



*The Newsletter clocks up 100 issues!*

Now that we have reached our 100th issue, we want to thank all our subscribers – there are more than 6 800 of you out there – for your loyalty. A big thank-you also goes to all the media like Mercacei, Olinerca, Oleo Revista, Vida Rural, Alcuza, Agricultura, Oleum Xauem, EfeAgro, Olive Oil Times, blog ElOlivar, Agroinformación, Jus d'Olive, OlioOfficina Magazine, Teatro Naturale, Olive Oil Market, Portal Olivícola, amongst others, that have helped to give visibility to the newsletter since it first came out in February 2006.

This special edition is also an opportunity to refresh your memory about the IOC since it was first created 57 years ago. It was back in 1959 when the Council (then known as the International Olive Oil Council) was set up in Madrid under UN auspices after the governments of several countries – Belgium, France, Greece, Israel, Libya, Morocco, Portugal, Spain, Tunisia and the United Kingdom – signed the first International Olive Oil Agreement. Fifty-seven years have gone by since then and the sixth International Agreement, to be known as the 2015 Agreement, is set to enter into force on 1 January 2017. This new Agreement will allow the IOC to continue apace in helping to bring about the harmonious, lasting development of the world olive and olive oil sector. Several features mark off this Agreement from its predecessors, for instance it facilitates the participation of importer countries and its modified formula for calculating participation shares is an incentive for consumer countries to join. It reasserts the role of the IOC as a world documentation centre and channel for broadcasting information about the olive and its products. It also focuses on national and international **standards** for the physico-chemical and organoleptic characteristics of olive oils, olive pomace oils and table olives aimed at preventing trade barriers and guaranteeing quality, which is a topic that deserves a special mention.

Since its inception, the IOC has pulled out all the stops to try to improve olive oil quality and to create awareness among industry and the general public about the importance of quality. Quality is a core feature of its remit that is even stronger in the new Agreement. Quality is largely a modern-day concept that is constantly evolving. It begins with nurturing the trees in the orchard to give healthy olives; it continues at the mill by crushing the olive fruits and extracting and storing the oil properly, and it carries on through the marketing stage. Each cog in the wheel plays an essential part in guaranteeing quality and strengthening the image of olive oil as a product of excellence that neither disappoints nor defrauds. Hence the importance placed by the IOC on training in the orchard and at the mill, on chemistry and sensory research to uncover all the secrets of this fruit juice and so prevent adulteration; on R & D projects aimed at improving cultural practices or the environmental impact of olive growing or reusing olive by-products; on marketing courses and seminars and economic research; on quality control programmes in import markets; and on promotion and information dissemination to make sure that people know about olive oil and understand what sets it apart from other fats and oils. Nowadays quality is definitely light years ahead of what it used to be and it has become a key factor in the development of the sector. We would like to think that the IOC has done its bit to make this come about.

In 2015, the IOC had 17 Members: Albania, Algeria, Argentina, the European Union, Egypt, Iran, Iraq, Israel, Jordan, Lebanon, Libya, Morocco, Montenegro, Syria, Tunisia, Turkey and Uruguay. Together, they produce 97 pc of the world's olive oil and account for 96 pc of world exports. Chart 1 shows how world olive crop area has evolved and when each Member joined.

