IOC Advisory Committee on Olive Oil and Table Olives assembles for 40th meeting

Representatives converged on the IOC headquarters in Madrid for the 40th meeting of the IOC Advisory Committee on Olive Oil and Table Olives, held on 14 and 15 November. During discussions, the IOC Executive Secretariat gave a market overview featuring the figures for olives and olive oil for 2010/11 (final), 2011/12 (provisional) and 2012/13 (estimated), and the trends in the prices paid to producers.

According to estimates forwarded by member countries, **world olive oil production** is expected to total 2 718 000 t in **2012/13**, a decrease***** of 20% on the season before. The aggregate production of the IOC Members is assessed at 2 632 000 t, with the Member States of the 27-strong European Union accounting for 1 739 000 t (Spain 820 000 t; Italy 490 000 t; Greece 350 000 t; Portugal 68 600 t; Cyprus 5 600 t; France 4 300 t; Slovenia 700 t). Behind the EU comes Tunisia, with 220 000 t, followed in descending order by Syria (198 000 t), Turkey (195 000 t), Morocco (100 000 t), Algeria (56 600 t), Jordan (35 000 t), Argentina (17 000 t), Libya (15 000 t), Israel (13 000 t), Albania (8 500 t) and the rest of the member countries with smaller volumes. Significantly, the production estimate for Spain is 49% down on the previous crop year.

Estimates for **table olives** put **world output** for **2012/13** at 2 315 000 t. Of this tonnage, 666 000 t is expected to be produced by the Member States of the EU-27 where Spain leads the way with 450 000 t, followed by Greece (130 000 t), Italy (74 000 t), Portugal (8 000 t), Cyprus (2 800 t) and France (1 200 t). Table olive production by the other IOC Members is assessed at 410 000 t for Turkey, 300 000 t for Egypt, 172 000 t for Syria, 157 000 t for Algeria, 100 000 t for Morocco, 60 000 t for Argentina and at lower levels for the rest of the member countries. Again, the drop in Spain's estimated production is noteworthy (-14%). For more information, go to http://www.internationaloliveoil.org/documents/viewfile/7118-powerpoint-presentation-advisory-committee/2

At the committee meeting, representatives were able to listen to a presentation given by Christian ARGENSON (France) on the **promotion** carried out by the French Interbranch Olive Oil Association to boost olive and olive oil consumption in **France**. Action is organised at local, regional, interregional and national level and focuses on increasing consumer olive oil awareness through workshops and conferences, media relations and campaigns, and product familiarity programmes for restaurants and catering school faculty and students. Booklets are written for distribution at events and a website has been created to interact with consumers. While a small-scale producer, France imports some 114 000 t of olive oil a year. Primarily extra virgin olive oil is consumed in France. For more, view http://www.internationaloliveoil.org/documents/viewfile/7117-actions-de-promotion-de-l-rsquo-huile-d-rsquo-olive-et-des-olives-de-table-menees-en-france/2

On the same day, Teresa Millán (Manager) from the Spanish Olive Oil Interbranch Association delivered a presentation beginning with facts and figures about the Spanish olive oil industry and then outlining the role and action of the Association, created in 2002 and funded by its membership which brings together producers, processors and marketers. Since 2008, it promotes scientific research, development and innovation and carries out market research and highly successful promotion campaigns both at home – Spain consumes some 580 000 t of olive oil – and abroad. It is looking to expand its campaigns through national or European co-financing. A large part of its campaigns are directed at the generic promotion of olive oil. See more at http://www.internationaloliveoil.org/documents/viewfile/7116-el-rol-de-la-interprofesional-en-espana/2

Olive oil's carbon footprint was another of the subjects presented at the meeting. The Executive Secretariat has set up a multidisciplinary team of experts on olive oil, sustainability and climate change to engage in a technical and scientific debate and review of the feasibility of drawing up a protocol for calculating the environmental footprint of olive oil. In a paper on this subject (see http://www.internationaloliveoil.org/documents/viewfile/7115-the-carbon-footprint/2), expert Juan Antonio Polo (Spain) explained that the term carbon footprint refers to the sum of greenhouse gas emissions through the life cycle of a product and that carbon sequestration is the influential factor for the olive sector.

