Portugal

Olive Oil Sector

Francisco Pavão

CAP
AGRICULTORES DE PORTUGAL

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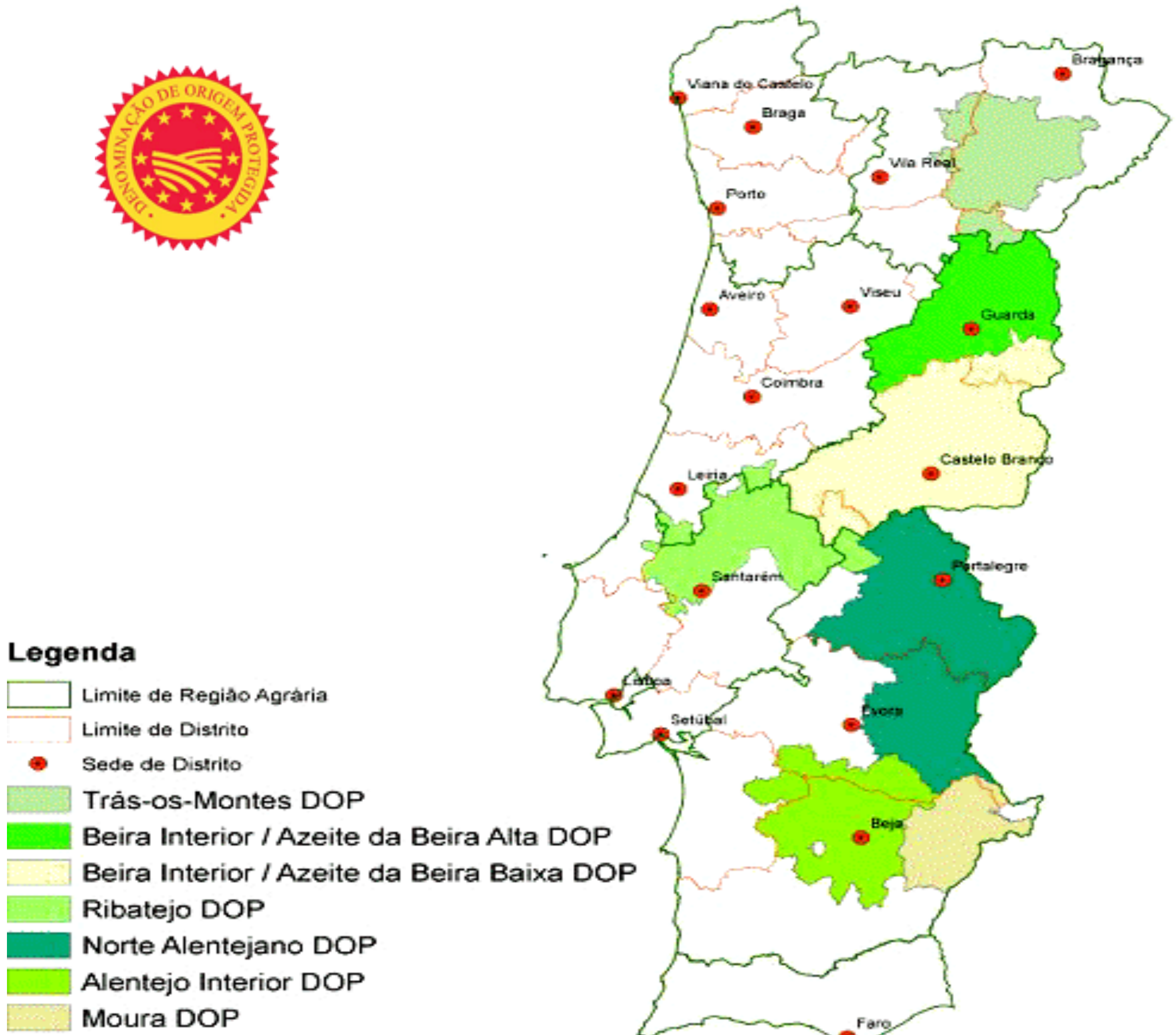
The Olive Oil Production in Portugal

- Mediterranean Climate
- ≅ 130 000 olive producers
- ≅ 380 000 Hectares of olives
  - 99% for Olive Oil Production
    - 75% Traditional
- Medium area ~ 3 hectares
- ≅ 40% of the olive grove area is concentrated in about 2000 producers

