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**MINUTES
MEETING OF THE CDG HORTICULTURE, OLIVES AND SPIRITS
OLIVE SECTOR**

*Meeting via videoconference (Interactio)
on Friday 10 June (afternoon)*

Chair: AGRI E.4

Delegations present: All Delegations present, except EFFAT, EFNCP, EPHA, PAN Europe, SACAR, TomatoEurope

1. Approval of the agenda and of the minutes of previous meeting

The Agenda of the meeting was approved.

2. Nature of the meeting

The meeting was non-public.

3. List of points discussed

3.1. Rendition Working Group

The Commission updated stakeholders on the meeting of the Working Group on olives, market situation and technical issues, which took place on the same day, in the morning.

World production is forecast at almost 3.4 million tonnes for marketing year 2021/22, 9% above the five-year average. EU olive oil production for 2021/22 is estimated at almost 2.3 million tonnes (increase by 11% year-on-year), whilst production outside the EU is expected to recover by 17% year-on-year.

Extreme weather conditions over the summer 2021 (rain deficit, heatwaves and wildfires in the south of Europe) hampered yields in Greece, whilst production rebounded strongly in Italy and Portugal (329 000 tonnes and 206 000 tonnes respectively). At the same time, production in Spain is forecast at 1.49 million tonnes (revised up from 1.3 million tonnes initial estimate), as the negative impact on olive yields resulting from the lack of rainfall was offset by high oil yields. In Greece, production is expected to decrease by around 16% to around 230 000 tonnes.

On trade, the beginning of marketing year 2021/22 recorded lower trade flows amid uncertainties on the supply side as the harvest had barely started in the EU, as well as on the demand side driven by higher prices, not only for olive oil, but also for other vegetable oils. In the first half of marketing year 2021/22, EU imports of olive oil from third countries reached almost 75 000 tonnes, decreasing by 26% compared to 2020/21, and by 13% compared with the five-year average. 83% of the EU imports corresponded to imports of olive oil from Tunisia (62 000 tonnes, of which 53% under inward processing regime). EU exports to third countries decreased by 10% in the first half of marketing year 2021/22 (compared to the previous one), reaching around 377 000 tonnes (although still 8% above the five-year average).

The Russian invasion of Ukraine had an impact on selling prices of olive oil, as a substitute for sunflower oil originating in Ukraine, in particular for refined olive oil and lampante olive oil categories. In the first three weeks following the invasion, lampante olive oil prices increased by around 15% across Member States, compared to average pre-invasion prices. Prices have readjusted in the following weeks, remaining still at high levels. At retail level, prices have escalated as a result of increasing transport costs and ramping demand, as consumers were anticipating shortages and stockpiling olive oil. For extra virgin olive oil, the price decreased almost to average levels in the last weeks in Spain, reaching EUR 3.41 per kg (16% above the five-year average). In Italy and Greece, prices for the same category slightly increased in the last weeks to EUR 4.30 per kg and EUR 3.41 per kg respectively.

In the table olives sector, world production is forecast at 2.9 million tonnes for 2021/22 according to the IOC, increasing by 8% compared to the previous marketing year. EU production of table olives is forecast to increase by 8% in marketing year 2021/22, compared to 2020/21. The production recovery in Spain at 661 000 tonnes (recently revised up from 645 000 tonnes), should compensate for the strong decrease by 28% (y/y) of the production in Greece. EU trade balance increased by 5% (y/y) in the first seven months of the marketing year 2021/22; imports decreased by 7%, reaching 85 000 tonnes, whereas exports increased marginally by around 1% in the same period, reaching 264 000 tonnes.

3.2. Revision of the Geographical Indicators System

DG AGRI representative introduced the recently adopted Commission [proposal to review the geographical indications \(GIs\) system](#) for wine, spirit drinks and agricultural products. The new measures should increase the uptake of GIs across the Union to benefit the rural economy and achieve a higher level of protection, especially online. This proposal aims at strengthening the EU system of GIs, increasing its uptake across the Union and shortening the registration time.

The main novelties are the extension to all agricultural products according to WTO definition. Another important change is the inclusion of sustainability requirements for GIs beyond legal requirements set in the last CMO reform. This new requirements have to be agreed by the producer group in order to be included in the product specification on a voluntary basis. The agreement needed from the concerned Producer Group must include 2/3 representativeness.

Another improvement is the increased protection regarding online sales and adding specific provisions for country-code-top-level domain name registries. Finally, the Commission proposal aims to shorten scrutiny times for new applications, working in collaboration with the European Union Intellectual Property Office, although the full responsibility remains with the Commission.

3.3. Carbon farming initiative

A professor from the University of Jaen presented the role of olive cultivation in the framework of the carbon farming initiative. This technical presentation provided significant information of the different levels of carbon capture during olive farming, taking into account different management practices. The expert pointed out that most of the CO₂ taken annually from the atmosphere occurs above ground (fruits, biomass, etc). Sustainable management practices dramatically increase the amount of atmospheric CO₂ that the olive groves can take, in particular in relation to green covers, composted olive mill pomace and pruning remains left to decompose on the fields. The expert showed in a selection of olive groves which include traditional and intensive, that less sustainable olive groves may absorb up to nine kilograms of CO₂ per litre of olive oil, whereas values up to 15 kg of CO₂ were obtained in more sustainable olive groves.