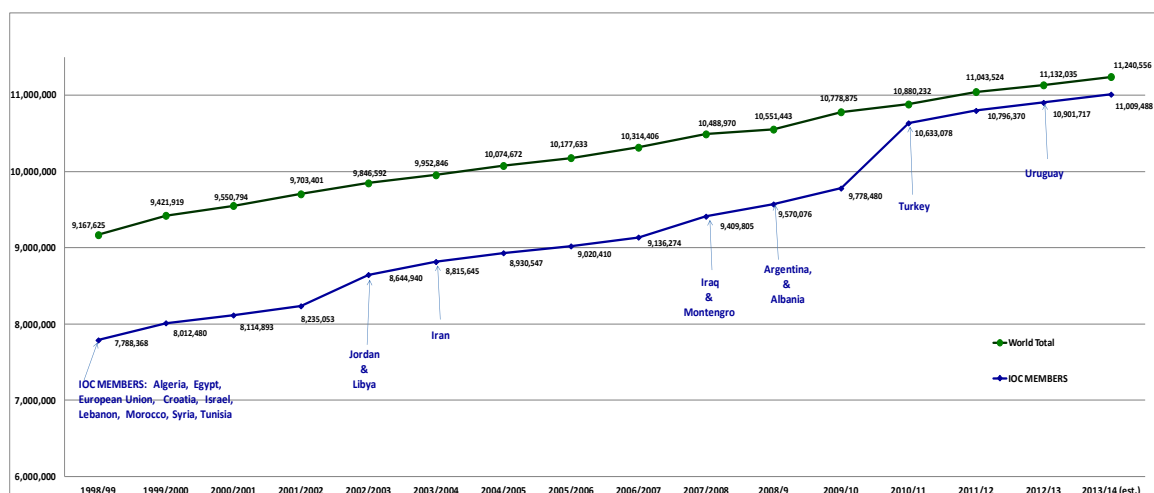


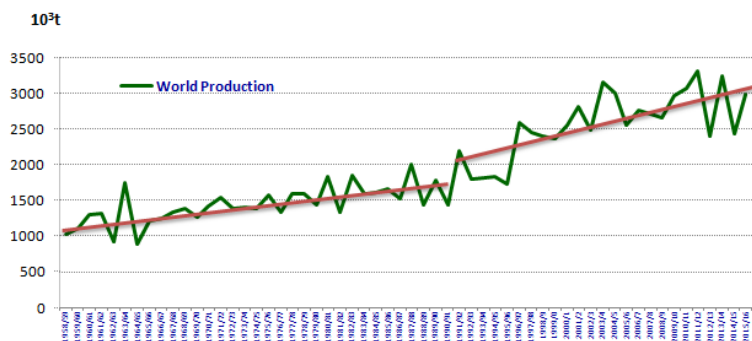
Chart I – Trend of world olive area (ha) and date of accession by IOC member countries



Over these 57 years, world olive oil production has almost trebled from 1 million tonnes in 1958/59 to close to 3 million tonnes in 2015/16, but this gain has not been uniform (Chart II).

Until 1994/95, production climbed gradually and then levelled off for three crop years in a row at just over 1 800 000 t. The alternate bearing pattern of the olive left its mark, wedging a bumper harvest (1963/64) between two poor harvests (1962/63 and 1964/65) or an 'off' year (1981/82) between two 'on' years (1980/81 and 1982/83); fluctuations likewise occurred between 1987/88 and 1991/92.

After dipping slightly in 1995/96, production moved up a gear in 1996/97 and hit 2 500 000 t for the first time ever. From then on, production continued to grow, topping 3 000 000 t in 2003/04, 2004/05, 2010/11, and later hitting an all-time high of 3 300 000 t in 2013/14. More recently, in the last five crop years (Chart I), production has oscillated more sharply, swinging between the high of 3 300 000 t in 2013/14 to a low of 2 400 000 in 2012/13 and 2014/15. These large sways are not only due to the off/on pattern of the olive tree. Other causes are adverse weather conditions – heavy rain in some areas and very high temperatures in others – and numerous disease issues in certain producer countries.



**Chart II – Trend of world production 1958/59–2015/16 (1000 t)**

## WORLD TRADE IN OLIVE OIL AND TABLE OLIVES

### 1. WORLD OLIVE OIL TRADE IN 2014/15

As can be seen from the table below, at the close of the 2014/15 crop year (October 2014–September 2015), Japanese imports of olive oil (customs heading 15.09) and olive pomace oil (customs heading 15.10) were 10 pc higher than in 2013/14, and have shown strong growth since March 2015. Imports into the United States and China have held steady, whereas they have dropped in Russia (–33 pc), Australia (–21 pc), Brazil (–8 pc) and Canada (–7 pc).

