Market situation in the Olive oil and Table olives sectors

Committee for the Common Organisation of the Agricultural Markets – Arable crops and olive oil
28 March 2019

Salvador Ferrandis, AGRI G.4
PRODUCTION, CONSUMPTION & ENDING STOCKS
Global production revised up in 2018/19...

OLIVE OIL PRODUCTION

2018/19 vs. 2017/18
- WORLD: -5%
- EU: 2%
- non-EU: -19%

2018/19 vs. 5-y average
- WORLD: 7%
- EU: 10%
- non-EU: -1%

Source: International Olive Council & MS declarations
...due to revision of EU production (ES and IT).

EU OLIVE OIL PRODUCTION

EU production in 2018/19 expected 10% above 5-year average

Source: International Olive Council; MS declarations
97% of EU production harvested by end February 2019

Excluding pomace oil

Source: International Olive Council; MS declarations
Non-EU production decreases to 5-year average level

Non-EU OLIVE OIL PRODUCTION

Non-EU production in 2018/19 expected 1% below 5-year average

Source: International Olive Council. excl. pomace oil
EU consumption expected to decrease in 2018/19 (3%)

Source: International Olive Council; MS declarations

Source: International Olive Council; MS declarations
**Ending stocks for the current campaign revised up**

**EU olive oil ending stocks (1000t)**

- 30.9.2010: 632
- 30.9.2011: 688
- 30.9.2012: 894
- 30.9.2013: 455
- 30.9.2014: 631
- 30.9.2015: 211
- 30.9.2016: 433
- 30.9.2017 (fin.): 322
- 30.9.2017 (prov.): 548
- 30.9.2018 (est.): 597

**Source:** MS declarations, IOC, Eurostat
## Imports of olive oil from third countries (October - January)

<table>
<thead>
<tr>
<th>Trade partner</th>
<th>2013/18 (5-year average)</th>
<th>2016/17</th>
<th>2017/18</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>volume (t)</td>
<td>share (%)</td>
<td>volume (t)</td>
<td>share (%)</td>
</tr>
<tr>
<td>Tunisia</td>
<td>27 250</td>
<td>68</td>
<td>28 693</td>
<td>77</td>
</tr>
<tr>
<td>Argentina</td>
<td>3 066</td>
<td>8</td>
<td>1 018</td>
<td>3</td>
</tr>
<tr>
<td>Syria</td>
<td>2 746</td>
<td>7</td>
<td>3 310</td>
<td>9</td>
</tr>
<tr>
<td>Turkey</td>
<td>2 362</td>
<td>6</td>
<td>1 237</td>
<td>3</td>
</tr>
<tr>
<td>Morocco</td>
<td>1 942</td>
<td>5</td>
<td>1 522</td>
<td>4</td>
</tr>
<tr>
<td>Australia</td>
<td>1 059</td>
<td>3</td>
<td>918</td>
<td>2</td>
</tr>
<tr>
<td>Chile</td>
<td>910</td>
<td>2</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td>Others</td>
<td>799</td>
<td>2</td>
<td>644</td>
<td>2</td>
</tr>
<tr>
<td>Extra EU</td>
<td><strong>40 135</strong></td>
<td></td>
<td><strong>37 352</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: COMEXT. Period: October - January. CN codes: 1509 (all stat. regimes).

75% of olive oil imports from Tunisia
Inward processing (IP) – a relief from customs duty and import VAT on goods that are imported from outside the EU to be processed, and then exported outside the EU or released for free circulation in the EU. Excise duty is also suspended when goods are entered into IP.
TUNISIA - OLIVE OIL ZERO DUTY IMPORT QUOTA
Quota use: allocated part* of total available quantities (t)

* re-allocated quantities (following re-distribution of unused quantities) are not taken into account to avoid double counting

Source: DG AGRI/G.1; January 2019
Olive oil imports from TUNISIA under zero duty quota

Source: DG Taxud Surveillance, data until 22/02/2019.
# Increasing exports of EU olive oil

## EU exports of olive oil to third countries (October - January)

<table>
<thead>
<tr>
<th>Trade partner</th>
<th>2013/18 (5-year average)</th>
<th>2016/17</th>
<th>2017/18</th>
<th>2018/19</th>
<th>vs. 2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>volume (t)</td>
<td>share (%)</td>
<td>volume (t)</td>
<td>share (%)</td>
<td>volume (t)</td>
</tr>
<tr>
<td>United States</td>
<td>65 302</td>
<td>37</td>
<td>74 048</td>
<td>40</td>
<td>60 319</td>
</tr>
<tr>
<td>Brazil</td>
<td>18 829</td>
<td>11</td>
<td>14 841</td>
<td>8</td>
<td>25 584</td>
</tr>
<tr>
<td>Japan</td>
<td>14 991</td>
<td>8</td>
<td>15 262</td>
<td>8</td>
<td>15 377</td>
</tr>
<tr>
<td>China</td>
<td>11 572</td>
<td>7</td>
<td>12 043</td>
<td>7</td>
<td>14 830</td>
</tr>
<tr>
<td>Canada</td>
<td>8 558</td>
<td>5</td>
<td>9 611</td>
<td>5</td>
<td>8 706</td>
</tr>
<tr>
<td>Australia</td>
<td>8 175</td>
<td>5</td>
<td>10 339</td>
<td>6</td>
<td>7 138</td>
</tr>
<tr>
<td>Russia</td>
<td>4 694</td>
<td>3</td>
<td>3 655</td>
<td>2</td>
<td>4 097</td>
</tr>
<tr>
<td>Others</td>
<td>44 744</td>
<td>25</td>
<td>45 402</td>
<td>25</td>
<td>44 305</td>
</tr>
<tr>
<td>Extra EU</td>
<td>176 865</td>
<td></td>
<td>185 200</td>
<td></td>
<td>180 357</td>
</tr>
</tbody>
</table>

