



**Olive growing in China**

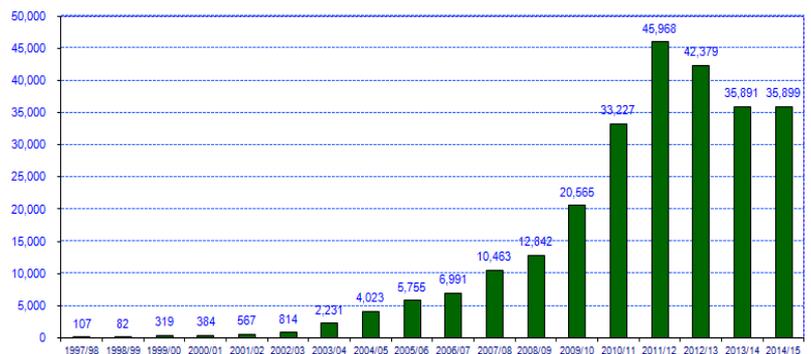
According to official sources, the **Olive tree (*Olea europaea*)** was introduced into China over 40 years ago. However, the crop only started to expand at the beginning of the millennium. The areas of greatest potential for the development of olive growing are Gansu, Shaanxi and Sichuan. China currently has an olive hectareage of 86 000 ha., of which 43% is under irrigation. More than 27% of the current surface area is under production. The average annual planting rate is of approximately 14 000 ha of olive trees.

The development of the olive sector is playing an important role in China, enabling more than 3200 families and 15 000 people to improve their living conditions. It also plays an important environmental role through the extension of olive orchards to the banks of the rivers Bailong and Baishui.



China's production infrastructure currently comprises 25 oil mills. In the 2015/2016 crop year it produced approximately 5000 t of olive oil, which is a 75% increase compared to the previous crop year. Extra virgin olive oil accounted for 85% of production, and virgin olive oil accounted for 15%.

The graph shows the increase of imports to China, indicating exponential growth in the first crop years, with a 792% increase in imports over the last 10 years (2004/05-2014/15). Despite a decline in the last three crop years, a 10% year-on-year increase has been observed over the first nine months of the current 2015/16 crop year. Ninety-six per cent of total imports come from European production countries, led by Spain with 81% of the total, and followed by Italy with 13%, and Greece with 2%. In this regard, it should be noted that China is the second most important food market for the European Union. The remaining 4% of imports come from other countries, mainly Australia, Morocco, Tunisia and Turkey.



Graph I - Imports of olive oil and olive-pomace oil to China.

It should also be noted that 78% of China's imports come from the extra virgin and virgin olive oil category (150910); 8% are from the olive oil category (150990) and 14% are the olive-pomace oil category (151000).

**WORLD OLIVE DAY 2016**

The IOC will celebrate World Olive Day to raise awareness of the importance of the relationship between olive growing and the environment, showing the benefits of its products for health and raising awareness of the role of the IOC as the organisation solely responsible for administering the International Agreement on Olive Oil and Table Olives. The event will have three components:

1. The WOD Declaration
2. Organisation of an event during the week of the ordinary session of the Council of Members, 21-25 November 2016 at the IOC headquarters, Madrid (Spain)
3. Celebration of World Olive Day by member countries and institutions related to the sector.

To this end, the IOC will award grants to finance programmes to celebrate World Olive Day 2016 in the IOC member countries. The objective of these grants is to provide financial support for initiatives to celebrate World Olive Day, as a joint action by all IOC member countries. Further information regarding the criteria for the award of these grants can be found on this link: <http://www.internationaloliveoil.org/estaticos/view/413-grants>

After the World Olive Day celebration, the IOC will publish the resources (videos, conference materials and studies) put forward by the countries on its website and social media channels.



## TUNISIA - FIRST COUNTRY TO SIGN THE HEADQUARTERS AGREEMENT

Following the approval of the International Agreement on Olive Oil and Table Olives by the Assembly of Representatives of the People on 6 June 2016, the instruments of ratification was signed by the President of the Tunisian Republic and submitted to the depositary of the Agreement, the Secretary-General of the United Nations in New York, in accordance with article 27 of the Agreement.

The Ambassador of Tunisia in Spain, H.E. Mr Wacef Chiha, presented a copy of the instruments of ratification of the International Agreement on Olive Oil and Table Olives, 2015, to the Executive Director of the IOC during a visit to the Executive Secretariat on 31 August, accompanied by the Minister-Counsellor of the Tunisian Embassy in Madrid, Mr Mounir Fourati.