The 11-month figures for the EU\* for the 2014/15 crop year show a drop in intra-EU acquisitions (–2 pc) and a steep 311 pc rise in extra-EU imports versus the same period a season earlier. This situation was prompted by the heavy drop in production in Spain and Italy in 2014/15. As a result, extra-EU imports by both countries soared, particularly imports from Tunisia (+1070 pc by Spain and +329 pc by Italy on 2013/14 levels). As reported in the previous issue of this newsletter, this upward movement began in December 2014 and was connected with the large climb in Tunisian production in 2014/15, which positioned Tunisia as the world's top exporter that season.

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

No	Importing country	October 13	October 14	November 13	November 14	December 13	December 14	January 14	January 15	February 14	February 15	March 14	March 15	April 14	April 15	May 14	May 15	June 14	June 15	July 14	July 15	August 14	August 15	September 14	September 15
1	Australia	2169.9	3125.1	2461.2	2391.8	2004.0	1652.1	2211.3	1856.8	2022.2	1607.8	2946.1	1790.2	2703.3	1727.6	2104.3	1721.5	2002.0	1646.9	3558.0	1881.9	2471.5	1883.4	2231.8	1537.8
2	Brazil	9075.3	9584.6	6239.6	7269.9	7156.7	6249.3	5163.6	6367.2	5215.4	5517.4	6746.9	6662.1	5281.0	4769.3	5110.2	2781.4	5158.0	3971.6	6416.0	4613.7	5759.2	5267.2	6060.0	4594.9
3	Canada	4014.7	3985.0	2845.6	3257.6	2662.2	3069.3	3649.0	2341.2	2785.6	3008.9	3955.1	2873.2	5650.3	4118.7	3866.0	4229.0	4810.3	3353.7	2700.1	3368.0	2683.8	2395.3	2352.0	2934.9
4	China	2609.4	2410.8	3030.7	3651.5	4007.6	3530.5	3288.3	2850.1	1050.3	1471.1	2323.1	2503.5	2532.7	2835.5	2954.8	2534.2	4032.4	4139.4	4367.1	4161.0	3387.3	3381.2	2327.3	2449.8
5	Japan	4410.0	4776.0	4386.0	4735.0	3967.0	3965.4	4271.0	4531.1	4039.0	3474.0	4840.0	6753.0	5634.0	6319.0	5394.0	6550.0	3961.0	4803.0	5574.0	5129.0	4163.0	5474.0	5578.0	5595.0
6	Russia	2982.0	4299.5	2763.7	3192.4	3174.3	2653.1	1914.2	1513.0	3641.5	1216.5	3256.9	1589.2	3350.9	1163.6	2655.7	1126.1	3034.5	1612.2	2807.1	1882.4	2927.7	1485.4	3355.7	1656.3
7	USA	23274.0	23332.0	27163.1	29448.9	21455.9	19755.5	20794.8	24296.3	11797.9	27483.4	29914.3	27063.3	37422.5	31125.9	23534.5	29395.9	29791.5	31444.9	30075.9	20484.5	23486.0	23631.4	25852.0	22061.0
8	Extra-EU27	14233.0	6722.0	6659.0	6801.8	5141.0	14707.0	6711.3	19871.7	2110.4	22619.4	3849.5	26791.0	3741.0	32426.3	2090.7	29187.5	2611.7	25794.0	4967.3	2376.0	3496.8	22293.1	5962.2	nd
8	Intra-EU27	88710.0	86729.0	75558.0	98016.0	98320.0	122803.0	93392.2	101262.0	107591.3	106374.0	99077.7	105097.7	96205.0	88340.2	103856.8	93655.1	97045.0	82117.0	115640.5	84179.0	96109.7	76516.2	86722.8	nd
	<b>Total</b>	<b>151478.3</b>	<b>147924.0</b>	<b>131106.9</b>	<b>157765.8</b>	<b>147888.7</b>	<b>177385.2</b>	<b>147285.7</b>	<b>163889.4</b>	<b>145435.6</b>	<b>172732.5</b>	<b>155809.6</b>	<b>181063.2</b>	<b>162520.4</b>	<b>172826.1</b>	<b>151567.0</b>	<b>165870.7</b>	<b>151446.4</b>	<b>158622.7</b>	<b>176134.9</b>	<b>157015.5</b>	<b>141415.0</b>	<b>142307.2</b>	<b>140411.8</b>	

