



# *Olive oil in the European Union*

International Olive Tree Day

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*Directorate General of Agriculture and Rural Development*

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# Missions of the European Commission

## Directorate-General for Agriculture and Rural Development

- Helping farmers to produce sufficient quantities of safe food at affordable prices for consumers
- Providing farm businesses with support systems to help stabilise their incomes
- Facilitating investment in the farming sector
- Maintaining viable rural communities
- Creating jobs throughout the food chain



## Missions of Unit G.4

### Arable crops and olive oil (DG AGRI)

In respect of olive oil:

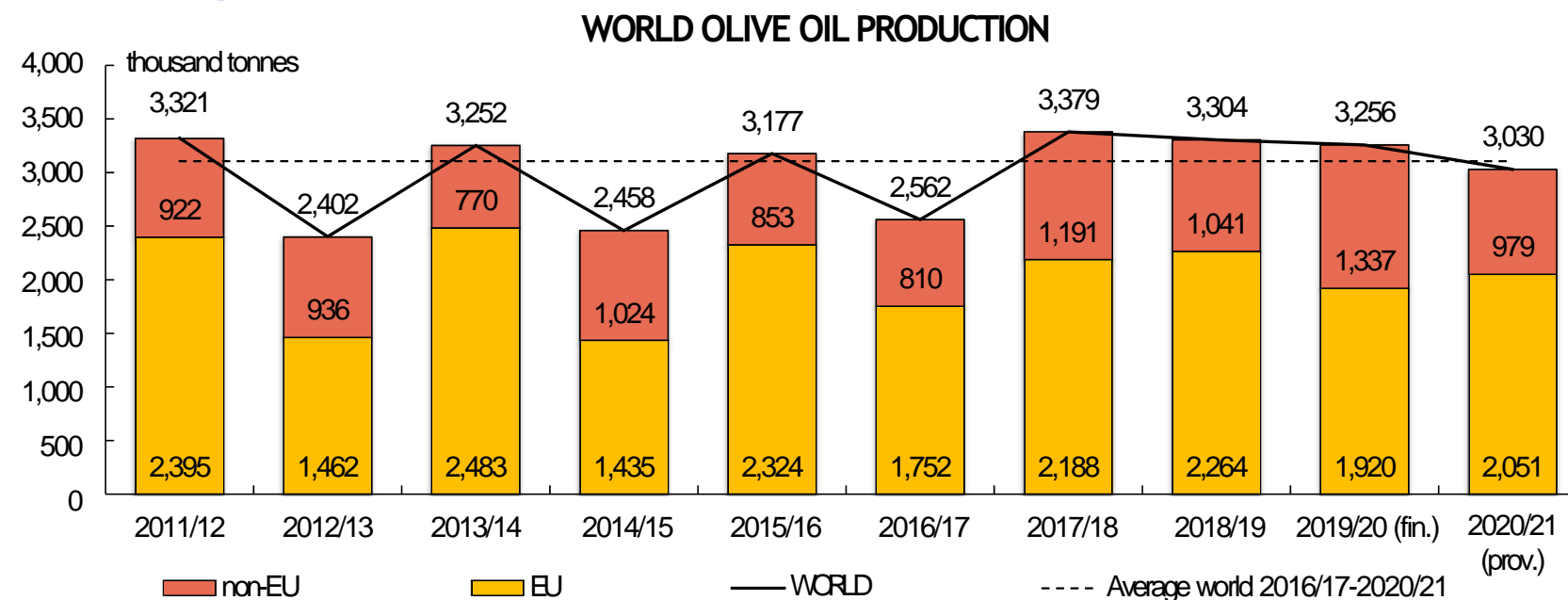
- Market monitoring in the context of the OCM
- Legislation on marketing standards, including checks and assistance to our Member States in implementing the legislation
- Representing the agricultural interests of the EU in the International Olive Council and coordinating with Member States the EU position on the different decisions to be taken by these bodies



