



The IOC at the Fancy Food Show

The Summer Fancy Food Show will be coming up soon in New York City, from 29 June to 1 July. North America's largest speciality food and beverage show brings together 2 400 companies from 80 countries who will be exhibiting some 180 000 products. More and more olive oil producers from IOC member countries are opting to be present at this renowned international event, which also congregates influential chefs and leading experts in a slate of panel discussions, talks and demonstrations. A gathering of this type is a unique opportunity to spread the word about the health benefits of olive oil, which is why the IOC is organising an educational seminar at the Show on Monday 30 June, from 9 a.m. to 10.30 a.m., at the Jacob Javits Centre (Room 1E07).

For the same reason, at their recent 22nd extraordinary session (2–6 June 2014), the IOC Council of Members approved the proposal to hold the IOC *Mario Solinas* Quality Award Ceremony during the Fancy Food Show in 2015. The Council has also given the green light for two editions of the Award to be held in 2015, one in January and the other in June, to attract more entries from a wider geographical spread of countries. This will also mean that the batches of oil entered for the competition will not have to be kept so long under notarial seal.

How the world olive oil market is faring in the 2013/14 crop year

The IOC Economic Committee met during the recent 22nd extraordinary session of the Council of Members. An update of the olive oil data supplied by Members for 2012/13 and 2013/14 was presented at the meeting. The resultant aggregate data are given in Table 1 but are likely to change between now and November 2014, when they will be definitively approved by Members. According to these figures, olive oil production in 2013/14 is expected to be 28 pc higher than in 2012/13, chiefly because of higher production in the EU producing countries as a whole (+62 pc). Spain is the main driving force behind this EU growth, with output expected to reach 1 770 000 t (+187 pc). Production is also expected to go up by 52 pc in Portugal to reach 90 000 t. In Italy, on the other hand, it is provisionally assessed at 350 000 t, 16 pc less than in 2012/13, and in Greece it is expected to be no more than 135 000 t, down by 63 pc due to adverse climatic conditions. Production elsewhere among the IOC membership is almost 26 pc lower in aggregate terms and the provisional figures released in the February 2014 issue of the newsletter (No 80) still hold. Looking at consumption, the biggest increase is expected in the EU countries while the provisional figures for exports have inched slightly ahead of imports.

	2012/13	2013/14
Starting stocks	908	334.5
Production	2418.5	3104
Imports	843.5	780.5
Consumption	2995.5	3033.5
Exports	840	793.5
Ending stocks	334.5	392

Table 1 – Olive oil figures for the 2012/13 (final) and 2013/14 (provisional) crop years

43rd meeting of the IOC Advisory Committee

At the invitation of the Croatian authorities, the town of Split was the venue for the 43rd meeting of the IOC Advisory Committee on Olive Oil and Table Olives, which met on 22 May 2014. This committee brings together representatives of stakeholders – producers, consumers, processors and marketers – in the olive and olive oil world. The representatives from IOC member countries at the meeting were also joined by observers from Australia, Brazil, India, Japan and the United States.

Among other agenda matters, participants discussed the issue of flavoured oils. The common opinion was that these oils should be termed condiments or something similar and do not fall under the scope of the IOC trade standard. According to the standard, virgin olive oil is the oil extracted directly from olives by mechanical or physical means; no additives are allowed. The category of product known as olive oil is defined as a blend of refined olive oil and virgin olive oil. Only the addition of a maximum amount of 200mg/kg of total alpha-tocopherol is permitted in the final product to replace alpha-tocopherol eliminated during refining; no other product or additive may be added. The committee members requested the IOC Council of Members to draw



the attention of Members to the provisions of the standard and to invite them to bring out specific domestic regulations to label flavoured oils as condiments or preparations.