\*The EU data for September 2015 were not available at the time of writing.



## 2. WORLD TABLE OLIVE TRADE IN 2014/15

At the close of the 2014/15 crop year (October 2014–September 2015), table olive imports (see next table) into the United States showed an increase of 12 pc on the season before whereas they remained stable in Canada. Conversely, decreases are reported for the rest of the countries listed, i.e. Russia (–16 pc), Australia (–12 pc) and Brazil (–9 pc).

The figures for the EU\* for eleven months of the 2014/15 season show that intra-EU acquisitions and extra-EU imports went up by 6 and 1 pc respectively versus the same period of 2013/14.

		Table Olive Imports (t)																							
No	Importing country	October 13	October 14	November 13	November 14	December 13	December 14	January 14	January 15	February 14	February 15	March 14	March 15	April 14	April 15	May 14	May 15	June 14	June 15	July 14	July 15	August 14	August 15	September 14	September 15
1	Australia	1511.0	1547.0	1657.0	1234.0	1905.0	1580.0	1740.0	1409.0	1431.0	1064.0	1640.0	1418.0	1408.0	1385.0	1437.0	1316.0	1195.0	1154.0	1440.0	1405.0	1128.0	975.0	1421.0	1376.0
2	Brazil	11769.2	12930.3	11299.5	10285.5	8721.4	8685.1	6171.8	8007.7	6273.1	6715.2	7564.4	9256.8	9458.1	8610.0	9928.2	9197.6	9644.0	8558.6	11386.0	8822.6	9981.0	6790.3	11800.0	7384.7
3	Canada	2795.0	2413.0	2656.0	2469.0	2074.0	2810.0	2622.0	2144.0	2308.0	2390.0	2210.0	1890.0	2620.0	2704.0	2558.0	2721.0	2384.0	2500.0	2755.0	2567.0	1781.0	2342.0	2378.0	2186.0
4	Russia	8882.2	11076.5	9073.0	8719.1	5026.1	7288.0	4861.8	3413.8	4713.8	2313.8	6308.1	3292.9	5709.6	3564.1	4924.2	2856.5	4688.3	4034.7	5430.0	3614.0	6269.3	4804.4	6695.5	6245.1
5	USA	11434.0	10387.0	10396.0	10164.0	10537.0	12219.0	10483.0	11629.0	9452.0	10732.0	10892.0	16677.0	11764.0	13795.0	10722.0	14616.0	12165.0	11579.0	14505.0	15387.0	13194.0	12520.0	9598.0	12256.0
6	Extra-EU27	8204.0	8296.0	5459.0	7062.1	6404.0	8090.7	7154.4	7778.9	7134.0	6894.8	9755.0	9379.3	9138.0	8813.4	9239.0	9457.0	8031.0	8869.0	8364.0	5804.0	5763.0	8181.0	nd	nd
	Intra-EU27	27012.0	27129.0	25216.0	23210.6	23989.0	27400.6	19491.0	19872.0	20787.8	21543.7	21646.0	24769.9	22340.5	22883.4	22029.8	24928.1	25163.3	20360.3	29218.3	28726.6	19366.7	22256.0	22019.0	nd
	<b>Total</b>	<b>69607.4</b>	<b>73760.8</b>	<b>65756.5</b>	<b>63152.3</b>	<b>58965.5</b>	<b>68073.4</b>	<b>52464.0</b>	<b>54254.4</b>	<b>52079.7</b>	<b>51743.5</b>	<b>60055.5</b>	<b>66623.0</b>	<b>62438.2</b>	<b>61714.9</b>	<b>61837.2</b>	<b>62839.8</b>	<b>64696.6</b>	<b>65197.6</b>	<b>73803.3</b>	<b>67892.2</b>	<b>57524.0</b>	<b>55450.7</b>	<b>62092.5</b>	

## 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. The monthly price movements for the same two grades of oil are tracked in Graphs 2 and 4.

