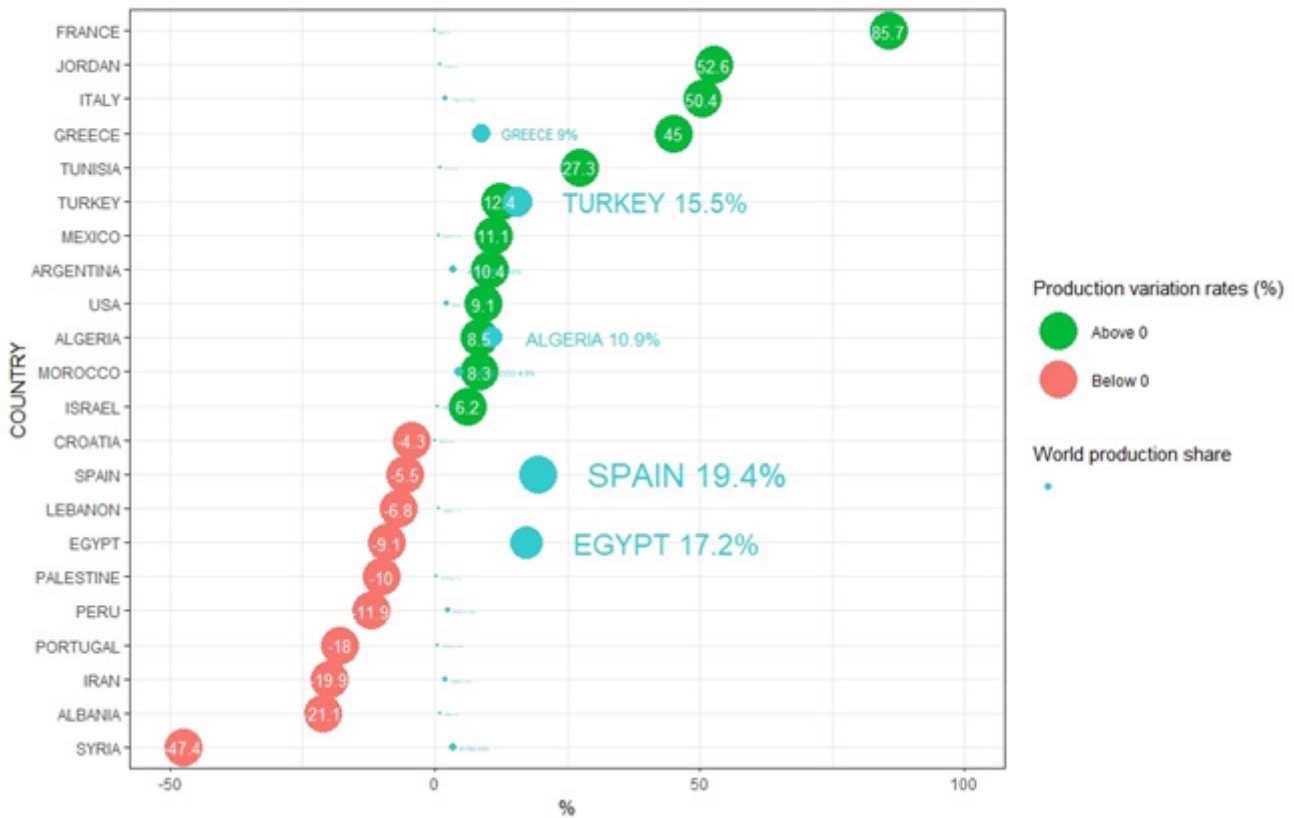
In 2009, a total area of 65,303ha was planted with olive trees, 56,330ha of which bore crops. Between 2005 and 2011 the area under cultivation fell, albeit with fluctuations in the intervening years. One of the main causes was the uprooting of trees in 2009 and 2010 due to the impact of global warming and climate change, which began to be felt in the country's olive groves in 2004. However, production across the country remained more or less unchanged as the new olive orchards planted in the late 1990s and early 2000s gradually entered commercial production. In 2016/17, Egypt had a total cultivation area of 100,000ha, almost 1% of the world's total.

According to the latest IOC data, the Egyptian olive sector is heavily oriented towards table olives, which represent 95% of its total production. It should be noted that Egypt is the top consumer of table olives in the world, accounting for 13.9% of consumption worldwide. It is also the second producer, producing about 17.2% of the world's table olives; and the second exporter, exporting about 18.2% of the world's table olives in 2017/18.