The committee also had the opportunity to discuss the latest proposals for the development of new methods of analysis or the revision of existing methods, parameters and/or limits in the IOC trade standard. In moves to encourage greater transparency, the IOC has recently brought out a procedure for announcing this type of proposed changes. Fact sheets on the latest batch of proposals have been published and stakeholders have been invited to submit any comments by 8 September 2014 before the proposals are definitively adopted. The proposals can be seen at:

http://www.internationaloliveoil.org/news/view/666-year-2014-news/483-new-procedure-for-presenting-proposals-for-the-revision-of-ioc-standards?lang=en_US

I. WORLD MARKET FOR OLIVE OIL AND TABLE OLIVES

1. OLIVE OIL MARKET – PROGRESS THROUGH 2013/14

Between October 2013 and March 2014, the first six months of the 2013/14 crop year, trade in olive oil and olive pomace oil decreased overall by 7.7 pc in the seven countries listed below, falling from 301 194.8 t to 277 886.6 t. Individually, imports increased in Russia (+6 pc) and Japan (+2 pc) but decreased in China (-28 pc), Brazil (-12 pc), Australia (-9 pc), Canada (-8 pc) and the United States (-7 pc).

At the time of writing, the EU data were not available for March 2014 but the figures for the first five months of the season (October 2013–February 2014) report a 3 pc increase in intra-EU acquisitions and a drop of 34 pc in imports from outside the EU compared with the same period in the previous crop year. This fall in extra-EU imports seems only logical, given the good production figure for Spain.

Olive oil imports (including olive-pomace oils) (t)													
No	Importing country	October 12	October 13	November 12	November 13	December 12	December 13	January 13	January 14	February 13	February 14	March 13	March 14
1	Australia	3518.5	2169.9	3857.8	2461.2	1506.2	2004.0	2227.3	2236.5	1905.0	2048.7	2225.0	2946.1
2	Brazil	9847.4	9075.3	8995.4	6239.6	6001.3	7156.7	5500.7	5163.6	7855.8	5215.4	6592.4	6746.9
3	Canada	4392.0	4014.7	3361.0	2845.6	2568.1	2662.2	4040.8	3649.0	3403.4	2765.0	2882.4	2955.2
4	China	2826.8	2609.4	4443.8	3030.7	4732.9	4007.6	6360.5	3268.3	1766.4	1050.3	2510.5	2323.1
5	Japan	4431.0	4410.0	4474.0	4386.0	3994.0	3967.0	4253.0	4271.0	3599.0	4039.0	4184.0	4840.0
6	Russia	3678.1	2982.0	3358.9	2763.7	2766.0	3174.3	1616.5	1818.0	2346.4	2643.9	2245.9	3535.7
7	USA	28507.3	23274.0	25118.0	27163.1	26504.0	21455.9	24570.9	26704.8	19018.9	17979.9	33207.5	29814.3
8	Extra-EU/27	14267.4	14233.4	10093.5	6660.6	4407.4	5141.1	8924.3	6711.3	15411.0	2110.4	15411.0	nd
	Intra-EU/27	92208.6	87862.7	78066.0	74873.7	95922.6	96563.5	97359.5	93929.9	83224.8	107591.3	98635.8	nd
	Total	163677.1	150631.4	139768.4	130424.2	148402.5	146132.3	154853.5	147215.4	138530.7	145463.9	167894.5	

2. WORLD TABLE OLIVE MARKET – DEVELOPMENTS THROUGH 2013/14

In the first six months of the 2013/14 crop year (October 2013–March 2014) table olive imports by the five countries listed in the next table fell overall by 5 pc from 187 660.4 t to 178 136.8 t. Itemised scrutiny shows US imports went up (+3 pc) while imports by Russia went down (-13pc). They also decreased in Brazil (-9 pc), although the figure for March 2014 is better than a month earlier, and in Canada (-4 pc). In the case of Australia, monthly import movements are very irregular but show a slight decrease of 1 pc. The EU data for March 2014 were not available when writing this newsletter. However, in the first five months of the crop year, intra-EU acquisitions dropped by 8 pc while imports from non-EU countries increased by 5 pc.