The IOC Executive Director expressed his satisfaction in this regard and encouraged other IOC member countries to ratify, accept or approve the new Agreement by depositing the corresponding instruments prior to 1 January 2017, to enable it to enter into force on schedule.

### I. WORLD TRADE IN OLIVE OIL AND TABLE OLIVES

#### 1. OLIVE OIL - 2015/16

Imports in olive oil and olive-pomace oil in the first nine months of the 2015/16 crop year (October 2015 - June 2016) in the markets listed in the table below reported a year-on-year increase of 12 % in Australia; 10% in China and 5% in the United States. Imports decreased in Brazil by 33%, in Japan by 11% and in Russia by 4%. Data for Canada is not available for the month of June, but in the first eight months of the campaign, imports increased by 2%.

EU<sup>1</sup> figures for the first eight months of the current crop year (October 2015 - May 2016) indicate that intra-EU acquisitions fell by 10% and imports from outside the EU fell by 47% compared to the same period of the previous crop year.

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

No	Importing country	October 14	October 15	November 14	November 15	December 14	December 15	January 15	January 16	February 15	February 16	March 15	March 16	April 15	April 16	May 15	May16	June 15	June16
1	Australia	3125.1	1717.8	2391.8	1818.9	1852.1	1265.9	1856.8	2065.8	1607.8	2109.3	1790.4	2868.5	1727.6	2324.4	1721.5	3119.8	1646.9	2384.0
2	Brazil	9584.6	5529.5	7289.9	4853.6	6249.3	2689.6	6367.2	4394.6	5517.4	3169.2	6662.1	2660.4	4769.3	4079.5	2781.4	3915.1	3971.6	4150.9
3	Canada	3985.0	3092.5	3257.6	2875.6	3070.4	3193.2	2343.1	3015.8	3009.0	3834.0	2873.2	3745.1	4118.7	3883.2	4231.3	3672.0	3353.7	nd
4	China	2410.8	3106.7	3651.5	3219.6	3530.5	6015.2	2850.1	3067.6	1471.1	1501.0	2503.5	3680.2	2835.5	2575.8	2534.2	3052.6	4139.4	2215.7
5	Japan	4776.0	4492.0	4735.0	3791.0	3965.4	3097.0	4531.0	3402.0	3474.0	3916.0	6753.0	4876.0	6319.0	5608.0	6550.0	6437.0	4603.0	4896.0
6	Russia	4259.5	1785.8	3192.4	2084.0	2853.1	1940.6	1513.0	1390.1	1216.5	1785.0	1589.2	2424.1	1163.1	2852.6	1126.1	1735.9	1612.2	1776.6
7	USA	2332.0	2858.0	28449.8	20324.3	18755.6	23627.0	24296.3	26922.3	27443.4	22368.4	27083.3	35723.2	31125.9	25427.8	25085.9	34172.1	31444.9	32210.2
8	Extra-EU/27	6722.0	17568.3	6801.8	8433.7	14707.0	10600.9	18871.7	8787.2	22619.4	11346.1	26731.0	12666.1	32426.3	5493.6	28187.5	7738.3	25734.0	nd
	Intra-EU/27	89729.0	65823.0	98016.0	81263.5	122803.0	112766.4	102347.8	96573.4	107246.2	102171.0	105629.9	89644.1	91172.9	88969.7	94720.7	89708.5	83713.3	nd
	<b>Total</b>	<b>147924.0</b>	<b>131695.6</b>	<b>157765.8</b>	<b>128664.2</b>	<b>177386.3</b>	<b>165197.8</b>	<b>164977.0</b>	<b>149618.8</b>	<b>173604.8</b>	<b>152180.0</b>	<b>181595.6</b>	<b>158287.7</b>	<b>175658.3</b>	<b>141014.6</b>	<b>166938.6</b>	<b>153551.3</b>	<b>160219.0</b>	

#### 2. TABLE OLIVES- 2015/16

In the first nine months of the 2015/16 crop year (October 2015 - June 2016) imports increased by 6% in Australia and 2% in Canada, compared to the same period of the preceding crop year. However, imports decreased in all the other markets, falling by 12% in Brazil, 5% in Russia and 3% in the United States.

EU<sup>2</sup> figures for the first eight months of the 2015/16 crop year (October 2015 - May 2016) indicate that intra-EU acquisitions increased by 4% and that extra-EU imports increased by 3%, compared to the same period of the previous crop year.