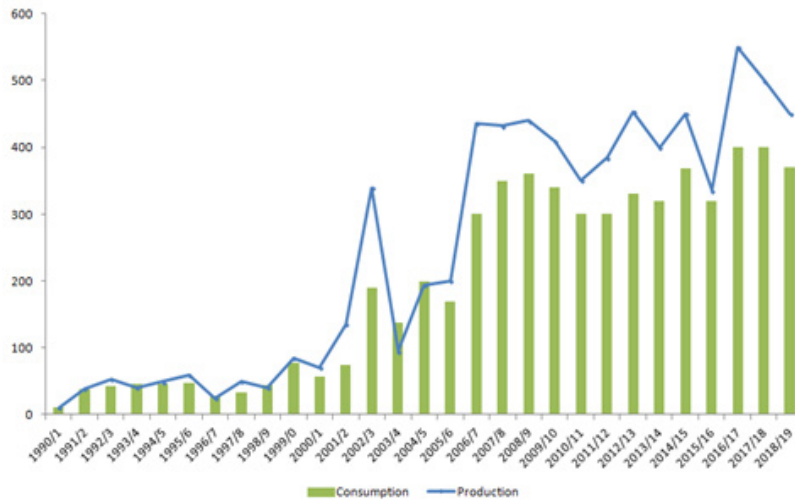
Table olive production has been steadily increasing over the last few decades, reaching 550,000t in the 2016/17 crop year. Average production in recent seasons has been around the 450,000t mark. Although it shows an overall positive growth trend, Egyptian production varies significantly between seasons. For example, in the 2015/16 crop year, production fell by around 25.5% compared to the previous year; however, in the 2016/17 crop year, production grew by 63.9%. It then grew by 9.1% in 2017/18. One of the main causes of these fluctuations is climate change, which began to have a visible effect in 2004. These variations in production negatively affect consumption and trade figures.



Source: International Olive Council

■ Graph I - Egypt - Table olive production, global percentage and variation rates 2017/18

As for trade, table olive exports in the 2017/18 crop year grew by 11.6% compared to 2016/17, reaching a total of 120,000t, 24.6% of which went to Brazil and 22.3% to the EU. The table below shows trade in the main import markets; the figures show a 48% increase to the United States, and a 40.4% increase to Australia. However, Brazil and Canada imported less, falling by 5.1% and 12.9% respectively.



■ Graph II - Egypt - Table olives, production and consumption (x1000t).

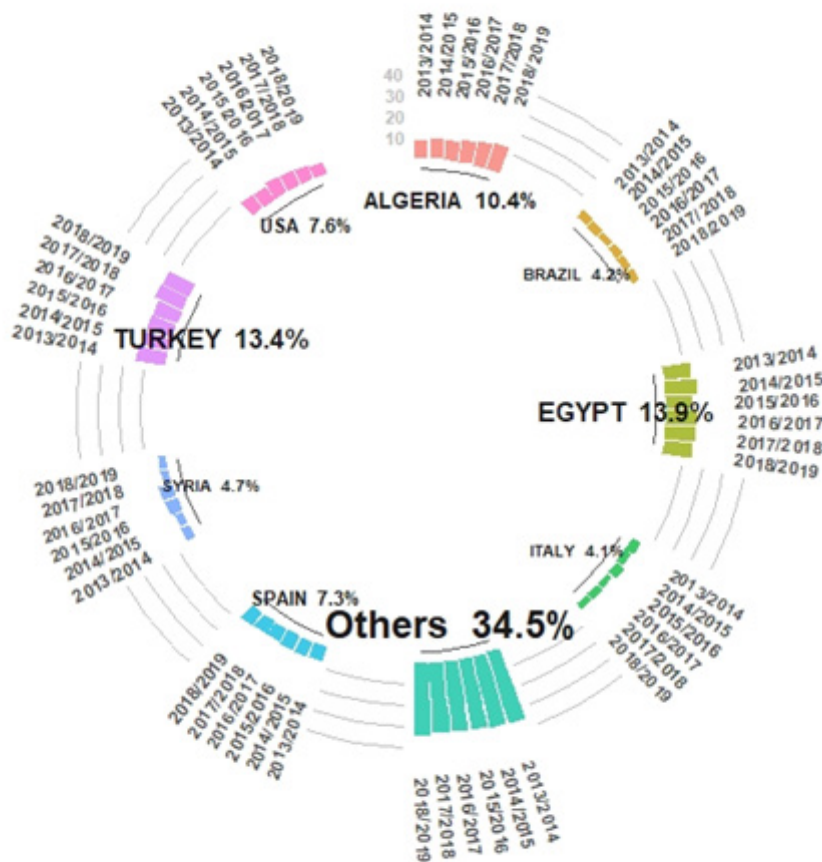
Imports to the EU in the 2017/18 crop year grew by 57.7% compared to the same period the previous crop year.