Table Olive Imports (t)													
Nº	Importing country	October 12	October 13	November 12	November 13	December 12	December 13	January 13	January 14	February 13	February 14	March 13	March 14
1	Australia	1330.0	1511.0	1858.0	1657.0	1821.0	1905.0	1597.0	1740.0	1906.0	1431.0	1423.0	1640.0
2	Brazil	12957.5	11769.2	11357.4	11299.5	10731.5	8721.4	7005.4	6171.8	7419.6	6273.1	7229.7	7564.4
3	Canada	2942.0	2795.0	2807.0	2656.0	2997.0	2070.0	2832.0	2622.0	1805.0	2297.0	1939.0	2215.0
4	Russia	9574.4	8882.2	9692.4	9073.0	6485.1	5026.1	5680.9	4425.2	5886.7	4802.2	6415.8	5954.7
5	USA	10404.0	11434.0	11100.0	10396.0	10050.0	10937.0	9317.0	10483.0	8970.0	9452.0	12126.0	10932.0
6	Extra-EU/27	9125.0	8645.3	8147.7	7337.5	8740.1	9368.3	8456.5	9903.7	8258.8	9812.9	10724.9	nd
	Intra-EU/27	35174.6	30248.3	30242.8	28073.4	26733.8	26755.5	26804.0	21800.6	25034.8	25307.1	28969.6	nd
	Total	81507.5	75285.0	75205.3	70492.4	67558.5	64783.3	61692.8	57146.3	59280.9	59375.3	68828.0	



II. PRODUCER PRICES

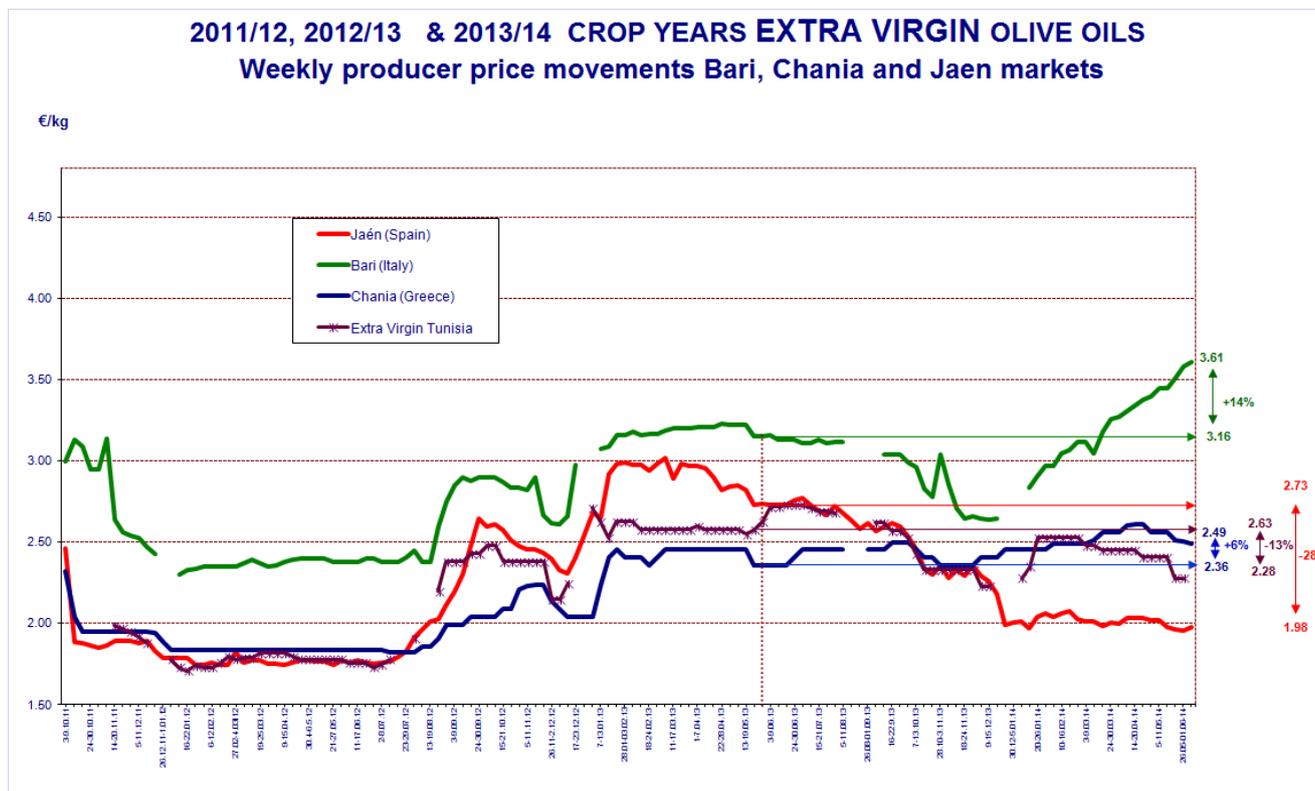
Graph 1 tracks the weekly movements in the prices paid to producers for extra virgin olive oil in the three top EU producing countries plus Tunisia while Graph 3 shows the weekly changes in the producer prices for refined olive oil in the three main EU producers. The monthly price movements for the same two grades of oil are given in Graphs 2 and 4.