<sup>1</sup> EU data for June 2016 were not available at the time of writing.

<sup>2</sup> EU data for June 2016 were not available at the time of writing



Table Olive Imports (t)																			
No	Importing country	October 14	October 15	November 14	November 15	December 14	December 15	January 15	January 16	February 15	February 16	March 15	March 16	April 15	April 16	May 15	May16	June 15	June16
1	Australia	1547.0	1158.0	1234.0	1469.0	1580.0	1682.0	1408.0	1355.0	1064.0	1116.0	1416.0	1875.0	1385.0	1505.0	1316.0	1387.0	1154.0	1238.0
2	Brazil	12930.3	7793.4	10285.5	9311.3	8655.1	8834.9	8007.7	8034.8	6715.2	7737.9	9256.8	8273.8	8610.0	7701.3	9197.6	7789.3	8558.6	9137.3
3	Canada	2413.0	2636.0	2489.0	3090.0	2810.0	3003.0	2144.0	1494.0	2390.0	1843.0	1890.0	2730.0	2704.0	2280.0	2721.0	2621.0	2500.0	nd
4	Russia	11076.5	6646.9	6719.1	7216.6	7288.0	5467.0	3413.8	3970.7	2313.8	3548.3	3292.9	4589.4	3564.1	4285.0	2856.5	4559.8	4034.7	4090.2
5	USA	10367.0	12738.0	10164.0	11635.0	12219.0	11997.0	11629.0	8133.0	10732.0	11348.0	16677.0	15441.0	13795.0	11179.0	14616.0	12329.0	11579.0	13725.0
6	Extra-EU/27	8283.2	6386.7	7032.3	7133.3	8053.5	7836.3	7666.5	7633.0	6899.9	7568.4	9333.8	8731.2	8886.4	10433.6	7215.6	9244.4	8021.8	nd
	Intra-EU/27	27945.4	30114.0	23889.4	31646.4	27859.4	30882.0	22021.7	21716.1	23698.1	22609.5	27484.3	26037.7	26315.7	24834.6	27319.9	26388.9	30542.8	nd
	<b>Total</b>	<b>74562.4</b>	<b>67471.0</b>	<b>63793.3</b>	<b>71501.6</b>	<b>68495.0</b>	<b>69702.2</b>	<b>56290.7</b>	<b>50336.6</b>	<b>53813.0</b>	<b>55771.1</b>	<b>69350.8</b>	<b>67686.1</b>	<b>65220.2</b>	<b>62218.5</b>	<b>65242.6</b>	<b>64519.4</b>	<b>66390.9</b>	