# PRODUCTION, CONSUMPTION & TRADE in the EU



# World production of olive oil

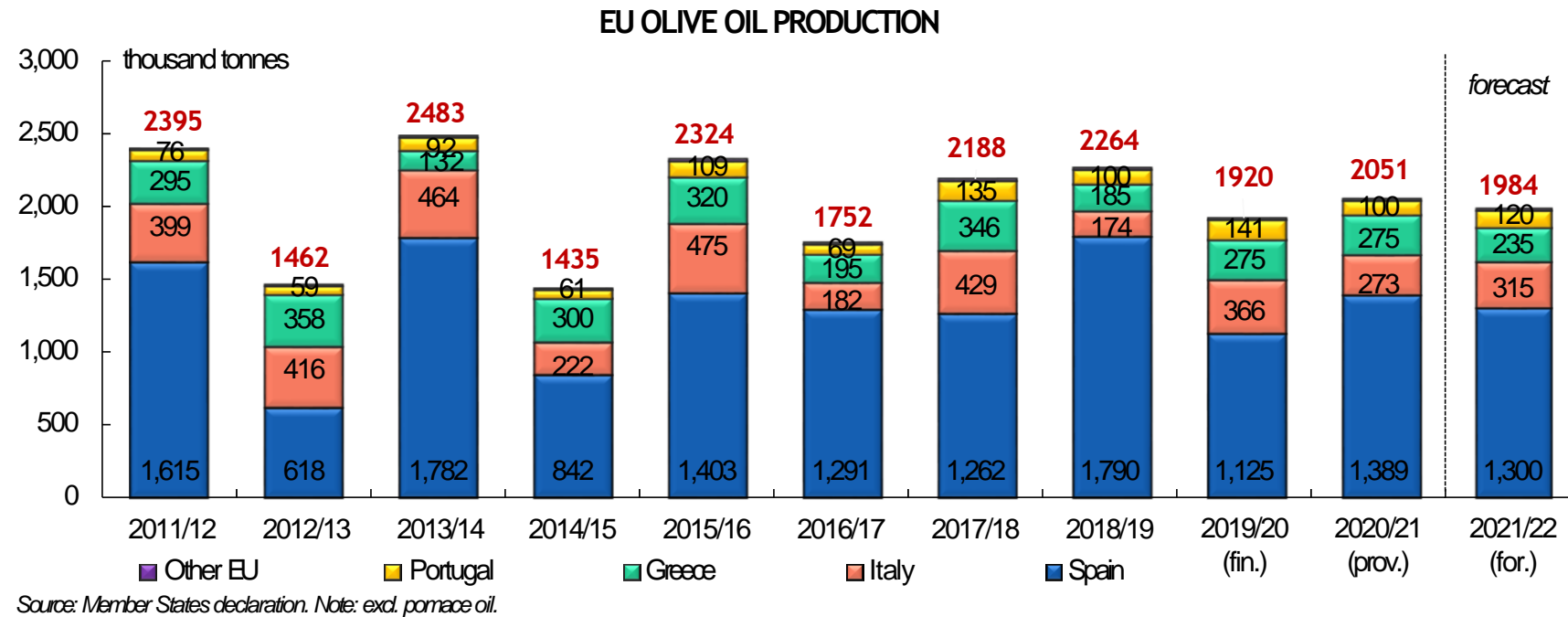


Source: International Olive Council, Member States declarations. Note: excl. pomace oil.