***** The file uploaded on Wednesday 5 December inadvertently read " a rise of 20%" instead of "a decrease of 20%. This mistake has now been corrected.

WORLD MARKET FOR OLIVE OIL AND TABLE OLIVES

1. OLIVE OIL: 2011/12 CROP YEAR

The data for the eight countries listed in the table below show that imports of olive oil and olive pomace oil through 2011/12 taken as a whole (October to September) increased in China (+38%), Japan (21%), Russia (+15%), Brazil (+9%) and the United States (+9%) but decreased in Canada (-1%) and flatlined in Australia. September data were not available for the EU at the time of publishing this newsletter. However, when compared with the data for the first eleven months of 2010/11, the October 11–August 12 signal a +19% rise in extra-EU/27 imports and a -1% drop in intra-EU/27 imports. Notably, extra-EU/27 imports started to move up from May 2012, possibly due to the poor harvest expectations for 2012/13.

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

No	Importing country	October 10	October 11	November 10	November 11	December 10	December 11	January 11	January 12	February 11	February 12	March 11	March 12	April 11	April 12	May 11	May 12	June 11	June12	July 11	July 12	August 11	August 12	September 11	September 12
1	Australia	2492.8	2571.2	3522.0	3027.0	3505.0	1580.0	1887.0	3060.0	1723.0	2289.0	2523.0	3491.0	2679.0	2082.0	3505.0	2121.0	2524.0	2820.0	2079.0	2798.0	3845.1	3409.2	1662.0	2651.0
2	Brazil	6852.5	5247.0	6461.1	8866.7	6002.8	6004.8	5280.8	6414.7	6343.5	6453.8	5559.1	5615.9	4200.5	4583.7	3981.5	5845.0	4035.0	4715.5	5885.7	5635.5	4250.6	7933.9	6185.5	3687.8
3	Canada	3511.0	2903.0	3520.0	4080.0	3704.0	2980.0	4402.0	2471.0	3210.0	2263.0	4469.0	4939.0	3738.0	3453.0	3601.0	3802.0	2546.0	2907.0	2684.0	2975.0	3078.6	4127.1	2396.0	3726.7
4	China	1073.1	2364.0	2657.5	2901.2	4439.8	5638.7	4125.6	3897.1	1233.4	2063.1	2332.7	2524.6	1714.6	2472.9	2439.4	3200.7	3170.0	3922.2	2802.4	5067.7	4284.4	6874.3	2954.3	5041.2
5	Japan	2911.0	3085.0	2651.0	3064.0	3181.0	3392.0	3254.0	3597.0	2785.0	3519.0	3206.0	2670.0	3087.0	3897.0	3124.0	3801.0	3029.0	3994.0	3302.0	5142.0	4263.8	4757.6	2729.0	4653.0
6	Russia	2354.0	2511.0	2151.0	3486.0	2749.0	2854.0	1703.0	1805.0	1972.0	1973.2	2423.9	2895.7	2584.6	1992.2	2535.3	2521.5	2394.0	2575.4	2078.4	2476.8	1756.1	2727.0	1761.0	2688.6
7	USA	25040.5	20939.5	20490.0	29832.0	27938.0	23574.0	19730.0	27739.0	26376.0	17383.0	31727.0	33277.0	21961.0	24527.0	21638.0	28958.0	26121.0	23642.0	24512.0	33322.0	25671.3	27035.0	20844.0	26868.0
8	Extra-EU/27	4869.0	6122.0	6586.0	4982.0	9821.0	6250.0	6519.3	5174.4	9943.3	9715.7	8172.0	8034.6	10632.1	7349.0	6355.0	16223.0	5652.0	8252.0	6239.9	11527.0	3267.8	9336.9	5487.8	nd
	Intra-EU/27	82141.7	86248.0	91566.6	87821.0	107612.0	99466.3	92897.2	87352.9	92365.0	91360.0	92284.6	91017.9	82597.0	73486.0	85845.0	84312.0	89454.0	82074.0	78239.3	89543.0	80904.8	90612.0	88073.8	nd
	Total	**131245.6**	**131990.7**	**139605.2**	**148059.9**	**168952.6**	**151739.8**	**139798.9**	**141511.1**	**145951.2**	**137019.8**	**152697.3**	**154465.7**	**133193.8**	**123842.8**	**133024.2**	**150784.2**	**138925.0**	**134902.1**	**127822.7**	**158487.0**	**131322.5**	**156813.0**	**132093.4**	