## II. OLIVE OIL PRODUCER PRICES

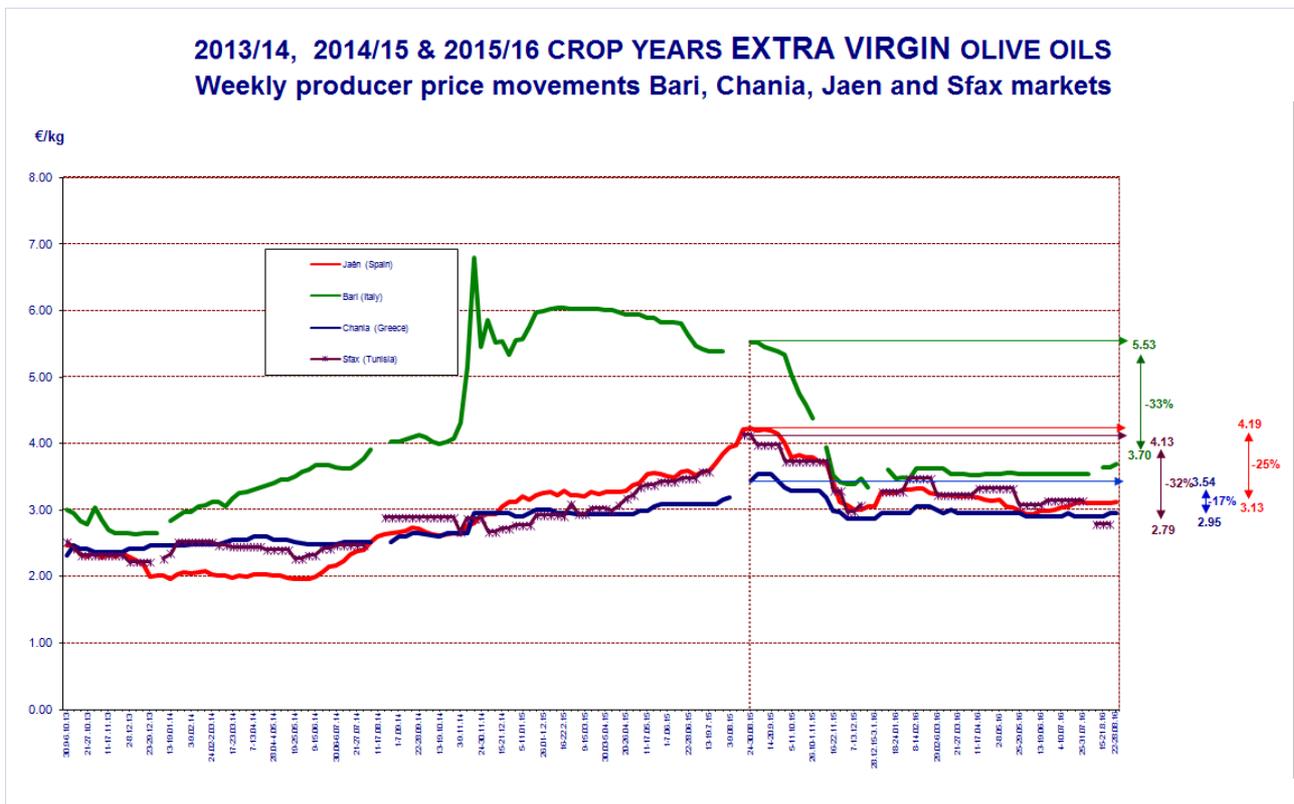
Graph 1 tracks weekly producer prices for extra virgin olive oil in the three main producer countries of the EU and Tunisia. Graph 3 tracks the weekly producer prices for refined virgin olive oil in the three main producer countries in the EU. Graphs 2 and 4 track the monthly prices for these product categories.

**Extra virgin olive oil – Producer prices in Spain** remained relatively stable over the last few weeks, standing at **3.13€/kg in the last week of August**, which is a 25% year-on-year decrease. If we compare this price to the minimum price of the third week in May 2014 (1,96€/kg), it represents a 60% increase, and a decrease of 26% compared to the maximum price (4.23€/kg) (Graph 1).

**Italy** – Producer prices in Italy had been stable for the last three months but started to increase in mid-August, to reach **3.70€/kg at the end of August**, which is a 33% decrease compared to the same period the previous year. Graph 2 tracks the monthly prices of extra virgin olive oil in recent crop years.

**Greece** – Prices in Greece had also levelled out over the last few months but, as in the other markets, they had started to rise again in the last few weeks to reach **2.95€/kg at the end of August 2016**, which is a 17% decrease compared to the same period year-on-year.