2020/21 vs. 2019/20	
WORLD	-5%
EU	7%
non-EU	-22%

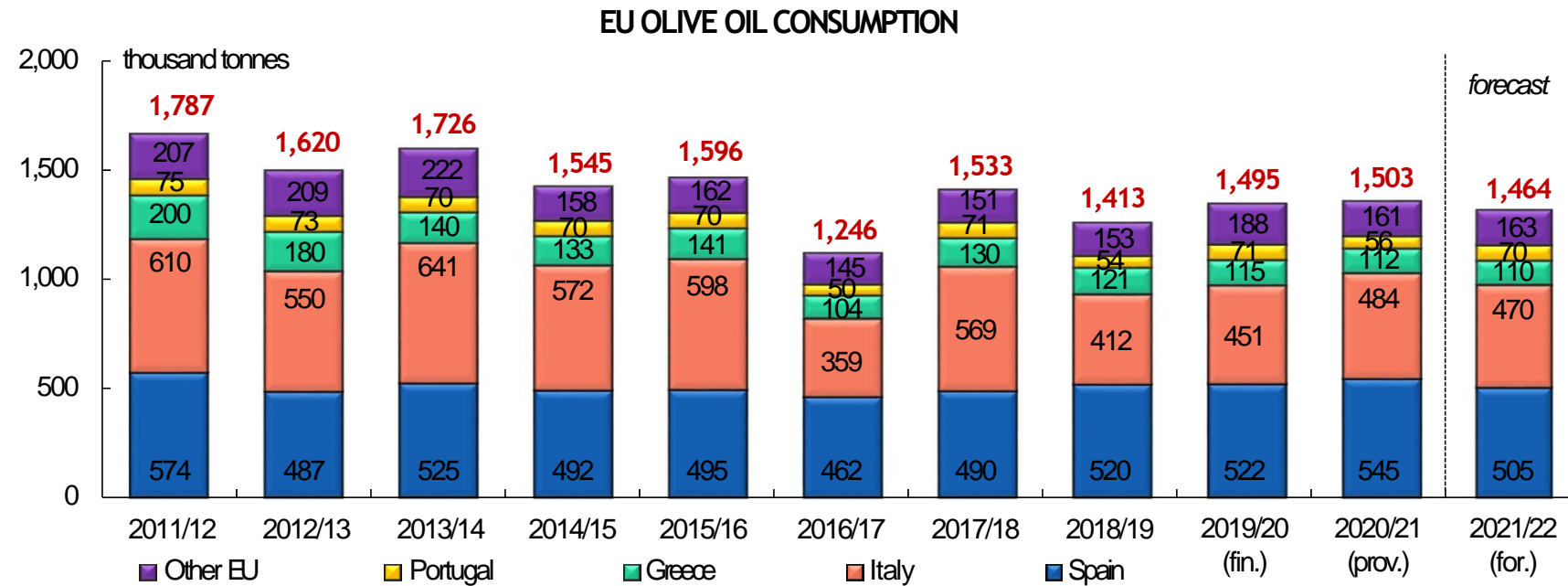
2020/21 vs. 5-y average	
WORLD	-2%
EU	-2%
non-EU	-2%