2. TABLE OLIVES: 2011/12 CROP YEAR

The figures reported in the next table show that table olive imports through the twelve months of the 2011/12 season (October–September) went up by +15% in Brazil but only +1% in Australia while they held steady in Canada. Moving in the other direction, imports dropped by -4% in the United States and -3% in Russia. At the time of publication, the September data were not available for the EU but when set against the data for the first eleven months of 2010/11, the October 11–August 12 figures show an overall -4% decrease in extra-EU/27 imports and a steady level of intra-EU/27 imports.

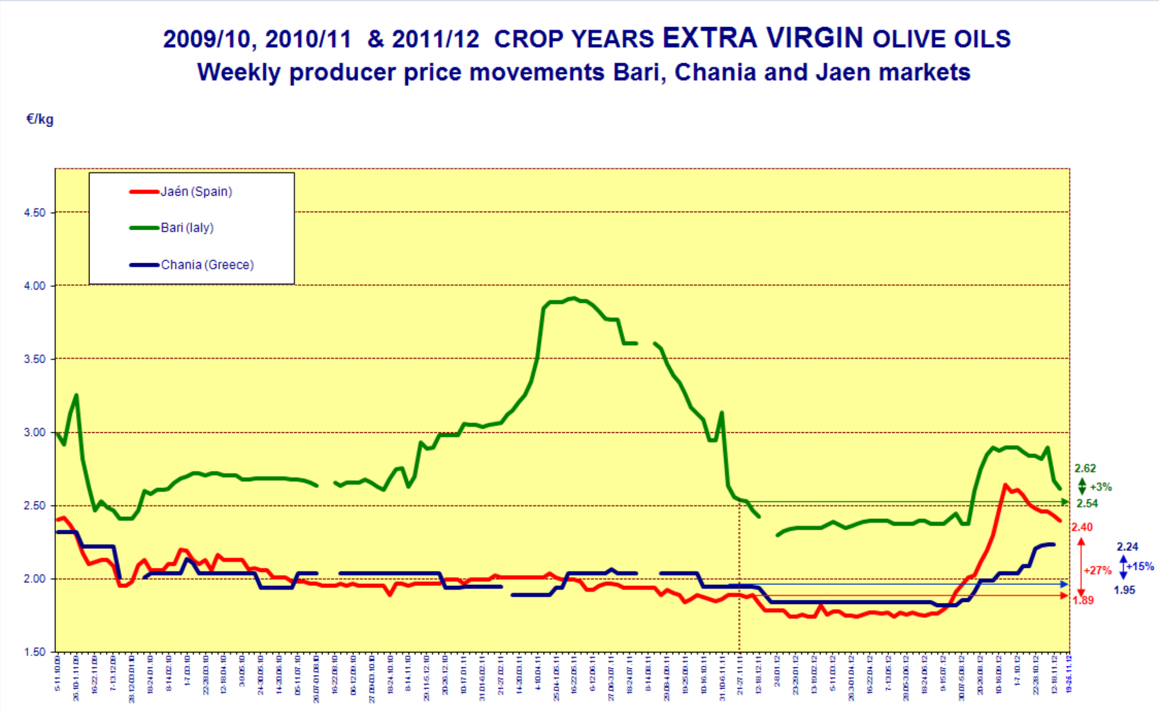
Table Olive Imports (t)