The average annual growth rate for the last four years is 46.4%. The highest rate was found in the 2016/17 crop year when imports grew by 100.7%; Brazil was the country that contributed most to this growth.

### Importers of Egyptian table olives (t)

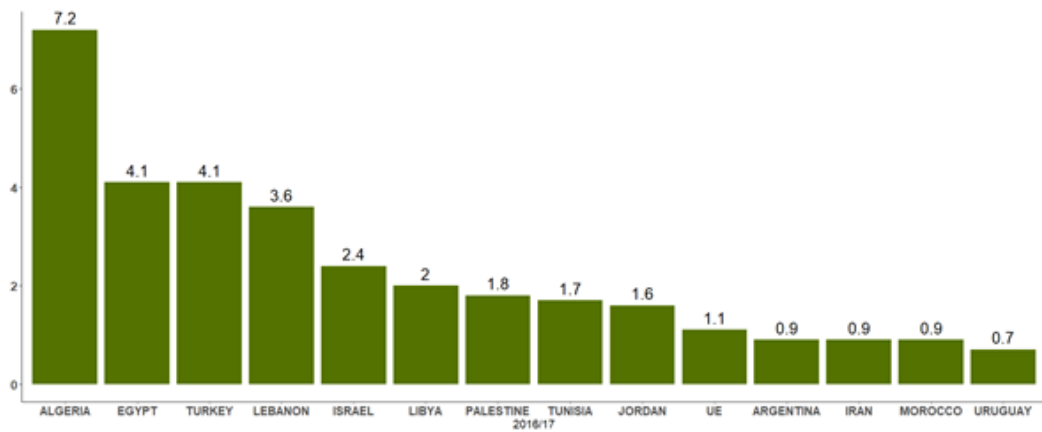
	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	%Variation Rates
AUSTRALIA	42	44	87	199	279	↑ 40.4
BRAZIL	756	6302	9057	31064	29490	↓ -5.1
CANADA	651	681	897	1041	906	↓ -12.9
Extra-EU	11488	11462	13354	16969	26761	↑ 57.7
USA	2139	2527	3186	4077	6034	↑ 48
<b>Total</b>	<b>15076</b>	<b>21017</b>	<b>26581</b>	<b>53349</b>	<b>63469</b>	↑ 19

Consumption within Egypt has changed with production. The greatest increase in consumption has been seen in the main producer countries of the IOC. In some countries, production has increased sharply, and consumption along with it. This includes Egypt, which went from consuming 11,000t in 1990/91, to 400,000t in 2017/18, making Egypt the world's leading consumer of table olives. Today, Egypt consumes 13.9% of all table olives consumed around the world.