As a summary, olive trees contribute to carbon sequestration in the permanent structure of the tree. Furthermore, economically and environmentally sustainable management practices contribute to increase this absorption not only in the structure of the tree but also in the soil. Finally, although not part of the presentation, a more rational use of fertilizers and plant protection products could contribute to reduce greenhouse emission, as these products are responsible of about 50% of greenhouse emission during the farming phase.

The expert informed participants that a comparative study was on-going to assess the absorption capacity of olive groves in comparison with other cultures. Finally, DG AGRI representative informed of the latest developments in relation to this initiative.

3.4. Mineral Oil Saturated Hydrocarbons (MOSH)/Mineral Oil Aromatic Hydrocarbons (MOAH)

FoodDrinkEurope shared with participants a summary of the latest developments in relation to residues of Mineral Oil Aromatic Hydrocarbons in olive oil. The speaker agreed that food safety is paramount, but considered that enforcing the Limit of Quantification (LOQ) at 2 ppm for MOAH, as in the recent declaration of the Standing Committee on Plant, Animal, Food and Feed (SCoPAFF), is not supported by current knowledge on the prevalence of MOAH in foods and on the exposure of the population to MOAH, as EFSA is still working on this topic and its Scientific Opinion (as a final step) will be published at the end 2022. In addition, there are several technical limitations, as for determining MOAH the only recognised and regulated method is EN 16995:2017, with an applicable LOQ of 10 ppm. Moreover,

the indication of the limit as the "sum of the fractions" would open the way to further questionable approaches (on the so-called "sum" vs "integration method"). In reference to olive oils, the speaker underlined that the presence of interferences could lead to overestimates of the MOAH amount. He concluded by urging the Commission to make a decision based on the forthcoming EFSA opinion and asked for the possibility to meet DG SANTE to discuss this topic further.

Participants mostly agreed with the speaker, asking the Commission to wait for the EFSA opinion before proposing any limit for enforcement, giving more guidance on how to analyse these components and underlining that the source of contamination is not clear, as some of the MOAH are there already from the farming stage (fuel, soil, atmospheric pollution). Some participants considered that if the contamination comes from machinery, a change of machinery would be needed. They considered that a transitional period is therefore required. Other participants wondered about the legal value of the SCoPAFF statement and asked for a meeting between the sector and DG SANTE to be organised so to clarify some of the questions.

The Commission clarified that the SCoPAFF declaration is meant to harmonise enforcement, as Member States were enforcing based on different national LOQ. It added that the EFSA Scientific Opinion on MOAH will be published for feedback during the summer and urged stakeholders to submit their comments and data, once the possibility for feedback will be open. Finally, it agreed to set up a meeting with stakeholders to exchange on the topic.

3.5. CAP reform

DG AGRI presented the last point of the agenda on the CAP reform and secondary legislation developments. The participants were informed on the state-of-play of the CAP Strategic Plans (CSP) preparation, in particular as regards olive oil and table olives. The observation letters were sent by the European Commission to Member States end of April 2022 and DG AGRI is in the process of finalising the technical assessment of the strategic plans, in order to adopt them well before the end of the year.

In relation to olive oil and table olives, Member States that already implemented support programmes in the current CAP are rolling them over in their CSP as of 2023 (Italy, Greece and France).

The types of intervention are included in Article 47 of Regulation (EU) 2021/2115 and cover a wide scope of interventions, such as investments, professional training, promotion, as well as those related to crisis prevention like collective storage, free distribution, green harvesting.

Finally, the DG AGRI representative informed on the on-going work in relation to the secondary legislation of the CAP, relevant for sectoral interventions (advances of payments, data monitoring and evaluation, and producer organisations).

4. Conclusions/recommendations/opinions

No conclusions nor recommendations or opinions to report.

5. Next steps

No further steps were agreed.

6. Next meeting

The next meeting is tentatively scheduled for 18 November 2022.

7. List of participants

See Annex

(e-signed)

Michael SCANNELL

List of participants– Minutes
MEETING OF THE «CDG HOS – OLIVES SECTOR »
Friday 10 June

ORGANISATIONS
BUREAU EUROPÉEN DES UNIONS DES CONSOMMATEURS (BEUC)
EUROPEAN AGRI-COOPERATIVES (COGECA)
EUROPEAN COORDINATION VIA CAMPESINA (ECVC)
EUROPEAN COUNCIL OF YOUNG FARMERS (CEJA)
EUROPEAN FARMERS (COPA)
EUROPEAN LIAISON COMMITTEE FOR AGRICULTURE AND AGRI-FOOD TRADE (CELCAA)
FOODDRINKEUROPE (FOODDRINKEUROPE)
IFOAM ORGANICS EUROPE
STICHTING BIRDLIFE EUROPE (BIRDLIFE EUROPE)
EXPERT: 1