Nº	Importing country	October 10	October 11	November 10	November 11	December 10	December 11	January 11	January 12	February 11	February 12	March 11	March 12	April 11	April 12	May 11	May 12	June 11	June 12	July 11	July 12	August 11	August 12	Septembre 11	Septembre 12
1	Australia	934.0	1072.0	1649.0	1734.0	2222.0	1613.0	1347.0	1510.0	1787.0	1515.0	1489.0	1768.0	1221.0	1239.0	1608.0	1686.0	1147.0	1426.0	1263.0	1270.0	1622.0	1488.0	1348.0	1482.0
2	Brazil	9168.4	9746.1	8854.5	12350.8	8209.1	10340.0	6227.5	7069.0	5001.2	5538.3	5455.6	7868.7	5144.3	7641.4	6988.5	3857.9	6142.6	2166.6	7054.8	6356.9	8806.6	13581.7	9939.6	13381.4
3	Canada	2346.0	2953.7	2401.4	2577.0	2023.9	2024.3	2165.0	1743.0	2029.0	2018.0	2610.0	2269.0	2180.0	2071.0	2119.0	2489.0	2039.0	2365.0	2832.0	2303.0	2411.0	2114.0	2277.0	2641.0
4	Russia	6955.0	7707.0	9345.0	9949.0	9763.0	7889.0	4867.9	3001.9	4778.9	5430.6	5521.4	5501.0	5483.9	4395.7	5402.8	3959.4	4325.7	4489.0	5042.0	4898.5	5794.0	6759.7	4725.9	5561.0
5	USA	10327.0	10492.0	12400.0	10928.0	13064.0	9927.0	10736.0	10015.0	9654.0	8512.0	11384.0	11674.0	12228.0	12373.0	11008.0	11914.0	12184.0	11965.0	12305.0	13290.0	14178.0	12067.0	8869.0	9065.0
6	Extra-EU/27	9375.1	9143.8	10030.9	8542.8	8674.8	8239.6	7412.0	8224.3	8843.7	8302.9	12280.3	10286.7	10505.8	10949.9	12576.0	11668.2	9891.9	10145.0	8958.9	10273.7	9823.5	8482.7	7066.0	nd
	Intra-EU/27	27096.4	26049.3	27003.6	27485.4	24003.5	24061.2	21276.9	34645.1	24855.8	22558.3	26714.6	26453.6	27804.5	24550.9	32171.4	28798.3	31782.3	27857.9	25953.0	27294.2	24662.5	23443.1	23521.0	nd
	Total	**66201.9**	**67163.9**	**71684.4**	**73567.0**	**67960.3**	**64094.1**	**54032.3**	**66208.3**	**56949.6**	**53875.1**	**65454.9**	**65821.0**	**64567.5**	**63220.9**	**71873.7**	**64372.8**	**67512.5**	**60414.5**	**63408.7**	**65686.3**	**67297.6**	**67936.2**	**57746.5**	