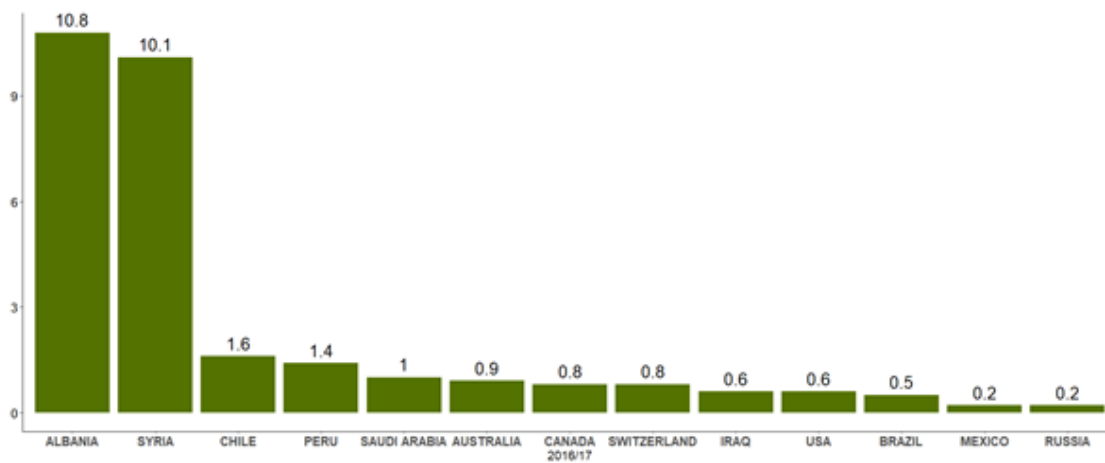


■ Graph III - Egypt - table olives, percentage global consumption

Egypt is the second biggest consumer of table olives per capita among IOC member countries, and the fourth when counting non-member countries. With a population of just over 97.5 million in 2017, per capita consumption in the last five years has gone from 3.3kg per person per year in 2016, to 4.1kg in 2017.



■ Graph 2 – Consumption in kg of table olives per habitant per year in 2017 in IOC member countries



■ Graph 3 – Consumption in kg of table olives per habitant per year in 2017 in non-member countries





## ADVANCED COURSE ON TABLE OLIVES IN EGYPT

**Cairo** - From 23 to 25 April 2019, the International Olive Council held an advanced course on production techniques and the quality control of table olives. The course was held in Egypt and organised with the kind support of the Egyptian Government and the Egyptian Olive Council.

The course was attended by 32 people from 11 different countries: Algeria, Croatia, Egypt, Iran, Italy, Jordan, Morocco, Palestine, Portugal, Tunisia and Turkey, as well as experts from Italy, Greece and Spain. The programme covered production techniques and quality control in table olive production.

The optimum characteristics of raw materials, harvesting and transportation were discussed, as well as the various styles of table olive production: green olives treated Spanish style; green oli-



Attendees at the tasting course for table olives in Cairo, Egypt



The course instructors. From left to right: Roberto de Andreis, Efstathios Panagou, Manuel Brenes Balbuena, Antonio Higinio Sánchez Gómez and Andrea Giomo

ves Castelvetro/Picholino style; olives ripening through the natural method; naturally black Greek olives; naturally black olives dehydrated by dry salt; and black olives darkened by oxidation.

The critical control points were also covered and a description of the organoleptic characteristics of table olives took place where participants discussed their importance for quality control.

On the last day of the course, a technical visit took place where participants visited olive orchards and a table olive elaboration unit.



## PERU AND THE IOC

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■ Deputy Executive Director, **Jaime Lillo**, in Peru at the meeting with the Vice-Minister of Agriculture, **María Elena Roja**

**Tacna (Perú)** - Deputy Executive Director **Jaime Lillo** met with Peruvian Vice-Minister of Agriculture **María Elena Rojas**, Deputy **Guillermo Martorell**, and representatives of the Pro Olivo association to look into the Peruvian olive sector and its possible accession to the IOC.

The Deputy Executive Director also took part in the third International Forum on the Trends and Challenges of the Olive Sector on 8 and 9 May in Tacna, Peru, where he gave a talk on the olive sector at the international level. He also took part in a round table discussion on the role of institutions involved in the olive sector and the development of the olive value chain.

Representatives from the olive sector, administration and research centres of Argentina, Chile, Greece, Peru and Spain took part in an international conference to identify the challenges and trends facing the sustainable development of the olive value chain.

Olive production in Peru has grown sharply in recent years. The natural conditions in Peru make it an ideal country to cultivate table olives and produce olive oil. Today, some 30,000ha of land are used to grow olive trees. Roughly 80% of Peruvian production is dedicated to table olives, and 20% for olive oil.



