Market situation in the olive oil and table olives sectors

Committee for the Common Organisation of the Agricultural Markets – Arable crops and olive oil
31 October 2019

AGRI G.4
PRODUCTION, CONSUMPTION & ENDING STOCKS
World production revised in 2017/18 and 2018/19...

OLIVE OIL PRODUCTION

2018/19 vs. 2017/18
- WORLD: -6%
- EU: 4%
- non-EU: -23%

2018/19 vs. 5-y average
- WORLD: 7%
- EU: 11%
- non-EU: -1%

Source: International Olive Council & MS declarations
...stable EU estimates for 2018/19...

EU OLIVE OIL PRODUCTION

EU production in 2018/19 expected 11% above 5-year average

Source: International Olive Council; MS declarations
España mantiene la calma ante una potencial cosecha récord en el Mediterráneo

Y consigue mantener los precios en origen

09/09/2019

Olivera. A pesar de los grandes volúmenes de aceite de oliva que almacenamos en nuestras almazaras, que podrían rondar las 720.000 toneladas a finales de septiembre, el sector productor está sabiendo actuar en estas últimas semanas. Tras los nervios de los meses de mayo y junio la oferta en origen ha conseguido la tan ansiada estabilidad de los precios, lo que sin duda ayuda a que la comercialización se lleve a cabo con la necesitada tranquilidad en los precios, que es lo que necesita el mercado en estas fechas.

Hemos iniciado el mes de septiembre y a pesar de que las primeras estimaciones no son muy optimistas, hay otras voces que apuntan a que las lluvias que han caído en algunas zonas de Cataluña y del Mediterráneo podrían ayudar a que finalmente la cosecha permitiera una producción entre 1.150.000 y 1.350.000 Tm

Portugal Anticipates Record Yield

A 40 percent increase in olive oil production is expected when harvesting begins in October. Total production is expected to reach 140,000 tons, up from 100,000 tons last year.

By MATTHEW CORRIMA on September 2, 2019

RECENT NEWS

Scientists Find Earliest Evidence of Olive Oil in Central Europe

Regular Exercise May Slow Emergence of Alzheimer’s Symptoms

Spanish Olive Oil Exports to U.S. Surge Ahead of WTO Decision

Spanish Black Olive Exports to U.S. Halved Since Tariffs Imposed

Despite drought conditions across the country this past summer, Portugal is expecting a near-record olive oil yield in 2019.

Marina Matos, secretary-general of Casa do Azeite, the Portuguese Olive Oil Association said a 40 percent increase in olive oil production is expected when harvesting begins in October. Total production is expected to reach 140,000 tons, up from 100,000 tons last year.

“Report these production values, it will be a record production in Portugal.”

- Marina Matos, secretary-general of Casa do Azeite
...first estimates for 2019/20.
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

Average 2013/14-2017/18
EU consumption broadly stable in 2018/19

EU OLIVE OIL CONSUMPTION

Source: International Olive Council; MS declarations

![EU Olive Oil Consumption Graph]
Ending stocks for 2018/19 above 5-year average

EU olive oil ending stocks (1000t)

Source: MS declarations, IOC, Eurostat
EU EXTRA-TRADE
### Stable import share from TN, increasing for MA