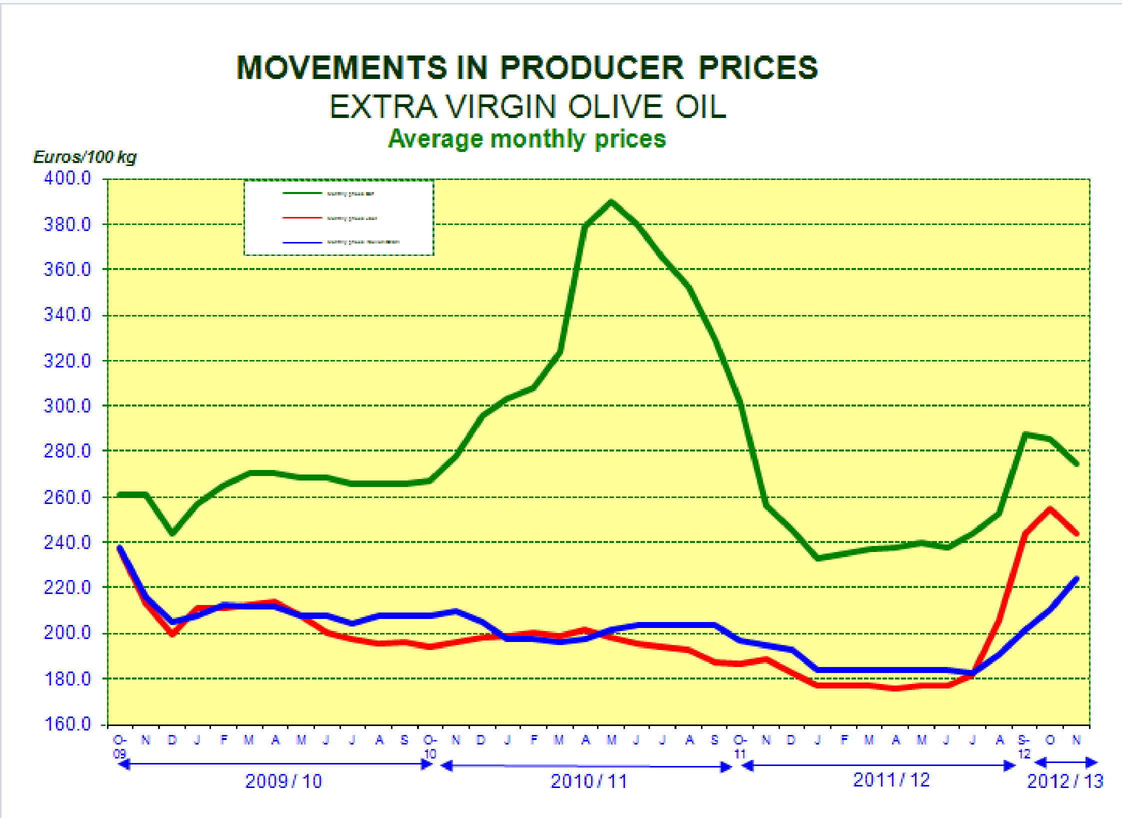
PRODUCER PRICE TRENDS

Graphs 1 and 3 track the weekly movements in the prices paid to producers for extra virgin olive oil and refined olive oil in the top EU producing countries. The monthly price movements for the same two grades of oil are given in Graphs 2 and 4.

- **Extra virgin olive oil**: Compared with the same period a season earlier, prices started to rise sharply in **Spain** in late June, reaching €2.64/kg by the second last week of September. They then switched course in the last week of October, reaching **€2.40/kg** by the second last week of November. Although this represents a 9% drop from the September peak, it is still +27% higher than a season earlier. These price movements have to be viewed in a context where the estimates for 2012/13 are becoming more accurate as harvest moves forward. It must also be remembered that prices have been very low in Spain through the last two crop years and that this increase brings them up to the level of March 2008. After rising within the space of two months from €2.38/kg in the first week of August to €2.90/kg in the first week of October (see Graph 1), producer prices in **Italy** dropped suddenly to an intermediate level of **€2.62/kg,** but still equating with a rise of +3% from the season before. In **Greece** producer prices have risen more evenly and slowly over the last three months, going up by +15% from €1.82/kg (late July) to €**2.24/kg** (second last week of November 2012).