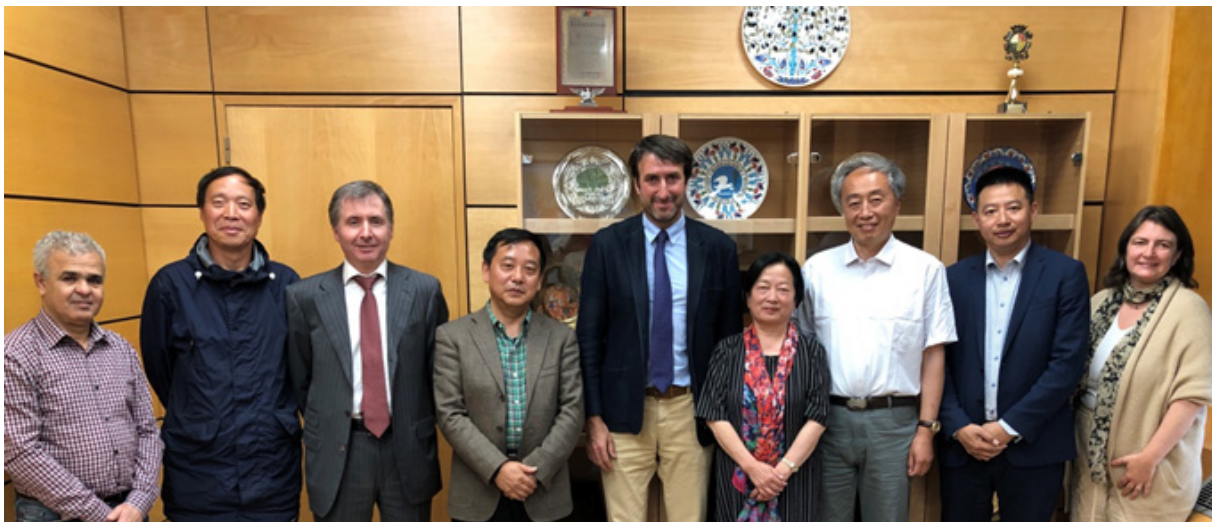


## A CHINESE DELEGATION PAYS A VISIT TO THE IOC

**Madrid**– The Executive Secretariat recently hosted a group of Chinese representatives at headquarters in Madrid: **Lijiang Zhou**, Chair of the Association for the Promotion of Olive Growing in the Sichuan province and researcher at the Sichuan Institute of Forest Planning and Inventory; **Jian Xiao**, Vice-Chair of the same Association, Deputy Secretary General of the Olive Growing Directorate of the China Forrester Association and Chair of Sichuan HUA-OU Olive Development; and **Ning Yu**, of the Sichuan Institute of Forest Planning and Inventory.

The group was welcomed by the Deputy Executive Director of the IOC, **Jaime Lillo**; the Head of the Economy and Promotion Unit, **Ender Gunduz**; the Head of the Olive Oil, Olive Oil Technology and Environment Unit, **Abdelkrim Adi**; and the Head of the Technical Cooperation and Training Department, **Catarina Bairrao Balula**.

The visit provided an opportunity to discuss the olive sector in China and future collaboration between China and the IOC. The importance of technical training to improve olive grove management and olive oil production were among the topics discussed. Another area of interest was the bank of genetic material that China has had for over 40 years, which holds some 130 varieties of olive trees, and the fact that the country's olive-growing area covers more than 60,000ha. Unfortunately, climate conditions hinder the sector's expansion.



■ Representatives from China at the IOC



## REFLECTIONS ON FUTURE COLLABORATION WITH THE OLIVE OIL SOMMELIER ASSOCIATION OF JAPAN



■ The Chair of the Olive Oil Sommelier Association of Japan at IOC headquarters in Madrid

**Madrid** – The Olive Oil Sommelier Association of Japan and the International Olive Council are making strides towards strengthening their relationship to promote extra virgin olive oil consumption. The Chair, Toshiya Tada, expressed the association's interest in the Organisation when he met with the Executive Director, Abdellatif Ghedira, recently at IOC headquarters in Madrid.

For the Executive Director, this is the first step towards strengthening the ties that the IOC began building several years ago so that the country could adopt the international norms and standards of the IOC.

"We must work together to spread awareness among Japanese consumers about good quality olive oil and its benefits" said Mr Ghedira, in conversation with representatives from both the Japanese government and the associations that promote olive oil consumption.



# THE INTERNATIONAL MARKET

(Source : Economy and Promotion Unit)

## I. WORLD TRADE IN OLIVE OIL AND TABLE OLIVES

### 1. OLIVE OIL –2018/19 CROP YEAR

The table below presents the figures for trade in olive oil and table olives in eight markets in the first five months of the current crop year, October to February 2019. The data shows an increase of 21% in Australia; 19% in Japan; 19% in Russia; 17% in the United States; 15% in Brazil; and 7% in Canada. In China, imports fell by 4% compared to the same period the previous crop year.