# EU olive oil production



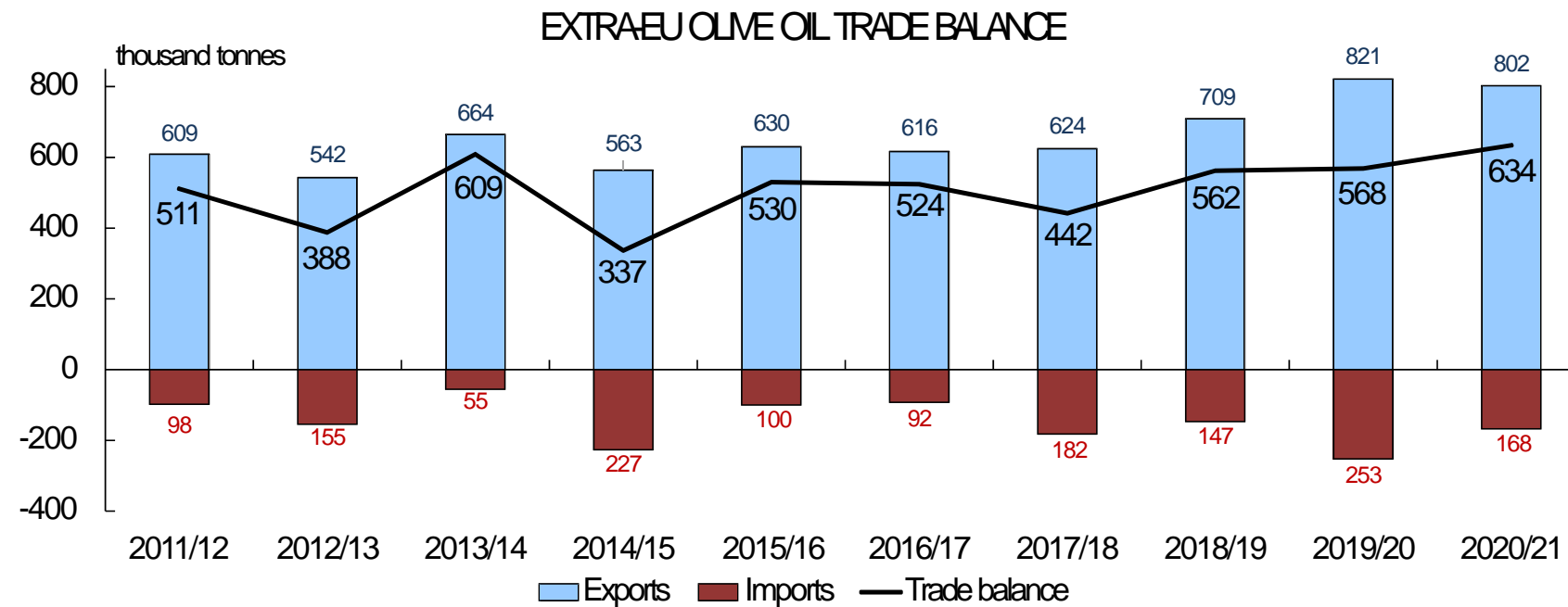
EU production in 2021/22 expected 3% below 5-year average

# EU olive oil consumption



Source: Member States declaration. Note: excl. pomace oil.