Source: COMEXT. Period: October - January. CN codes: 1509 (all stat. regimes).
Olive oil exports outside the EU, per category

- Virgin lampante (CN 15091010)
- Extra virgin + virgin other than lampante (CN 15091090)
- Extra virgin (CN 15091020)
- Virgin other than lampante (CN 15091080)
- Olive oil (CN 15099000)
- Pomace oil (CN 1510)
- Average previous 3 marketing years

Source: Eurostat/Comext ©
EU INTRA-TRADE
# Increasing intra-EU exports in 2018/19

Intra EU exports of olive oil (CN 1509) (October - December 2018)

<table>
<thead>
<tr>
<th>Trade partner</th>
<th>Origin (declared exports)</th>
<th>(1000 tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Spain</td>
<td>Italy</td>
</tr>
<tr>
<td></td>
<td>volume</td>
<td>share (%)</td>
</tr>
<tr>
<td>Spain</td>
<td>3.0</td>
<td>11.4</td>
</tr>
<tr>
<td>Italy</td>
<td>70.5</td>
<td>49.6</td>
</tr>
<tr>
<td>Greece</td>
<td>0.1</td>
<td>0.0</td>
</tr>
<tr>
<td>Portugal</td>
<td>22.2</td>
<td>15.6</td>
</tr>
<tr>
<td>France</td>
<td>22.3</td>
<td>15.7</td>
</tr>
<tr>
<td>UK</td>
<td>9.7</td>
<td>6.8</td>
</tr>
<tr>
<td>Germany</td>
<td>4.3</td>
<td>3.0</td>
</tr>
<tr>
<td>Netherlands</td>
<td>3.8</td>
<td>2.7</td>
</tr>
<tr>
<td>Others</td>
<td>9.3</td>
<td>6.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>142.1</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td><strong>Total same period previous campaign</strong></td>
<td>129.9</td>
<td>100</td>
</tr>
<tr>
<td><strong>Difference (y-o-y%)</strong></td>
<td>9.4</td>
<td>0.7</td>
</tr>
</tbody>
</table>

EU PRICES
(until 21.02.2019)
Price decline driven by supply in EVOO...

EXTRA VIRGIN olive oil price, Spain

- National avg. 2017/18
- 5-MY avg. 2013-18 Jaén

EXTRA VIRGIN olive oil price, Greece

- National avg. 2017/18
- 5-MY avg. 2013-18 Chania

EXTRA VIRGIN olive oil price, Italy

- National avg. 2017/18
- 5-MY avg. 2013-18 Bari

Source: MS declarations (R1185/2017)
...and virgin olive oil...

**VIRGIN olive oil price, Spain**

- National avg. 2017/18
- National avg. 2018/19
- 5-MY avg. 2013-18 Jaén

- November 2019
- 2.20€/kg (-26.1%)

**VIRGIN olive oil price, Italy**

- National avg. 2017/18
- National avg. 2018/19
- 5-MY avg. 2013-18 Bari

- November 2019
- 3.58€/kg (+12.2%)

**VIRGIN olive oil price, Greece**

- National avg. 2017/18
- National avg. 2018/19
- 5-MY avg. 2013-18 Chania

- November 2019
- 2.65€/kg (-9.9%)

*Source: MS declarations (R1185/2017)*
...lampante olive oil prices driven by Spanish market.

LAMPANTE olive oil price, Spain

- National avg. 2017/18
- National avg. 2018/19
- 5-MY avg. 2013-18 Jaén

LAMPANTE olive oil price, Italy

- National avg. 2017/18
- National avg. 2018/19
- 5-MY avg. 2013-18 Lecce

LAMPANTE olive oil price, Greece

- National avg. 2017/18
- National avg. 2018/19
- 5-MY avg. 2013-18 Chania

Source: MS declarations (R1185/2017)
TABLE OLIVES
2018/19 vs 2017/18

- WORLD -5%
- EU -5%
- non-EU -6%
Resilient trade balance in 2018/19

Extra-EU imports of table olives (Sep.-Jan.)

Extra-EU exports of table olives (Sep.-Jan.)

Source: Eurostat/COMEXT. CN codes: 07099210, 07108010, 07112010, 20019065, 200570.
US imports of Spanish table olives

US IMPORTS OF TABLE OLIVES FROM SPAIN, BY CATEGORY

Source: United States Department of Agriculture (Foreign Agricultural Service).

In scope: 2005700230, 2005700260, 2005700430, 2005700460, 2005702300, 2005705030, 2005705060, 2005706020, 2005706030, 2005706050, 2005706060, 2005706070, 2005707000, 2005707500, 2005707510, 2005707515, 2005707520, 2005707525.
Out scope: 0711201800, 0711202800, 0711203800, 0711204000, 0712902000, 2005700600, 2005700800, 2005701200, 2005701600, 2005701800, 2005702510, 2005702520, 2005702530, 2005702540, 2005702550, 2005702560, 2005709100, 2005709300.
Spanish exports of table olives by trade partner

Spain - Annual export growth of table olives, contributions by trade partner

Source: Eurostat/COMEXT. CN codes:07099210, 07108010, 07112010, 20019065, 200570.
Thank you

Market information
https://ec.europa.eu/agriculture/olive-oil_en

Extra-EU trade dynamic workbook
https://ec.europa.eu/agriculture/olive-oil/prices_en