As for the EU<sup>1</sup>, intra-EU acquisitions and extra-EU imports rose by 3% in the first four months of the current crop year compared to the same period the previous crop years.

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

	AUSTRALIA	BRAZIL	CANADA	CHINA	JAPAN	RUSSIA	USA	EXTRA EU/27	INTRA EU/27	TOTAL
OTTOBRE 17	2843,6	5443,7	4313,7	2722,0	4871,0	2254,7	27198,7	6495,9	76921,2	<b>133064,5</b>
OTTOBRE 18	3343,7	8245,6	4663,2	2495,9	5142,4	3058,9	34986,8	12787,9	89163,6	<b>163888,0</b>
NOVEMBRE 17	2039,0	7285,3	3218,8	3833,4	4432,0	2036,0	20715,0	16739,1	91723,7	<b>152022,3</b>
NOVEMBRE 18	3378,8	8467,6	4028,9	4405,4	5893,7	2291,4	26394,3	14892,6	91148,2	<b>152022,3</b>
DICEMBRE 17	2016,3	7275,6	2888,2	7696,5	3946,3	2106,9	26836,2	25156,9	95192,9	<b>173115,9</b>
DICEMBRE 18	1894,3	6310,5	4217,5	4740,2	4610,2	2836,1	30983,4	19103,1	102335,2	<b>177030,5</b>
GENNAIO 18	1475,0	6103,3	3993,4	6113,6	4705,3	1783,0	25134,8	11126,2	102835,3	<b>163269,9</b>
GENNAIO 19	2363,8	6515,5	3245,9	7115,2	5594,4	1420,6	24753,6	14229,4	94954,1	<b>160192,6</b>
FEBBRAIO 18	2498,0	6442,4	3348,0	859,0	3664,0	1746,5	22999,6	23024,1	89279,8	<b>153861,4</b>
FEBBRAIO 19	2208,5	8022,5	2778,9	1520,3	4489,0	2177,9	26292,8	-	-	<b>47489,8</b>

<sup>1</sup> Data from the EU were not available for February 2019 at the time of publishing this newsletter



## 2. TABLE OLIVES – 2018/19 CROP YEAR

The table below shows the trade figures for table olives in the first six months of the 2018/19 crop year<sup>2</sup> (September 2018 – February 2019). According to the data, increases have been found in Australia (12%); Brazil (10%); the United States (5%); and Canada (2%), compared to the same period the previous crop year.

As for the EU<sup>3</sup>, intra-EU acquisitions and extra-EU imports increased by 5% in the first five months of the current crop year (September – January) compared to the same period the previous crop year.

Table olive imports (t)

	AUSTRALIA	BRAZIL	CANADA	USA	EXTRA-EU/27	INTRA-EU/27	TOTAL
SEPTEMBER 17	1501,0	7949,2	2077,0	10237,0	6243,2	27039,9	<b>55047,3</b>
SEPTEMBER 18	1598,5	9521,8	2702,7	9902,5	6523,2	29234,7	<b>59483,4</b>
OCTOBER 17	1295,0	9492,3	2843,0	11055,0	7304,7	32329,3	<b>64319,3</b>
OCTOBER 18	1462,9	12056,6	2641,3	11907,0	8807,6	31315,6	<b>68191,0</b>
NOVEMBER 17	1406,0	11055,2	2663,6	12596,0	8255,4	29794,9	<b>65706,6</b>
NOVEMBER 18	1997,5	12807,1	2848,2	13040,2	9501,1	34606,4	<b>74800,5</b>
DECEMBER 17	1336,8	11055,2	2663,6	12469,9	10381,4	27305,2	<b>65212,1</b>
DECEMBER 18	1232,9	9626,1	2403,5	11242,6	8713,5	29204,6	<b>62423,2</b>
JANUARY 18	1023,0	7023,3	2343,0	9811,0	9647,1	24624,0	<b>54471,4</b>
JANUARY 19	1427,8	7349,8	2326,4	12164,6	10517,6	23680,6	<b>57466,9</b>
FEBRUARY 18	1410,0	8780,0	2297,0	8976,0	9355,6	24741,0	<b>55559,6</b>
FEBRUARY 19	1233,8	9384,3	2112,2	9854,0	-	-	<b>22584,2</b>

<sup>2</sup> According to the new provisions of the International Agreement on Olive Oil and Table Olives, 2015, which came into force on 1 January 2017, "table olive crop year" means the period of twelve months from 1 September of one year to 31 August of the next. Under the 2005 Agreement, the crop year for table olives was the same as that for olive oil (October to September).