#### Imports of olive oil from third countries (October - August)

<table>
<thead>
<tr>
<th>Trade partner</th>
<th>2013/18 (5-year average) volume (t)</th>
<th>share (%)</th>
<th>2016/17 volume (t)</th>
<th>share (%)</th>
<th>2017/18 volume (t)</th>
<th>share (%)</th>
<th>2018/19 volume (t)</th>
<th>share (%)</th>
<th>vs. 2017/18 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tunisia</td>
<td>90 374</td>
<td>75</td>
<td>54 237</td>
<td>66</td>
<td>117 677</td>
<td>68</td>
<td>100 582</td>
<td>73</td>
<td>-14.5</td>
</tr>
<tr>
<td>Morocco</td>
<td>7 120</td>
<td>6</td>
<td>5 203</td>
<td>6</td>
<td>5 586</td>
<td>3</td>
<td>16 332</td>
<td>12</td>
<td>192.4</td>
</tr>
<tr>
<td>Syria</td>
<td>7 414</td>
<td>6</td>
<td>11 226</td>
<td>14</td>
<td>20 144</td>
<td>12</td>
<td>7 704</td>
<td>6</td>
<td>-61.8</td>
</tr>
<tr>
<td>Turkey</td>
<td>5 547</td>
<td>5</td>
<td>4 616</td>
<td>6</td>
<td>14 898</td>
<td>9</td>
<td>5 324</td>
<td>4</td>
<td>-64.3</td>
</tr>
<tr>
<td>Argentina</td>
<td>4 906</td>
<td>4</td>
<td>2 441</td>
<td>3</td>
<td>9 883</td>
<td>6</td>
<td>4 166</td>
<td>3</td>
<td>-57.8</td>
</tr>
<tr>
<td>Australia</td>
<td>1 507</td>
<td>1</td>
<td>1 357</td>
<td>2</td>
<td>681</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>-99.8</td>
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<tr>
<td>Chile</td>
<td>1 184</td>
<td>1</td>
<td>565</td>
<td>1</td>
<td>903</td>
<td>1</td>
<td>174</td>
<td>0</td>
<td>-80.7</td>
</tr>
<tr>
<td>Others</td>
<td>2 989</td>
<td>2</td>
<td>2 965</td>
<td>4</td>
<td>2 989</td>
<td>2</td>
<td>2 624</td>
<td>2</td>
<td>-12.2</td>
</tr>
<tr>
<td>Extra EU</td>
<td><strong>121 041</strong></td>
<td></td>
<td><strong>82 611</strong></td>
<td></td>
<td><strong>172 761</strong></td>
<td></td>
<td><strong>136 908</strong></td>
<td></td>
<td>-20.8</td>
</tr>
</tbody>
</table>

Source: COMEXT. Period: October - August. CN codes: 1509 (all stat. regimes).
Lower imports of EVOO

Extra-EU olive oil imports per category

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

Average previous 3 marketing years

Source: Eurostat/Comext©

Reminder: Change of CN codes as of 1.1.2017: 15091090 becomes 15091020 (extra virgin) and 15091080 (virgin other than lampante)
**Lower imports under normal regime**

**Imports of Virgin Olive Oil from Tunisia**

- **Inward processing**: 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.

Source: Eurostat/Comext © CN code: 150910.

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.
* 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
Imports from TU at stable pace

Olive oil imports from Tunisia under zero duty quota

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

<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>193 718</td>
<td>38</td>
<td>203 177</td>
<td>40</td>
<td>174 714</td>
</tr>
<tr>
<td>Brazil</td>
<td>48 942</td>
<td>10</td>
<td>40 496</td>
<td>8</td>
<td>60 869</td>
</tr>
<tr>
<td>Japan</td>
<td>45 791</td>
<td>9</td>
<td>46 536</td>
<td>9</td>
<td>44 627</td>
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<tr>
<td>China</td>
<td>31 230</td>
<td>6</td>
<td>32 805</td>
<td>6</td>
<td>32 240</td>
</tr>
<tr>
<td>Canada</td>
<td>25 027</td>
<td>5</td>
<td>23 361</td>
<td>5</td>
<td>26 883</td>
</tr>
<tr>
<td>Australia</td>
<td>22 830</td>
<td>4</td>
<td>24 118</td>
<td>5</td>
<td>26 395</td>
</tr>
<tr>
<td>Switzerland</td>
<td>12 829</td>
<td>3</td>
<td>12 848</td>
<td>3</td>
<td>13 068</td>
</tr>
<tr>
<td>Others</td>
<td>129 890</td>
<td>25</td>
<td>126 722</td>
<td>25</td>
<td>132 003</td>
</tr>
<tr>
<td>Extra EU</td>
<td><strong>510 258</strong></td>
<td><strong>38</strong></td>
<td><strong>510 063</strong></td>
<td><strong>40</strong></td>
<td><strong>510 798</strong></td>
</tr>
</tbody>
</table>

Source: COMEXT. Period: October - August. CN codes: 1509 (all stat. regimes).
...particularly over the last month...