**Extra virgin olive oil:** Producer prices in **Spain** started to rise in November 2014. After peaking at €4.23/kg in the third week of August 2015, they switched direction and began to drop, gathering momentum from the last week of September. It is noteworthy that this downward movement in prices started later in Spain than in Italy. In the last week of December, prices were lying at **€3.05/kg** (similar to December 2014 prices). This is 2 pc lower than a year earlier, 56 pc higher than the low recorded in the third week of May 2014 (€1.96/kg), but 27 pc below the peak recorded in the third week of August 2015 (€4.23/kg).

**Italy:** In the **week from 10 to 16 November 2014**, producer prices in Italy hit the highest level of both the period under review and the last decade, reaching **€6.79/kg**. After some fluctuations, they started to fall sharply, reaching **€3.34/kg at the end of December 2015**, i.e. 40 pc less than a year earlier but 27 pc more than the low recorded in the second week of December 2013 (€2.64/kg). Graph 2 shows how the monthly prices of extra virgin olive oil have behaved in recent crop years.

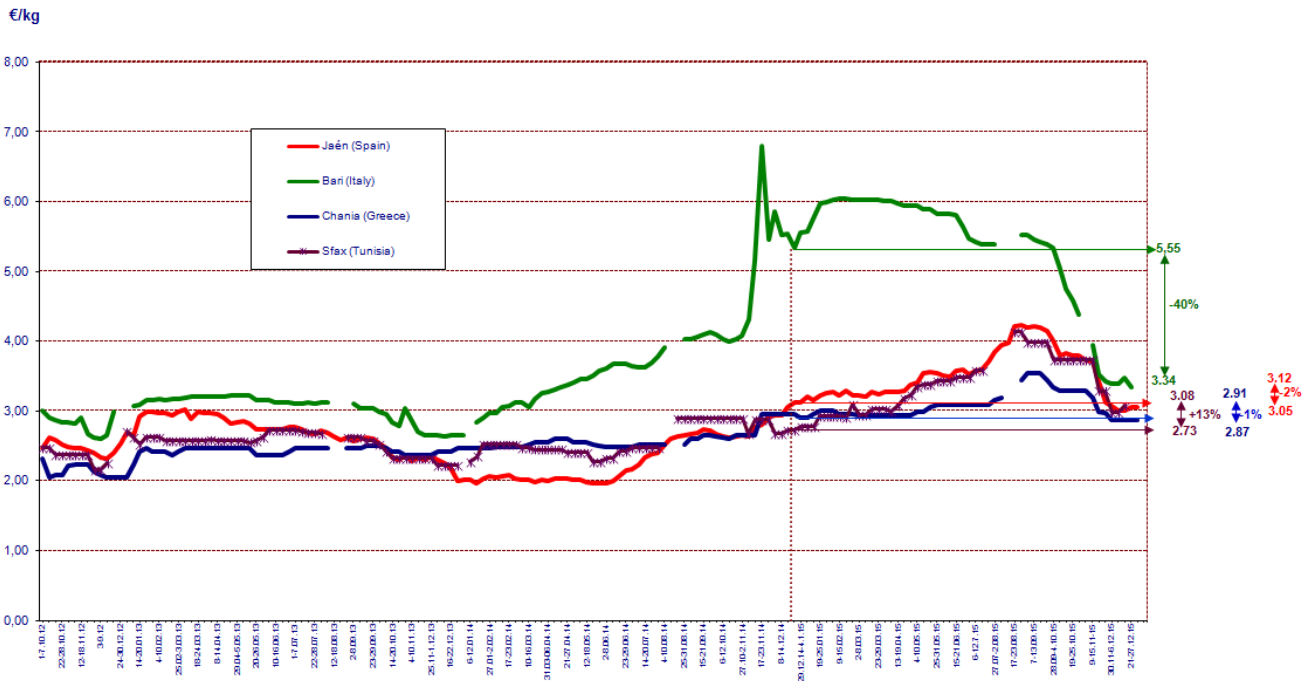
**Greece:** In the third week of January 2015, prices in Greece crossed the three-euro/kg line. After small fluctuations, they rose to period highs (€3.54/kg) in the last weeks of August and first week of September 2015. After holding steady for a while, they reacted in the same way as the other markets but have steadied lately and were lying at **€2.87/kg at the close of December 2015**, 1 pc down on the same period a season earlier.