<sup>3</sup> Data from the EU were not available for February 2019 at the time of publishing this newsletter



## II. PRODUCER PRICES – OLIVE OILS

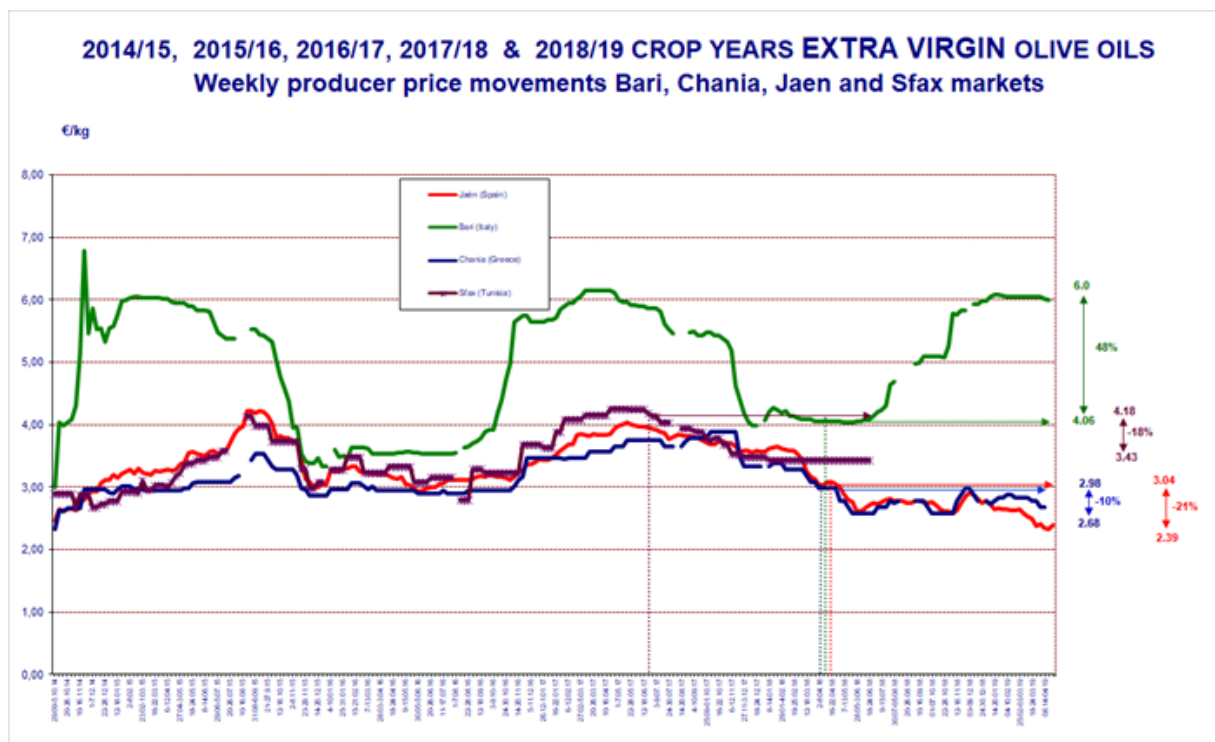
Graph 1 shows weekly producer price movements for extra virgin olive oil in the three main producer countries of the EU and Tunisia. Graph 3 shows weekly producer Price movements for refined olive oil in the two main producer countries of the EU. Monthly Price movements for these categories can be found in Graphs 2 and 4.

**Extra virgin olive oil** : Producer prices in Spain in the third week of April stood at €2.39/kg, which is a 21% fall compared to the same period the previous year (Graph 1).