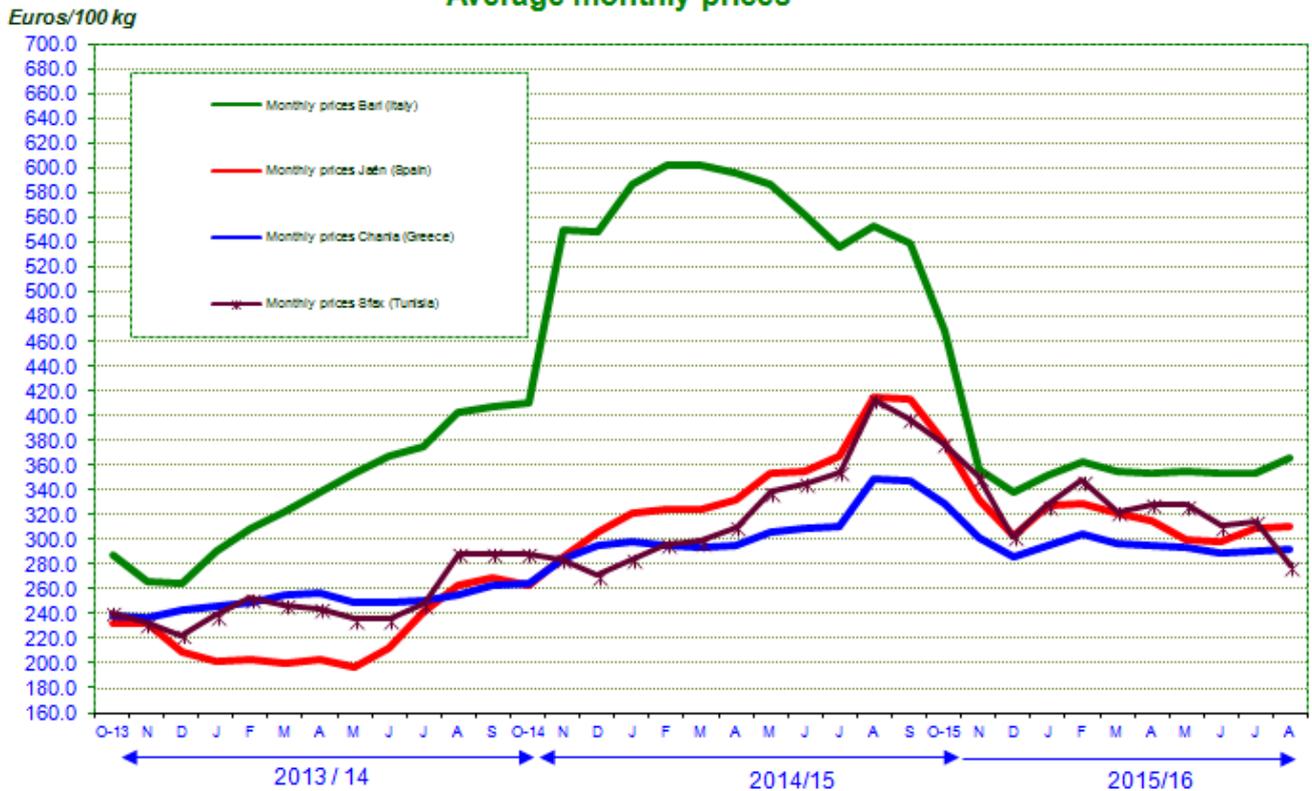
**Tunisia** – Contrary to the other markets, prices in Tunisia fell over the last few weeks to reach **2.79€/kg at the end of August 2016**, which is a 32% decrease compared to the same period last year.



Graph 1



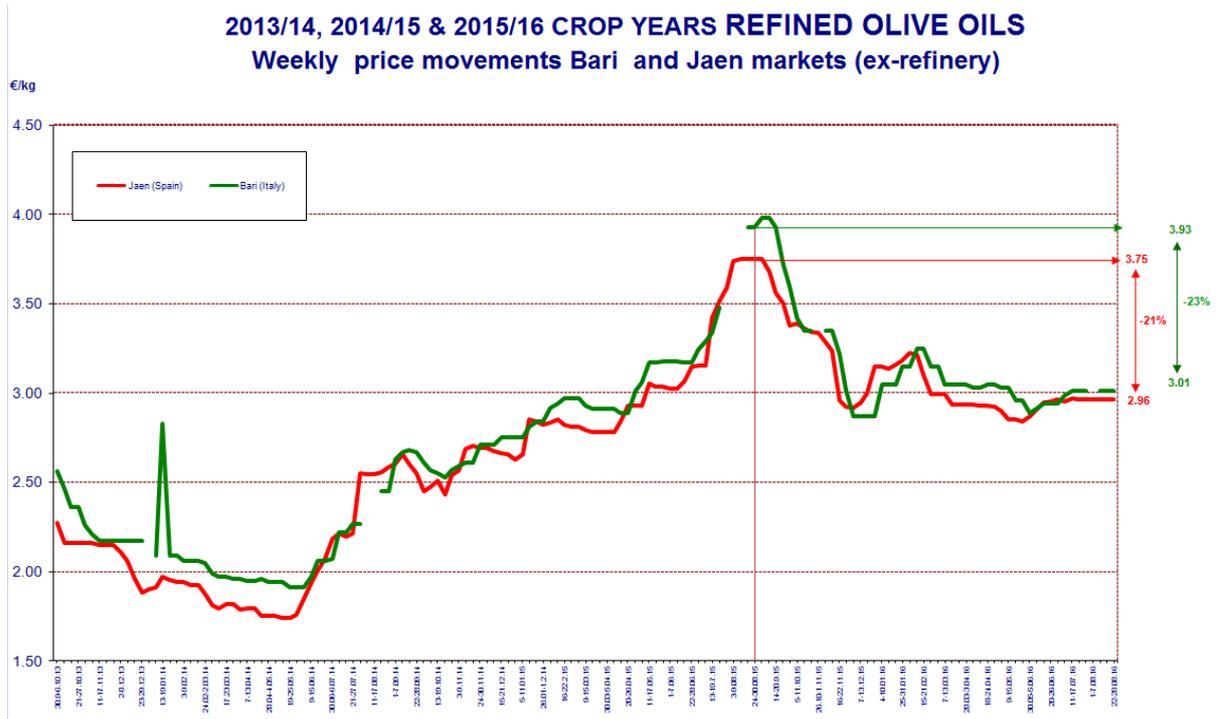
## MOVEMENTS IN PRODUCER PRICES EXTRA VIRGIN OLIVE OIL Average monthly prices