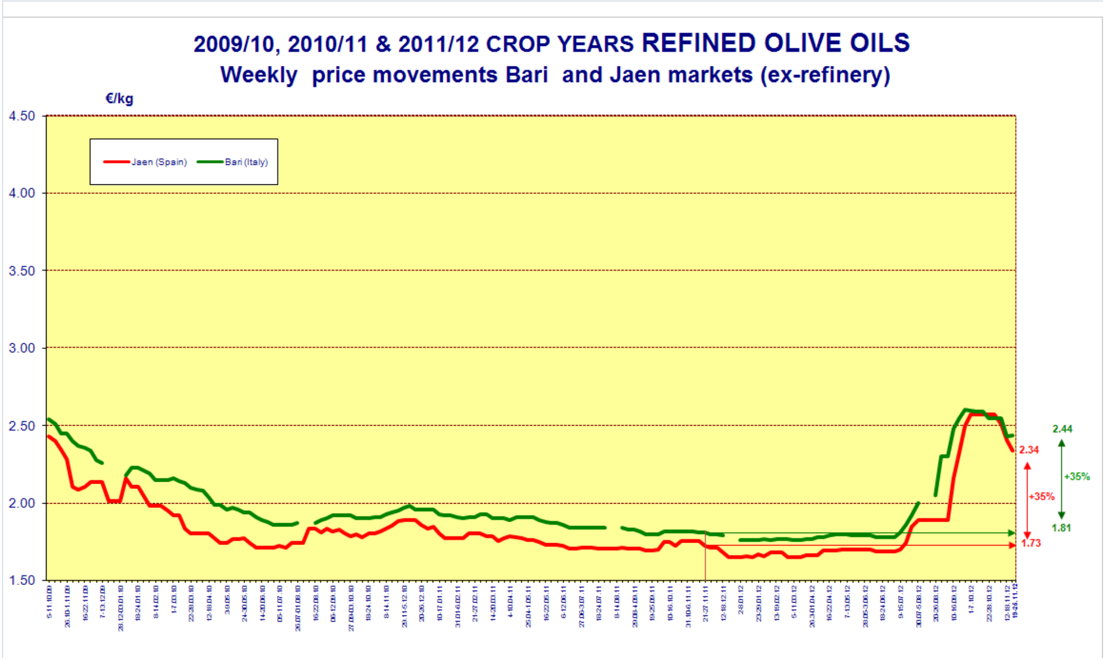


Graph 1

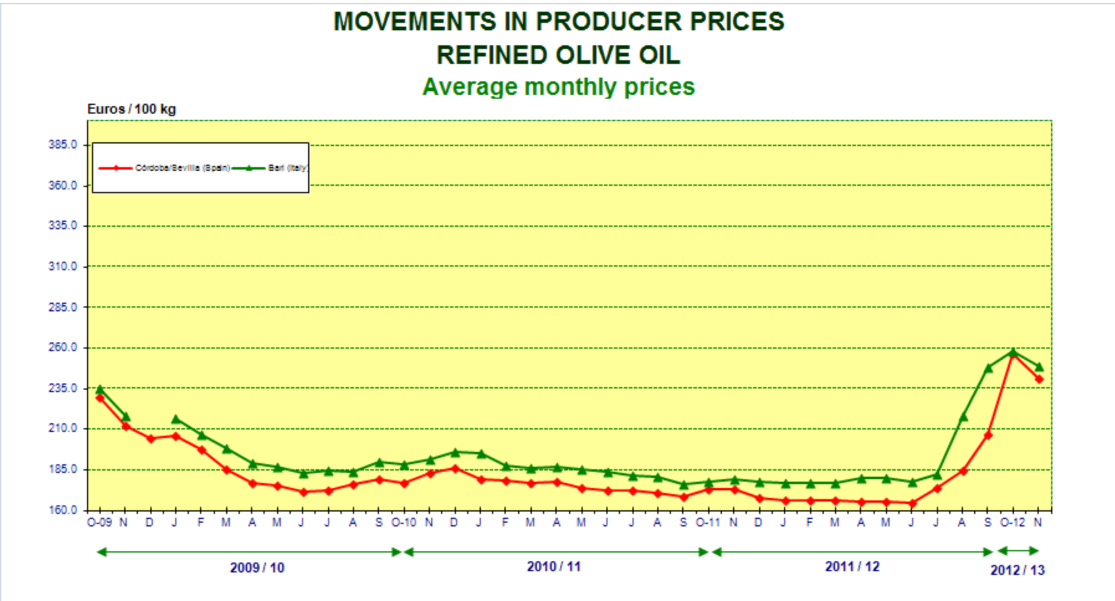


Graph 2

- Refined olive oil: Prices also started to climb sharply in Spain and Italy as of the last week of July until late October when they dipped slightly. Over the 12 months, they increased by +35% in both cases, recording an ending price of €2.34/kg and €2.44/kg, respectively (Graph 3). No data are available for Greece. The gap between the price of refined olive oil and extra virgin olive oil is currently around €0.06/kg in Spain and €0.18/kg in Italy. By the end of the period, prices in Spain were tending to close in on those of Italy, probably reflecting the forecasts of a poor harvest in Spain, but a gap of €0.10/kg opened again in the last week.



Graph 3



Graph 4