**Tunisia:** Producer prices peaked in the last weeks of August. Then, like elsewhere, they started to drop, only to switch back upwards. At the **end of December 2015**, they were lying at **€3.08/kg**, showing period-on-period growth of +13 pc.

\*The EU data for September 2015 were not available at the time of writing.

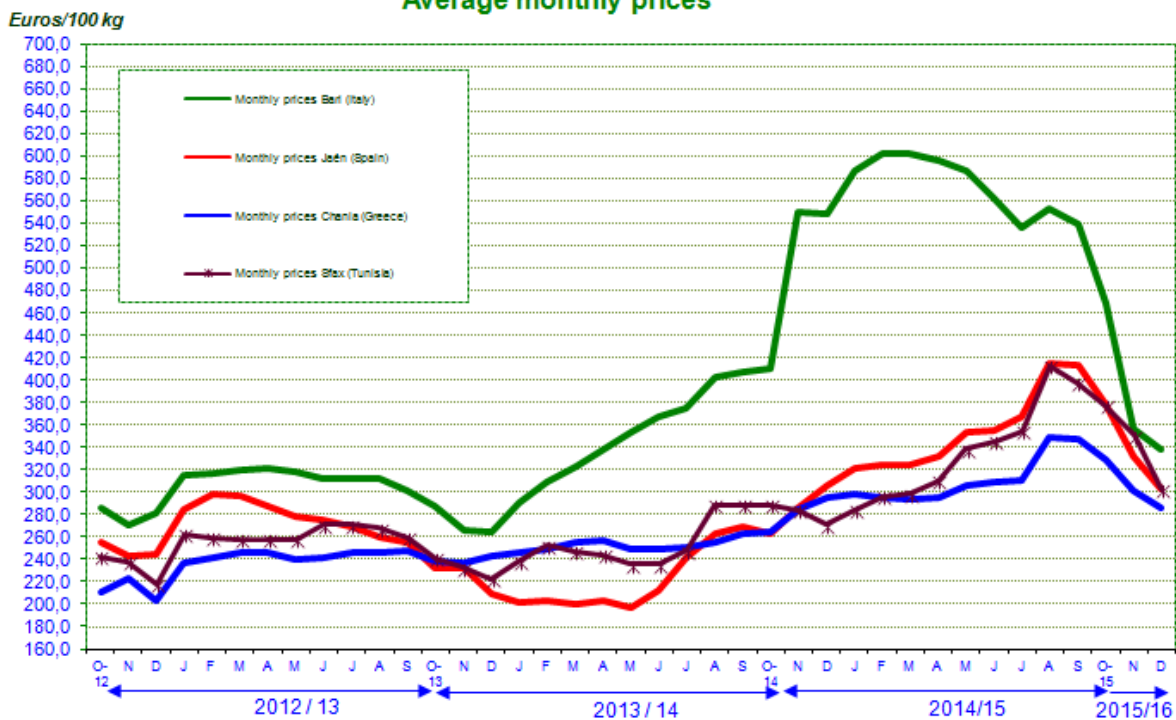


**2012/13, 2013/14, 2014/15 & 2015/16 CROP YEARS EXTRA VIRGIN OLIVE OILS**  
**Weekly producer price movements Bari, Chania, Jaen and Sfax markets**