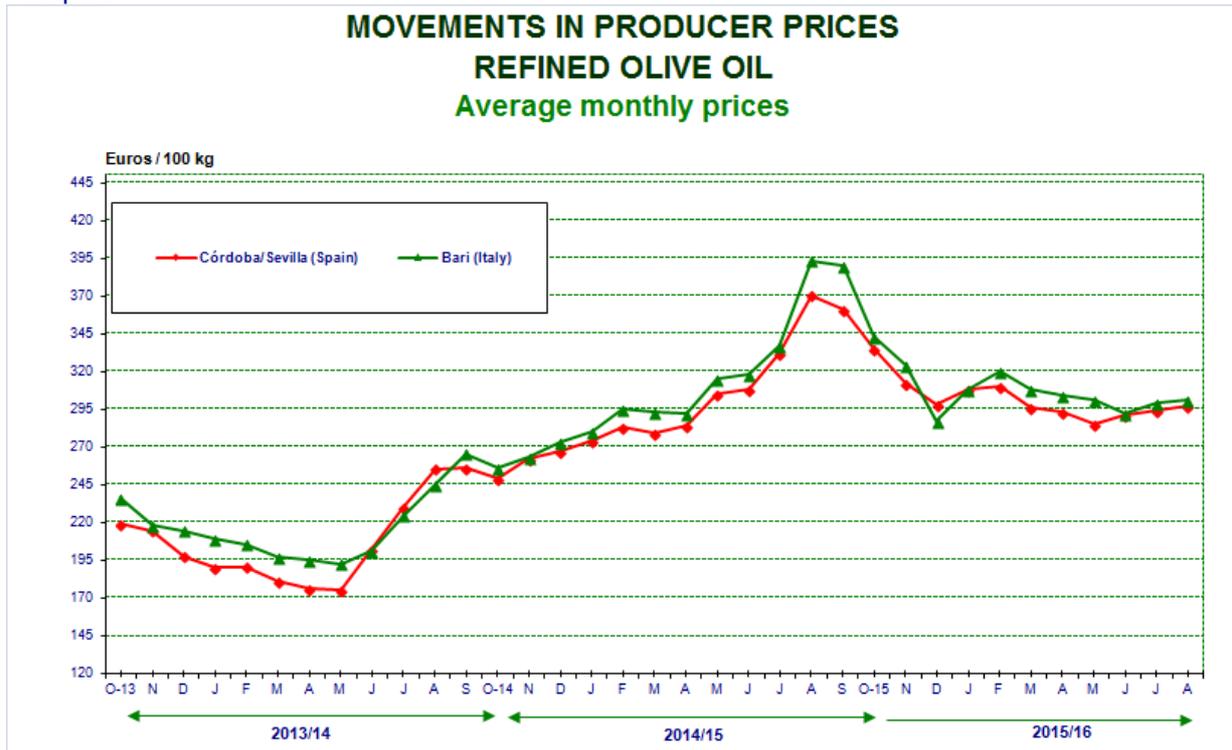
Graph 2

- **Refined olive oil:** Producer prices for refined olive oil in Spain and Italy have moved in the same direction as the price of extra virgin olive oil. In **Spain**, following an initial sharp decline, prices began to climb in the third week of January 2016, and after falling again, increased as of the first week in July to reach **2.96€/kg** at the end of August 2016, which was a 21% year-on-year decrease. In **Italy** the prices followed the same trend as in Spain to reach **3.01€/kg** at the end of August 2016, which represented a 23% year-on-year decrease. There are no data available for this product category in Greece.

At the end of August, the price differential between refined olive oil (2.96€/kg) and extra virgin oil (3.13€/kg) was of 1.17€/kg in Spain, and was higher in Italy at 0.69€/Kg (Graph 3).



Graph 3



Graph 4

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