Olive oil exports outside the EU, per category

- Virgin lampante (CN 15091010)
- Extra virgin (CN 15091020)
- Virgin other than lampante (CN 15091080)
- Olive oil (CN 15099000)
- Pomace oil (CN 1510)

Source: Eurostat/Comext ©
...U.S. importers anticipating retaliation measures?

Spanish exports to the U.S., by month

Source: Eurostat/Comext©
Additional 25% import duties on ES bottled olive oil

Publication of a preliminary list of products considered: 12 April

2-day public hearing: 15-16 May

Publication of a list of additional products: 5 July

1-day public hearing: 5 August

Publication of WTO Arbitrator report: 2 October

Publication of a final list of products: 9 October

Additional ad valorem duty on products:
- 1509.10.20
- 1509.10.40
- 1509.90.20
- 1509.90.40

Level of countermeasures is USD 7.5 billion annually.

Additional ad valorem duty of 25% on DE, ES, UK products:
- 1509.10.20
- 1509.90.20
**Additional 25% import duties on ES bottled olive oil**

U.S. imports of olive oil, segment hit by retaliation measures
(based on 5-year average data)

- **With container 18kg or over**
  - Italy: 129,563 tonnes (USD 479.7 million)
- **With container under 18kg**
  - Spain: 48,672 tonnes (USD 220.1 million)
  - Other: 179,813 tonnes (USD 813 million)

Source: United States Department of Agriculture (Foreign Agricultural Service).
EU INTRA-TRADE
### Increasing intra-EU exports in 2018/19

#### Intra EU exports of olive oil (CN 1509) (October 2018 - July 2019)

<table>
<thead>
<tr>
<th>Trade partner</th>
<th>Spain volume (1000 tonnes)</th>
<th>Spain share (%)</th>
<th>Italy volume (1000 tonnes)</th>
<th>Italy share (%)</th>
<th>Greece volume (1000 tonnes)</th>
<th>Greece share (%)</th>
<th>Portugal volume (1000 tonnes)</th>
<th>Portugal share (%)</th>
<th>France volume (1000 tonnes)</th>
<th>France share (%)</th>
<th>Others volume (1000 tonnes)</th>
<th>Others share (%)</th>
<th>TOTAL volume (1000 tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spain</td>
<td>4.6</td>
<td>4.9</td>
<td>2.3</td>
<td>2.7</td>
<td>50.5</td>
<td>59.8</td>
<td>0.4</td>
<td>7.3</td>
<td>0.3</td>
<td>1.6</td>
<td>58.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>297.3</td>
<td>52.1</td>
<td>59.5</td>
<td>70.9</td>
<td>27.4</td>
<td>32.4</td>
<td>0.3</td>
<td>6.1</td>
<td>0.5</td>
<td>3.1</td>
<td>385.0</td>
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</tr>
<tr>
<td>Greece</td>
<td>1.3</td>
<td>0.2</td>
<td>0.6</td>
<td>0.6</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.1</td>
<td>0.1</td>
<td>0.6</td>
<td>2.0</td>
</tr>
<tr>
<td>Portugal</td>
<td>85.2</td>
<td>14.9</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.3</td>
<td>0.0</td>
<td>0.0</td>
<td>85.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>93.8</td>
<td>16.4</td>
<td>21.8</td>
<td>23.2</td>
<td>1.4</td>
<td>1.7</td>
<td>2.9</td>
<td>3.4</td>
<td>1.9</td>
<td>12.4</td>
<td>121.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td>33.8</td>
<td>5.9</td>
<td>11.2</td>
<td>11.9</td>
<td>1.7</td>
<td>2.1</td>
<td>0.2</td>
<td>0.2</td>
<td>0.1</td>
<td>2.0</td>
<td>1.0</td>
<td>6.4</td>
<td>48.0</td>
</tr>
<tr>
<td>Germany</td>
<td>14.4</td>
<td>2.5</td>
<td>32.1</td>
<td>34.2</td>
<td>8.4</td>
<td>10.0</td>
<td>0.3</td>
<td>0.3</td>
<td>2.2</td>
<td>39.3</td>
<td>1.9</td>
<td>11.8</td>
<td>59.3</td>
</tr>
<tr>
<td>Netherlands</td>
<td>12.7</td>
<td>2.2</td>
<td>3.3</td>
<td>3.5</td>
<td>0.6</td>
<td>0.7</td>
<td>0.4</td>
<td>0.4</td>
<td>0.1</td>
<td>1.2</td>
<td>2.1</td>
<td>13.3</td>
<td>19.1</td>
</tr>
<tr>
<td>Others</td>
<td>32.2</td>
<td>5.6</td>
<td>20.3</td>
<td>21.6</td>
<td>10.1</td>
<td>12.0</td>
<td>2.9</td>
<td>3.4</td>
<td>2.5</td>
<td>43.7</td>
<td>8.0</td>
<td>50.7</td>
<td>75.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>570.8</strong></td>
<td><strong>100</strong></td>
<td><strong>93.9</strong></td>
<td><strong>100</strong></td>
<td><strong>84.0</strong></td>
<td><strong>100</strong></td>
<td><strong>84.5</strong></td>
<td><strong>100</strong></td>
<td><strong>5.7</strong></td>
<td><strong>100</strong></td>
<td><strong>15.7</strong></td>
<td><strong>100</strong></td>
<td><strong>854.6</strong></td>
</tr>
<tr>
<td><strong>Total same period previous campaign</strong></td>
<td><strong>477.8</strong></td>
<td><strong>89.4</strong></td>
<td><strong>122.8</strong></td>
<td><strong>87.8</strong></td>
<td><strong>87.8</strong></td>
<td><strong>5.0</strong></td>
<td><strong>13.3</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>796.0</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Difference (y-o-y%)</strong></td>
<td><strong>19.5</strong></td>
<td><strong>5.1</strong></td>
<td><strong>-31.6</strong></td>
<td><strong>-3.8</strong></td>
<td><strong>15.0</strong></td>
<td><strong>18.3</strong></td>
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<td></td>
<td></td>
<td></td>
<td><strong>7.4</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