Graph 1

**MOVEMENTS IN PRODUCER PRICES**  
**EXTRA VIRGIN OLIVE OIL**  
**Average monthly prices**

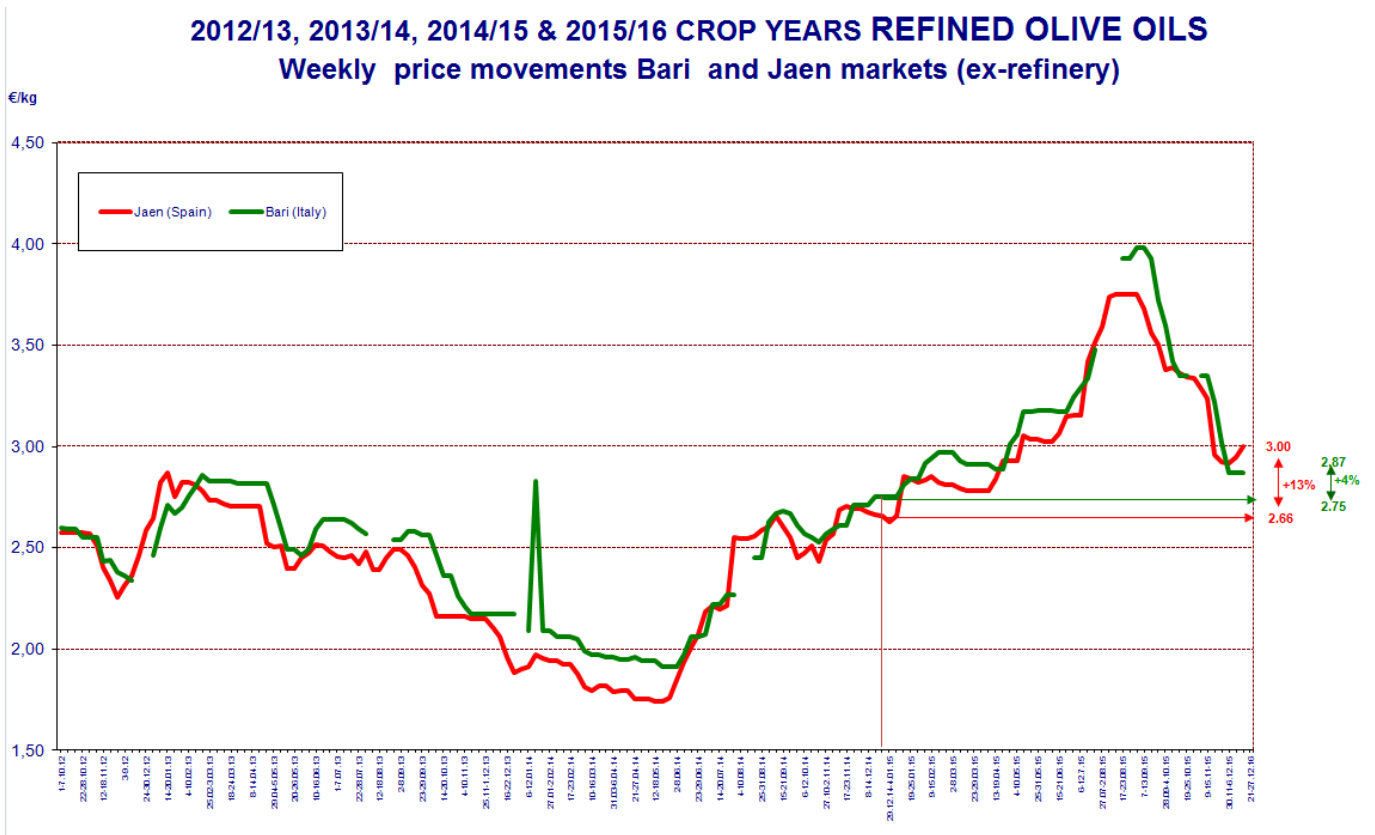


Graph 2



- **Refined olive oil:** After peaking in August 2015, producer prices for refined olive oil have followed in the footsteps of extra virgin prices. In **Spain** where they started to drop ahead of elsewhere, they dropped sharply but started to rally in recent weeks to stand at **€3.00/kg** in late December 2015, showing an increase of 13 pc on the same period of the preceding crop year. The trend in **Italy** has been similar, but more pronounced with prices