



Brussels
GV/bw (1.2.5) (2020) 8211369

MINUTES

Meeting of the **WORKING GROUP ON OLIVES**
of the Civil Dialogue Group "Horticulture, olives and spirits"
organised by videoconference on 13 November 2020

Chair: Caroline JEANDIN, Deputy Head of Unit AGRI G4

Delegations present: All organisations were present, except CEJA and IFOAM

1. Approval of the agenda

The agenda was approved.

2. Nature of the meeting

The meeting was non-public.

3. List of points discussed

Given time constraints, point 3 (short-term outlook) and point 4a (market situation in the table olive sector) on the Agenda could not be presented. Participants instead received the presentations via CircaBC.

3.1 Olive oil sector - Market situation and exchange of views on production forecast for marketing year 2020/21

The Commission representative presented the olive oil market situation and main global market news.

The world olive oil production is expected to reach 3.3 million tonnes in 2020/21 (+3% y/y) while the EU production is estimated at 2.3 million tonnes (+19% y/y). This increase is due to yield recovery in Spain, forecast for the current campaign, 1.6 million tonnes, more than 40% in comparison with 19/20. On the contrary, Italy and Portugal reached only 290 000 tonnes (-21% y/y) and 113 000 tonnes (-20% y/y) respectively. Greece harvest is forecast at 280 000 tonnes (+2% y/y).

The EU provisional ending stocks for the current marketing year 2019/20 have been revised up to 640 000 tonnes.

During the first eleven months of the current marketing year (October 2019 to August 2020), imports from third countries into the EU increased by 67% compared to the same period of the previous marketing year (from 138 932

tonnes up to 232 383 tonnes). This is in coherence with high availability in third countries, particularly in Tunisia (+102% y/y). Also during the same period, EU exports amounted to 743 416 tonnes, increasing by 16.4% compared to the previous marketing year, especially significant are changes in the United States (+14%) and Brazil (+30%). Exports are mainly focus on Extra Virgin and Olive Oil.

In relation to prices, upward movements are starting to be registered in Spain and Italy. Extra virgin olive oil in Spain reached EUR 2.32 per kg (-24.6% 5y/5y) in the first week of November. In Italy, low production expectations and resilient demand for domestic origin have put pressure on Italian prices of extra virgin olive oil since the beginning of the marketing year, hitting EUR 4.60 per kg (-4.8% 5y/5y).

Experts pointed out the impact of the tariffs imposed by the US on Spanish bottled olive oil in the context of the Airbus/Boeing WTO litigation. On COVID-19, consumption increased in Spain, Italy and Portugal during the first months of lockdown, as olive oil is considered the healthiest option. In relation to the 2020/21 balance forecast, experts saw these figures as very optimistic, in particular for Spain and Portugal. Finally, there were calls to the European Commission to simplify the use of health claims for olive oil and concerns on the nutri-score system being discussed at EU level.

After the presentation from the Commission, experts from Greece and Italy presented the most relevant figures for their markets. For Italy, consumption of olive oil increased by 9% for 2019/20. Production for 20/21 is estimated at 280 000 tonnes in a good scenario and 250 000 tonnes in a less optimistic scenario. In Greece, production for 2020/21 is forecast at 230 000 tonnes. The Greek representative also informed participants on the temporary framework for state aid support to Kalamon table olives. He also informed on the extraordinary support in the framework of RDP Measure for farmers in areas particularly affected by the effects of the pandemic.

3.2 Table olives - Market situation and exchange of views on production forecast for marketing year 2020/21

Following these interventions, Spanish expert presented the market situation in the table olives sector. The EU has lost leadership in production over the last 20 years, currently 10 countries account for 88% of the production, the EU representing 25% of world production. In Spain and Greece, production in marketing year 2019/20 is estimated at 458 000 and 222 000 tonnes respectively. As regards consumption, 77% of the table olives are consumed by 12 countries, most of which are producing countries. As a result, trade of table olives is relatively small, and represents 24% of total consumption. Additionally, two countries (non-producing Member States and Brazil) account for 68% of consumption in non-producing countries.

4. List of participants

See Annex

(e-signed)
Silke BOGER
Head of Unit

ANNEX - List of participants - Minutes

**MEETING OF THE “WORKING GROUP ON OLIVES”
OF THE CIVIL DIALOGUE GROUP ON "HORTICULTURE, OLIVES AND
SPIRITS"**

Date: 13 November 2020

	MEMBER ORGANISATION	NUMBER OF PERSONS
1	BEUC	1
2	CEJA	0
3	CELCAA	1
4	COPA/COGECA	11
5	ECVC	1
6	FOODDRINKEUROPE	5
7	IFOAM	0
	TOTAL	19