EU PRICES
(until 25.10.2019)
Stable prices in ES and EL for EVOO...

EXTRA VIRGIN olive oil price, Spain

- National avg. 2019/20
- National avg. 2018/19
- 5-MY avg. 2014-19 Jaén

EXTRA VIRGIN olive oil price, Italy

- National avg. 2019/20
- National avg. 2018/19
- 5-MY avg. 2014-19 Bari

EXTRA VIRGIN olive oil price, Greece

- National avg. 2019/20
- National avg. 2018/19
- 5-MY avg. 2014-19 Chania

EXTRA VIRGIN olive oil price, Portugal

- National avg. 2019/20
- National avg. 2018/19
- 5-MY avg. (Trás-os-Montes)

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

VIRGIN olive oil price, Spain

- National avg. 2019/20
- National avg. 2018/19
- 5-MY avg. 2014-19 Jaén

1.96€/kg (-35.1%)

VIRGIN olive oil price, Greece

- National avg. 2019/20
- 5-MY avg. 2014-19 Chania

2.47€/kg (-13.1%)

VIRGIN olive oil price, Italy

- National avg. 2019/20
- National avg. 2018/19
- 5-MY avg. 2014-19 Bari

2.35€/kg (-22.8%)

Source: MS declarations (R1185/2017)
...and lampante olive oil for several weeks.

**LAMPANTE olive oil price, Spain**
- National avg. 2019/20: 1.91€/kg (-34.5%)
- National avg. 2018/19
- 5-MY avg. 2014-19 Jaén

**LAMPANTE olive oil price, Italy**
- National avg. 2019/20: 1.59€/kg (-37.7%)
- National avg. 2018/19
- 5-MY avg. 2014-19 Lecce

**LAMPANTE olive oil price, Greece**
- National avg. 2019/20: 1.89€/kg (-20.2%)
- National avg. 2018/19
- 5-MY avg. 2014-19 Chania

*Source: MS declarations (R1185/2017)*
TABLE OLIVES
2017/18 revised up, 2018/19 revised down