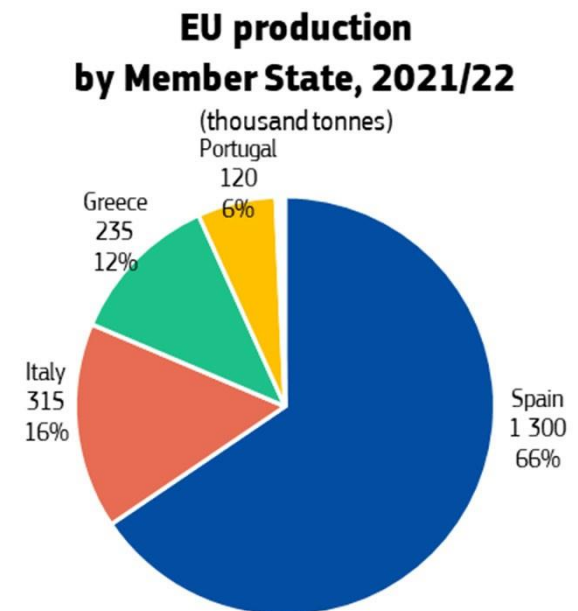
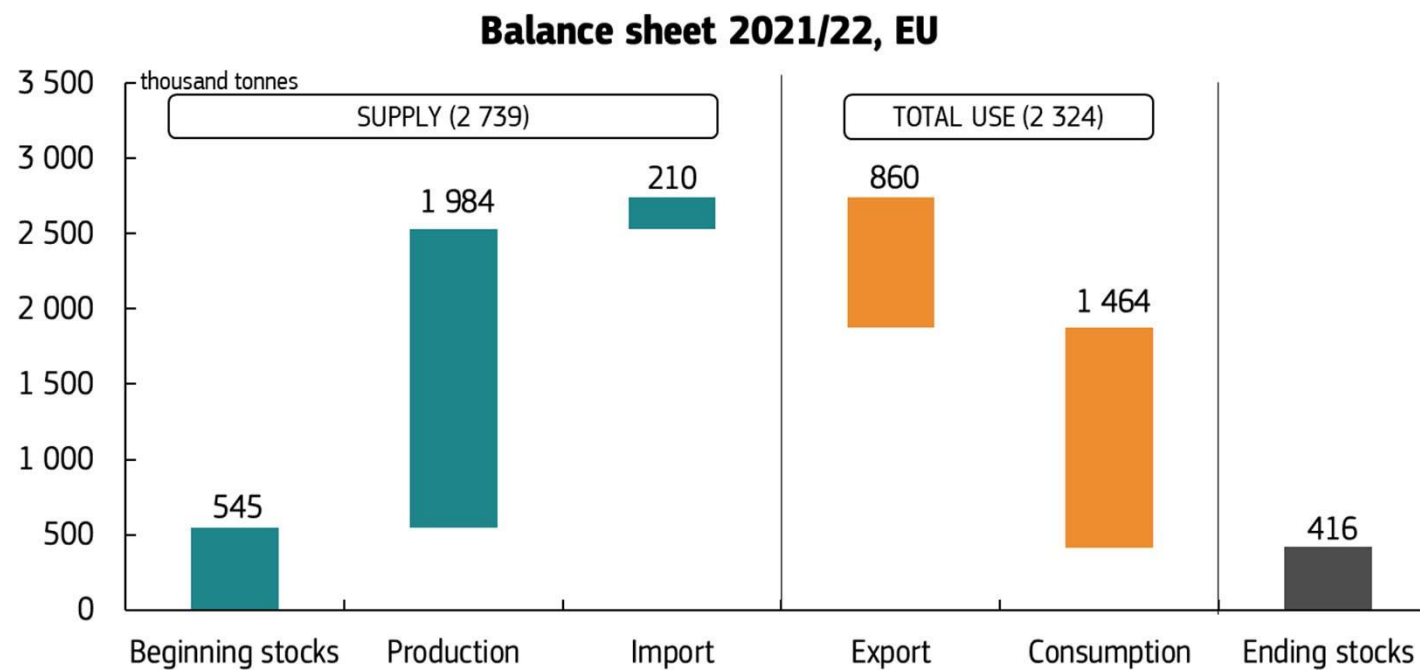
# EU olive oil net exports



Source: Eurostat COMEXT (all stat regimes).