lying at **€2.87/kg** by the end of December 2015. This level was 4 pc higher than the same period the season before. No price data are available for this product category in Greece.

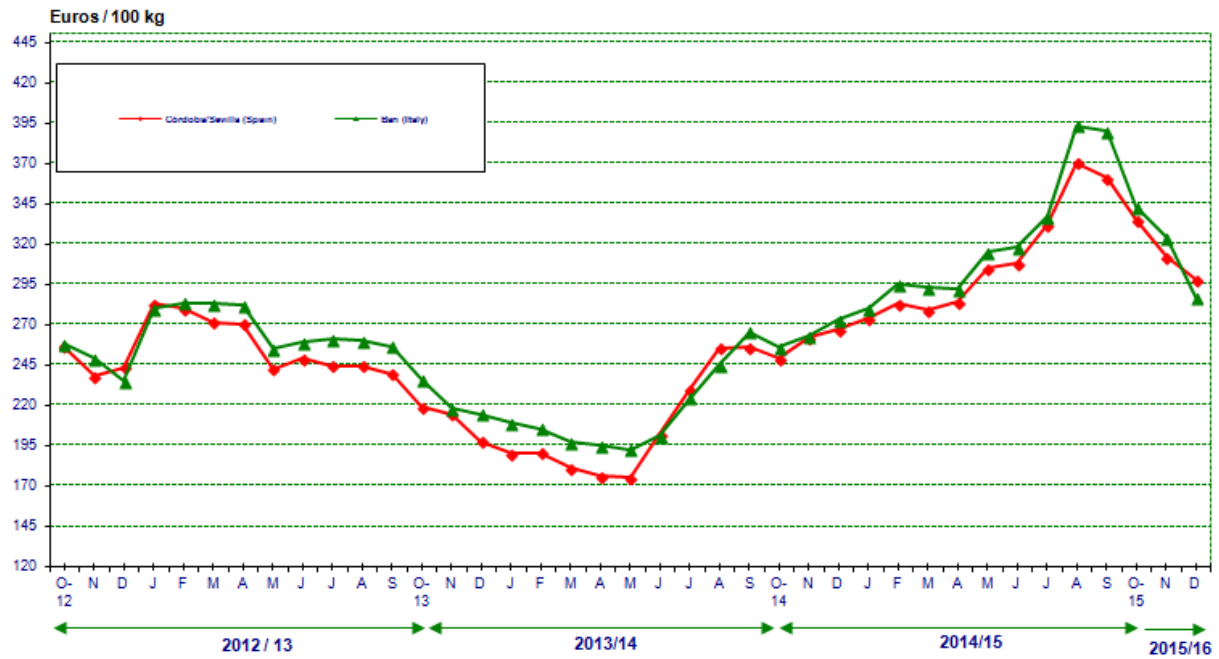
At the end of December 2015, the price of refined olive oil (€3.00/kg) and extra virgin olive oil (€3.05/kg ) differed by a minimal €0.05/kg in Spain whereas in Italy the gap between the two categories was wider (€0.47/kg - Graph 3).



Graph 3



**MOVEMENTS IN PRODUCER PRICES**  
**REFINED OLIVE OIL**  
**Average monthly prices**



Graph 4

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