Extra virgin olive oil: So far through the crop year, producer prices in **Spain** have been moving downwards, reaching €1.98/kg in the last week of May, representing a decrease of 28 pc on the same period a year earlier. At first glance, this trend appears to mirror the recovery in the level of Spain's production. It will be remembered that prices had started to decrease in April 2013 and gathered downward momentum in September 2013, perhaps as a reaction to the announcements of a good harvest for 2013/14. During the period analysed, prices peaked at €3.02/kg at the beginning of March 2013 (see Graph 1) but lately appear to be steadying at around €2/kg.

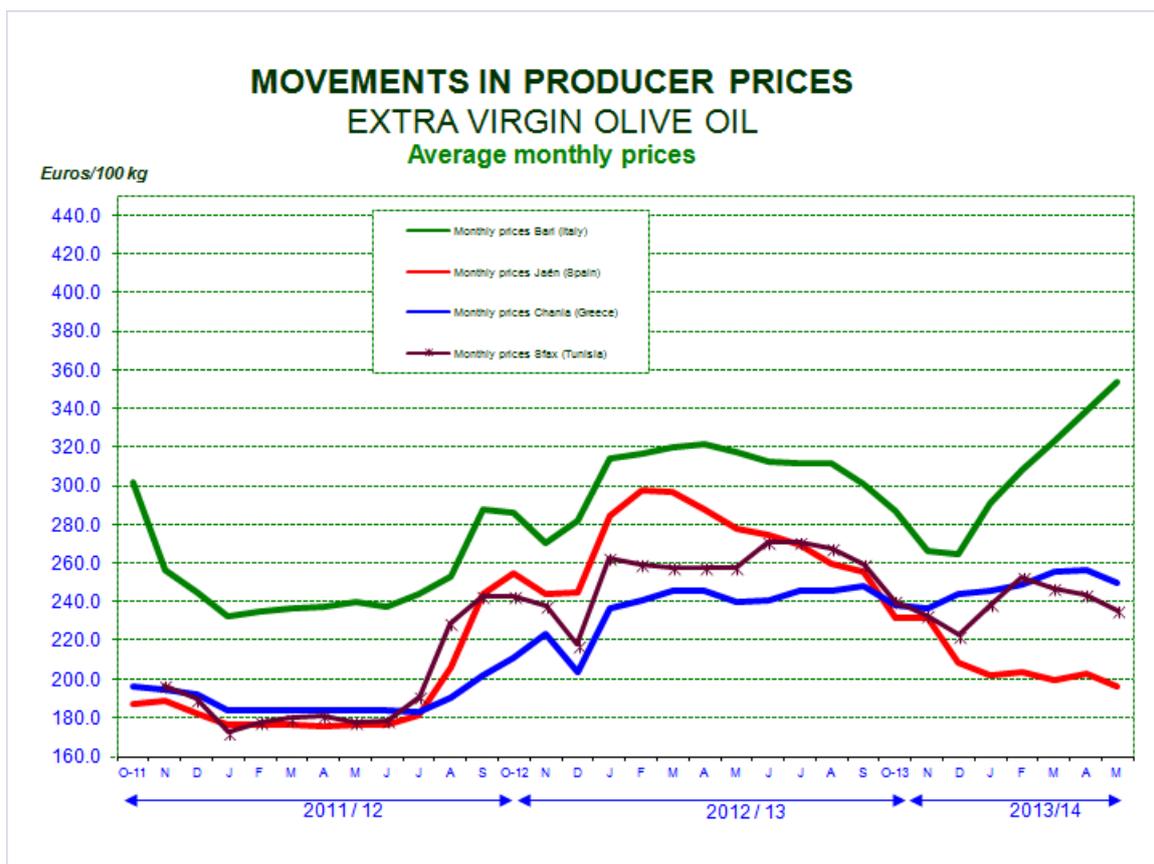
Italy – Producer prices in Italy started to move upwards in December 2013 and reached €3.61/kg at the end of May 2014 (Graph 1), equal to a rise of 14 pc and the highest level recorded so far in the graph.