# Forecast EU balance sheet for 2021/22



# MODELLING AND FORECASTING OLIVE OIL PRODUCTION



# In-house forecast modelling



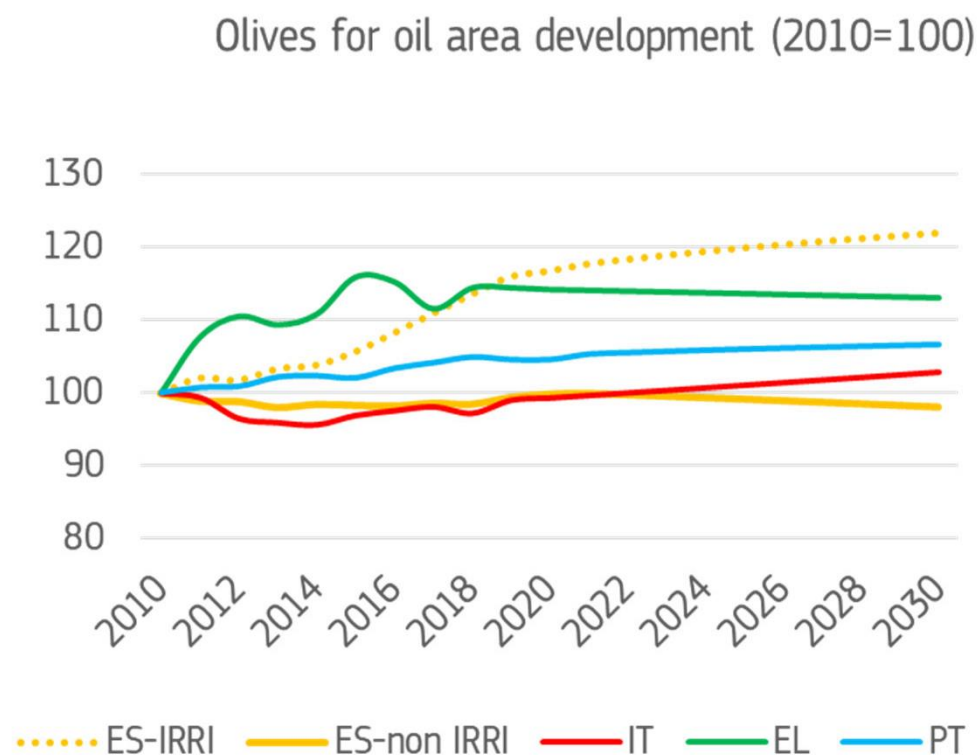
- In-season olive production forecasting as part of the JRC MARS Crop Yield Forecasting System (MCYFS)
- Modelling approaches in which indicators based on pollen emission feature as key variables, alongside weather variables

# MEDIUM-TERM OUTLOOK for OLIVE OIL



# Area developments

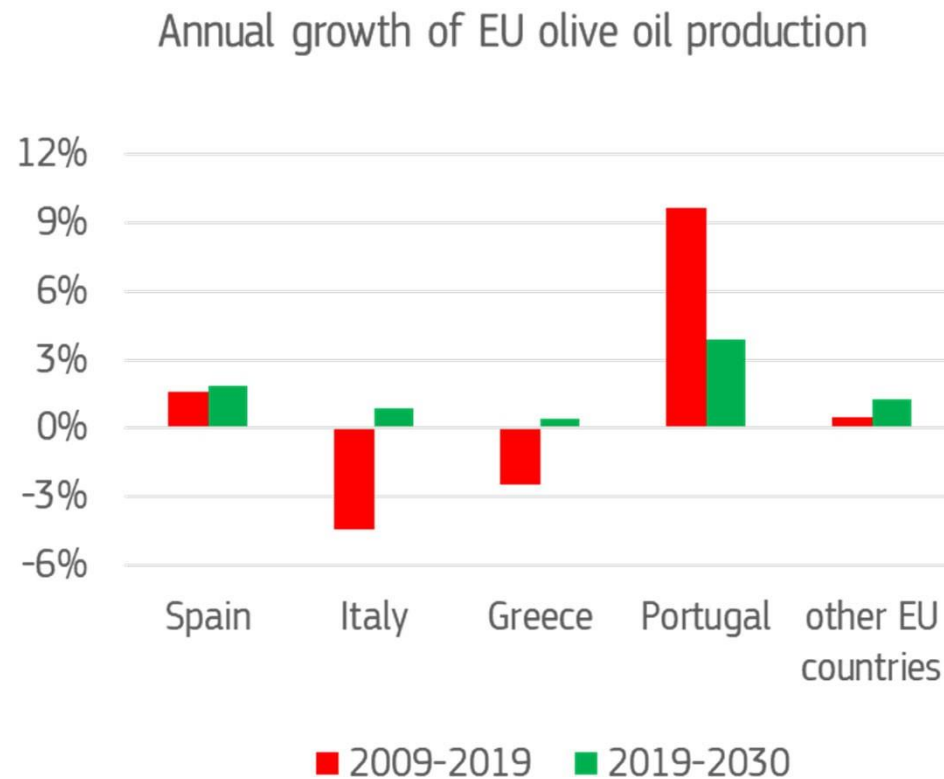
(area expansion rate to remain low, 0,2% p.a.)



