

Final minutes of the meeting of the Civil Dialogue Group “Horticulture, Olives & Spirits – Olives Sector” on 9th November 2016

1. Adoption of the agenda and the minutes of the meeting of 27/05/16

The Chair welcomed the members and the minutes of the previous meeting and of the agenda were adopted.

Birdlife wanted to present a “life project” during this meeting; however, as it had not been added to the agenda, they would present it during the next civil dialogue group meeting.

2. Presentation and discussion on the status and management of the market: provisional balance sheets 2015/16 and forecast 2016/17 balance sheets for olive oil and table olives and price developments

The Commission gave a presentation that can be found on DG Agri’s website.

The Commission concluded with the comments from the participants as follows: production in Spain might be lower at around 1.3 million tonnes; in Portugal, the production would not reach 110,000 tonnes but instead 90,000 tonnes. In France, there would be at least 300 tonnes less. The 2016/2017 marketing year would be stable compared to the previous marketing year with no record-level production.

In addition, the Commission said that they were starting to draft the impact assessment on the impact of the increase of the duty-free quota from Tunisia. They said that given the low production in Tunisia, it was very likely that the 35,000 tonnes would not be used, so they believed that there would not be a negative impact on the EU market.

A representative from Copa outlined that the release of the legislative proposal had an impact on the prices of olive oil, particularly in Italy, and this should be taken into account. In addition, if the forecast for the marketing year 2016/2017 had shown a significant increase in EU olive oil production, coinciding with a similar increase in Tunisia, the market could have been very negatively impacted.

A representative from the producers said that this kind of increase to quotas could have an impact on EU prices.

The Chair concluded this item by saying that during this marketing year the market would be dynamic and prices would be stable, unless there was a catastrophic event.

3. State of play on trade barriers on exports

A representative from the industry gave a presentation on this item. The presentation can be found on DG Agri’s website. He started his presentation by indicating that the results of the presidential election in the USA might increase the requests from California to develop a marketing order.

Another representative from industry said that as regards the USA and the negotiations of the TTIP, it was very disappointing to have not been able to deal with the issue of plant protection products.

A representative from Copa said that the IOC should be the key international institution working on the harmonisation of the standards for olive oil in the world.

The Commission concluded the item by saying that on the basis of the presentation from the industry a document should be drafted with further explanations and this could be sent to various DGs of the Commission in order to make these problems better known.

4. International Olive Oil Council:

a) state of play on work on quality standards (in particular: heptadecanoic acid, eicosanoic for varieties Carolea and Coratina ethyl esters)

A Commission representative said that there was a meeting of the Olive Oil Council in Tunisia in July where changes on the standards were decided and the Commission had adopted 2 regulations in order to transpose this into EU legislation. In particular, an implementing act on peroxides was voted in Committee in September and it was published. A delegated act was adopted in September in Committee; once the Council and the European agreed on this or after two months, this delegated act would be published.

b) inventory of other ongoing work in the International Olive Oil Council

CODEX: The Commission said that discussions on campesterol were ongoing with the CODEX ALIMENTARIUS and on the harmonisation of the standards between the CODEX and IOC.

State of play of discussions on the organoleptic method: The Commission reminded the members about the 4 electronic groups that were created to improve the panel test. They still had a lot of work to do before reaching any conclusions. In addition, there was a research project (OLEUM) on authentication that had begun. Once concluded, it should provide interesting input on this issue.

A representative from industry expressed concern about the implementation of the panel test and the legal uncertainty that this creates for enterprises.

Copa said that the panel test is important and needs to be maintained. However, it could be coupled with other investigations.

A representative from industry talked about the letter sent to the IOC in which they ask to delete the global method, as it creates several problems for exports. He also said that he would support any efforts to make the panel test more objective, in order to give further guarantee for operators and consumers.

A representative from trade said that they have never asked to delete the panel test, but the implementation of this tool needed to be improved, and the global method needed to be deleted.

A representative from CEJA said that implementation of panel test has to be harmonised; however, this tool must remain in place.

The Chair concluded that there is a consensus not to question the existence of the panel test; however, in parallel there should be more research on complementary analytical methods.

The Commission said that there should be a way to improve the implementation of panel test in order to improve repeatability and reproducibility of this method.

4. State of play on Xylella fastidiosa and information on the state of play of research projects Horizon 2020 on Xylella fastidiosa

A representative from the Commission gave a presentation on this item, which can be found on DG AGRI's website.

A representative from Copa said that the infected zone in South of Italy had been left without any possibility of compensation for the growers. It is of utmost importance to be able to swiftly end the ban on planting of host plants, including olive trees, as soon as research can provide reliable results on resistant varieties.

The Chair asked that the Commission to presents the item on research during the next Civil Dialogue Group meeting, as they were not able to come to this meeting.

5. Follow-up of the implementation of imports from Tunisia following the adoption of an additional quota

This item was addressed during item 2.

6. Information on conditions of application of Article 209 of the single CMO and exchange of views on the applicability to private storage

The Commission explained this article. As long as it does not contradict the objectives of the Treaty, this mechanism can be activated by the producer organisations or farmers associations that want to implement this article and there is no need for a notification, nor for an ex-ante authorisation from European institutions or national institutions. For now, no complaints were raised, and there is no jurisprudence on this yet.

The Chair mentioned that there was an issue of interpretation of this article by the national competition authorities because they can be very restrictive in their interpretation.

The representative from trade said that they want to be involved in such discussions as this might disrupt competition.

7. State of play on the revision of the Combined Nomenclature for virgin olive oils

The Commission said that currently there are one single tariff line for extra virgin olive oil and virgin olive oil. At international level, there are a 6 digit code for all virgins olive oils. For the EU combined nomenclature it will be introduced there will be two 8 digit codes for both categories of edible virgin olive oil (Extra virgin and virgin). This will enter into force on 1st January 2017.

The industry said that it was good news. However, they also wanted to see changes for bulk and bottled olive oil. In the USA, this would make a big difference.

The Commission said that they had tried to make this change on bulk and bottled oil, but it had not been possible to do it at 8 digit level as the Commission's line is to move towards simplification. However it will be done at 10 digits for statistical purpose.

9. 1st pillar: implementation of greening in the olive sector

A representative from EFNCP said that he wanted issues linked to environmental quality to be addressed more during the meetings of this civil dialogue group. In addition, he wanted to know if there was any scientific data that can confirm that olive trees are actually sequestering carbon from the atmosphere. He asked whether greening payments for olive trees were justified by the previous data.

The Commission representative answered that there was no scientific basis to exclude olive oil from greening because it was the result of a political agreement between the EU institutions. For now, the Commission had developed data, but only on the greening obligations. In the future, there might be data on greening payments, but this had not yet been decided. In addition, during the latest meeting of the COP 22 in Marrakech, the IOC took part and provided figures on the effect of carbon sequestration by this crop, and said that the figures are 10kg of carbon dioxide by kg of virgin olive oil.

A representative from Copa said that if the main issue is the environment, then we must not only speak about greening but also about the key role of olive growers and the role of this crop in preventing soil erosion and bringing biodiversity to rural areas.

A representative from Cogeca said that there is a civil dialogue group on greening and direct payments that is horizontal and it would be better to address these issues in a horizontal civil dialogue group.

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