Greece. From mid-December 2013 until late January 2014 producer prices in Greece held steady at €2.46/kg. After rising a few times, they hit a level of €2.49/kg at the end of May, which represents an increase of 6 pc on the same period of the preceding season.

Tunisia. At the end of October 2013, producers were paid €2.53/kg for their extra virgin olive oil. After that, prices started moving downwards until late December 2013, when they levelled off, only to drop further to €2.28/kg by the end of May, this showing a decrease of 13 pc versus the same period a season earlier. Producer prices in 2012/13 were influenced by the poor harvest in Spain, which generated higher prices than in 2011/12. This season, the combination of a good harvest in Spain and a poor harvest in Tunisia probably partly explains the current level of prices in Tunisia, which have moved away from Spanish prices since early January 2014.



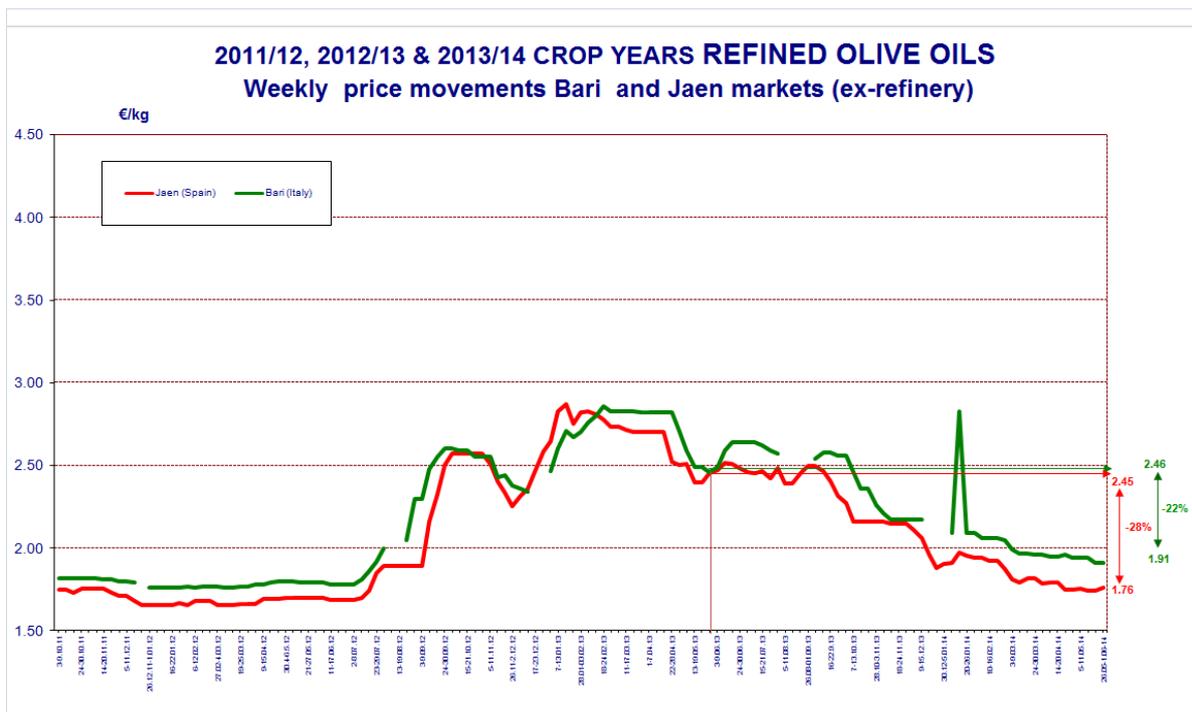
Graph 1



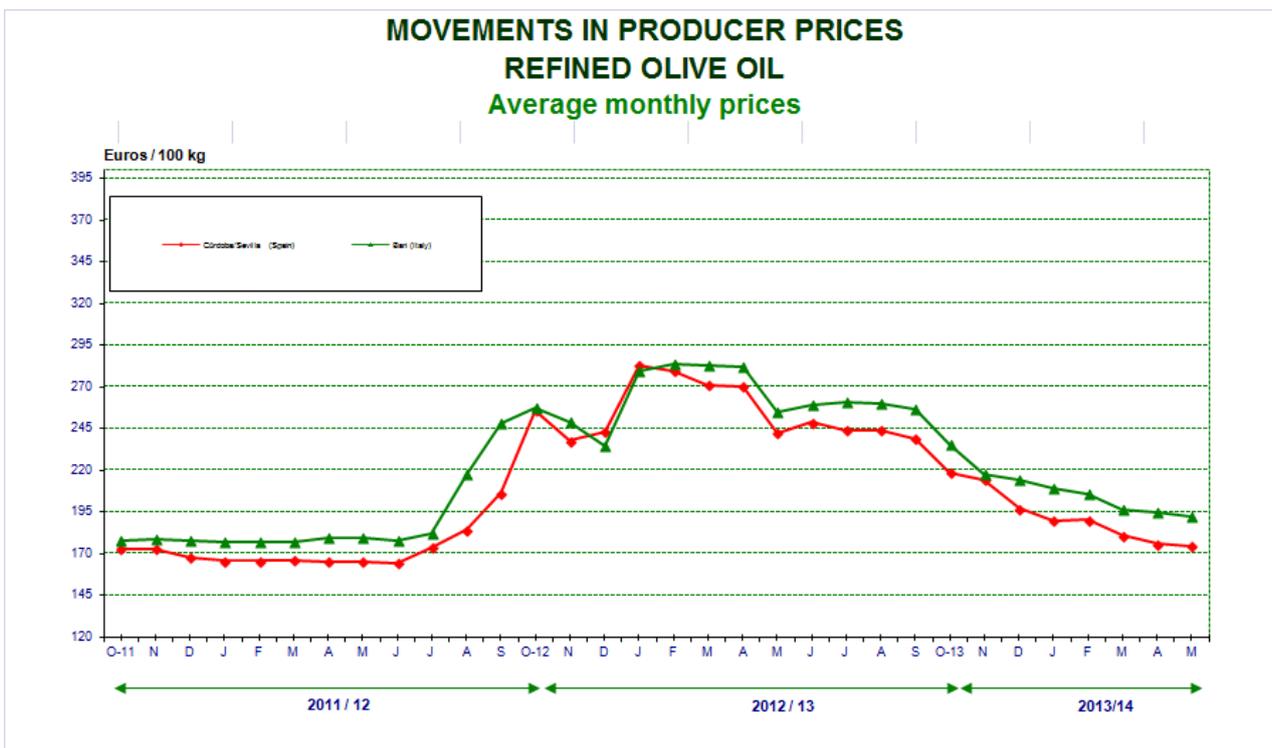
Graph 2

- **Refined olive oil:** The prices paid to producers for refined olive oil continued downwards in Spain, reaching €1.76/kg by the end of May 2014. This is 28 pc lower than the level the same time a year earlier and appears to be connected with the respective volumes of harvest in 2012/13 and 2013/14. Prices in Italy have behaved similarly but reached €2.83/kg by the third week of January, only to drop to €1.91/kg by the end of May 2014. No data are available on this category for Greece.

At the end of May 2014, the price of refined olive oil and extra virgin olive oil in Spain differed by €0.22/kg as the prices of extra virgin grade seem to be levelling off at €2/kg while those of refined product stand at €1.76/kg. In Italy, the difference in price between the two categories is much wider than in Spain, lying at €1.70/kg (Graph 3).



Graph 3



Graph 4

Keep track of what's going on in the sector and at the IOC

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