**TABLE OLIVE PRODUCTION**

- **WORLD**
- **EU**
- **non-EU**

<table>
<thead>
<tr>
<th>Year</th>
<th>non-EU</th>
<th>EU</th>
<th>WORLD</th>
<th>Average world 2013/14-2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/14</td>
<td>1,867</td>
<td>794</td>
<td>2,661</td>
<td></td>
</tr>
<tr>
<td>2014/15</td>
<td>1,713</td>
<td>868</td>
<td>2,581</td>
<td></td>
</tr>
<tr>
<td>2015/16</td>
<td>1,690</td>
<td>887</td>
<td>2,577</td>
<td></td>
</tr>
<tr>
<td>2016/17</td>
<td>2,058</td>
<td>842</td>
<td>2,900</td>
<td></td>
</tr>
<tr>
<td>2017/18</td>
<td>2,382</td>
<td>903</td>
<td>3,284</td>
<td></td>
</tr>
<tr>
<td>2018/19</td>
<td>1,808</td>
<td>796</td>
<td>2,604</td>
<td></td>
</tr>
</tbody>
</table>


**2018/19 vs 2017/18**
- WORLD -21%
- EU -12%
- non-EU -24%
**ES and EL revised down in 2018/19**

**EU TABLE OLIVE PRODUCTION**

<table>
<thead>
<tr>
<th>Year</th>
<th>ES</th>
<th>EL</th>
<th>IT</th>
<th>GR</th>
<th>SP</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/14</td>
<td>572</td>
<td>130</td>
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<td></td>
<td></td>
<td>794</td>
</tr>
<tr>
<td>2014/15</td>
<td>556</td>
<td>249</td>
<td></td>
<td></td>
<td></td>
<td>868</td>
</tr>
<tr>
<td>2015/16</td>
<td>601</td>
<td>194</td>
<td></td>
<td></td>
<td></td>
<td>887</td>
</tr>
<tr>
<td>2016/17</td>
<td>596</td>
<td>180</td>
<td></td>
<td></td>
<td></td>
<td>842</td>
</tr>
<tr>
<td>2017/18</td>
<td>562</td>
<td>261</td>
<td></td>
<td></td>
<td></td>
<td>903</td>
</tr>
<tr>
<td>2018/19</td>
<td>586</td>
<td>158</td>
<td></td>
<td></td>
<td></td>
<td>796</td>
</tr>
</tbody>
</table>


- **2018/19 vs 2017/18**
  - Spain: +4%
  - Greece: -39%
  - Italy: -50%
  - Portugal: -11%
Improved trade balance in 2018/19

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

Source: Eurostat/COMEXT. CN codes: 07099210, 07108010, 07112010, 20019065, 200570.
U.S. imports of Spanish table olives remain resilient

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.
Additional 25% import duties on ES green table olives

Publication of preliminary list of products considered
12 April

2-day public hearing
15-16 May

Publication of a list of additional products
5 July

1-day public hearing
5 August

Publication of WTO Arbitrator report
2 October

Publication of a final list of products
9 October

Additional ad valorem duty on products:
- 2005.70.08
- 2005.70.16
- 2005.70.23
- 2005.70.25

Additional ad valorem duty on products:
- 0711.20.18
- 0711.20.28
- 0711.20.38
- 0711.20.40
- 2005.70.12

Level of countermeasures is USD 7.5 billion annually

Additional ad valorem duty of 25% on DE, ES, UK products:
- 2005.70.12
- 2005.70.25

Additional ad valorem duty of 25% on FR, DE, ES, UK products:
- 0711.20.18
- 0711.20.28
- 0711.20.38
- 0711.20.40
- 2005.70.08
- 2005.70.16
- 2005.70.23
Additional 25% import duties on ES green table olives

U.S. imports of table olives, Spanish products hit by retaliation measures

- Spanish table olives targeted: 47,731 tonnes (USD 147.7 million)
- Spanish table olives previously targeted by AD/CVD: 28,153 tonnes (USD 62.1 million)
- EU (excl. ES) table olives: 31,867 tonnes (USD 126.7 million)
- Non-EU table olives: 27,271 tonnes (USD 53.1 million)

EU table olives

Graph showing the distribution of table olives and their corresponding values.
Thank you

Market information

Extra-EU trade dynamic workbook

Market prices dynamic workbook