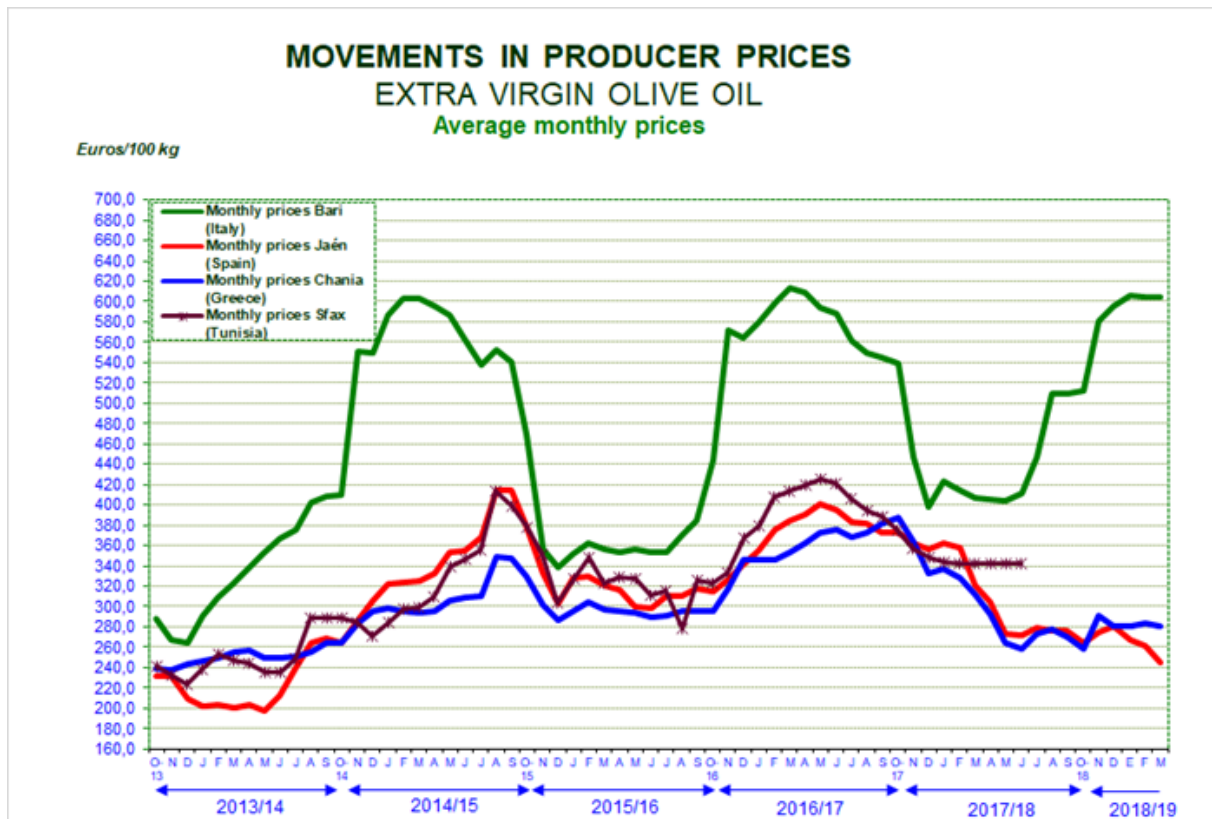
**Italy** – Producer prices in Italy have been ticking upwards since the end of May last year, coming in at €6.00/kg in the second week of April 2019, which is a 48% increase compared to the same period the previous crop year.

**Greece** – Prices in Greece in the first week of April 2019 came in at €2.68/kg, which is a 10% fall compared to the same period the previous crop year.

**Tunisia** – Prices in Tunisia remained stable in the last weeks of June 2018, coming in at €3.43/kg, an 18% fall compared to the same period the previous crop year.



■ Graph 1



■ Graph 2

**Refined olive oil** : Producer prices in Spain stood at €2.03/kg in the third week of April, a 26% fall compared to the same period the previous crop year. Data from Italy have not been available since the end of December 2017, when they stood at €3.56/kg, a 4% increase on the previous crop year.

By the third week of April 2019, the price difference in Spain between extra virgin olive oil (€2.39/kg) and refined olive oil (€2.03/kg) stood at €0.36/kg. In Italy, the difference was €0.43/kg in Italy (Graph 3).







## STAY TUNED!

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Keep up with the olive sector through Olive News:

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and the goings-on at the IOC:

<http://www.linkedin.com/company/international-olivecouncil>

Our scientific journal Olivæ is available at:

<http://www.internationaloliveoil.org/store/index/48-olivae-publications>



■ The International Olive Oil Council's headquarters in Calle Principe de Vergara 154 in Madrid