- Increasing **competitiveness** of other crops
- Share of **irrigated systems** continues to increase
- **Water availabilities** remain a challenge

# Olive oil production

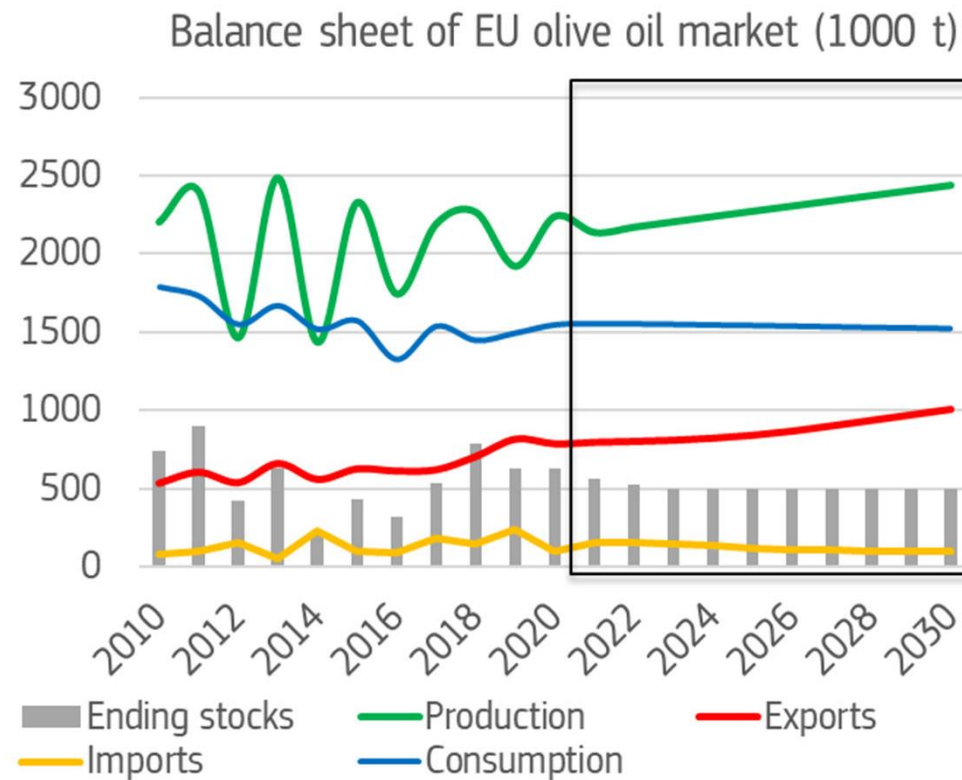
(production forecast to grow by 1.3% p.a. in 2019-2030)



- Overall **increasing yields** (younger trees, better treatment, etc.)
- Preference for an **early harvest** to impact quality
- Increasing share of **organic** production
- **Uncertainty on weather** conditions and incidence of **diseases**

# Olive oil trade

(growth to remain strong and speed up towards 2030; 4% p.a)



- **Exports to grow** both in existing and new markets
- Growth of **imports to flatten** towards 2030
  - Increasing EU production
  - Non-EU countries to export outside EU as well

# CHALLENGES FOR THE SECTOR





- Climate change
- Changes of consumer behaviour
- New market opportunities
- New producing countries



# Thank you

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Market information

<https://ec.europa.eu/info/food-farming-fisheries/plants-and-plant-products/plant-products/olive-oil>



Agri-Food Data Portal

<https://agridata.ec.europa.eu/extensions/DataPortal/home.html>

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Note: The United Kingdom is no longer a Member State of the European Union, however until the end of the transition period it is still part of the EU Customs Union. Taxud EU trade data therefore also include the UK and it is labelled as EU+UK.

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