The Olive Oil Production in Portugal

- ≅ 500 olive mills;
- Olive orchards from traditional to high density systems;
- Traditional Varieties
  - Galega Vulgar
  - Cobrançosa
  - Cordovil de Serpa
  - Madural
  - Verdeal de Trás-os-Montes
- Other Varieties

The Olive Oil Production in Portugal



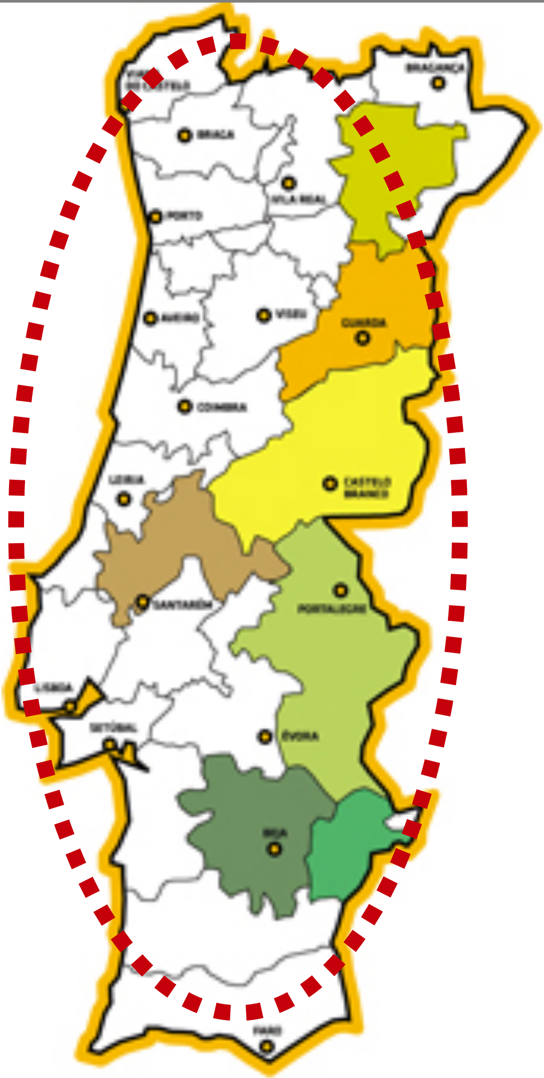
Fonte: Idrha

- ≅ 3% of the olive oil production in Portugal

The Olive Oil Production in Portugal

4 Main Production Regions

- **Alentejo**
  - ✓ 53% olive area
  - ✓ 80% of production
- **Trás-os-Montes**
  - ✓ 21,5% olive area
  - ✓ 8,5% of production
- **Beira Interior**
  - ✓ 13% olive area
  - ✓ 4% of production
- **Ribatejo**
  - ✓ 5% olive area
  - ✓ 6% of production



SECTOR ORGANIZATION

- AIFO – Associação Interprofissional da Fileira Oleícola
  - ✓ CAP
  - ✓ CONFAGRI
  - ✓ Casa do Azeite
  - ✓ CNA
  - ✓ AJAP

The Olive Oil Production in Portugal

- Average annual increase of 25 000 tons in the last 15 years

- The production went from 54 000 tons in 2008 to 134 000 in 2017

- From 2017 to 2021, the average production was 138,000 ton, and in the last campaign Portugal reached a record production of 215,000 ton

The Olive Oil Production in Portugal

- Olive oil consumption in Portugal has been stable and is around 70,000 ton

- Spain and Italy are the main destinations for Portuguese olive oil, although this oil is mostly sold in bulk

- Brazil is the main destination for Portuguese packaged olive oil

The Olive Oil Production in Portugal

Trade balance of the olive oil sector

Evolution of Portugal's trade balance in the olive oil sector (millions of euros)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 *	Var % 20/21 *
Export	268,0	345,4	379,7	443,6	425,8	520,1	601,6	559,1	579,8	705,6	+ 21,7
Import	203,6	297,3	242,3	317,5	286,6	365,8	337,0	300,0	312,2	386,6	+ 23,8
Balance	64,4	48,1	137,4	126,1	139,2	154,3	264,6	259,1	267,6	319,0	+ 19,1

Source: Casa do Azeite

* Provisional data

The Olive Production in Portugal

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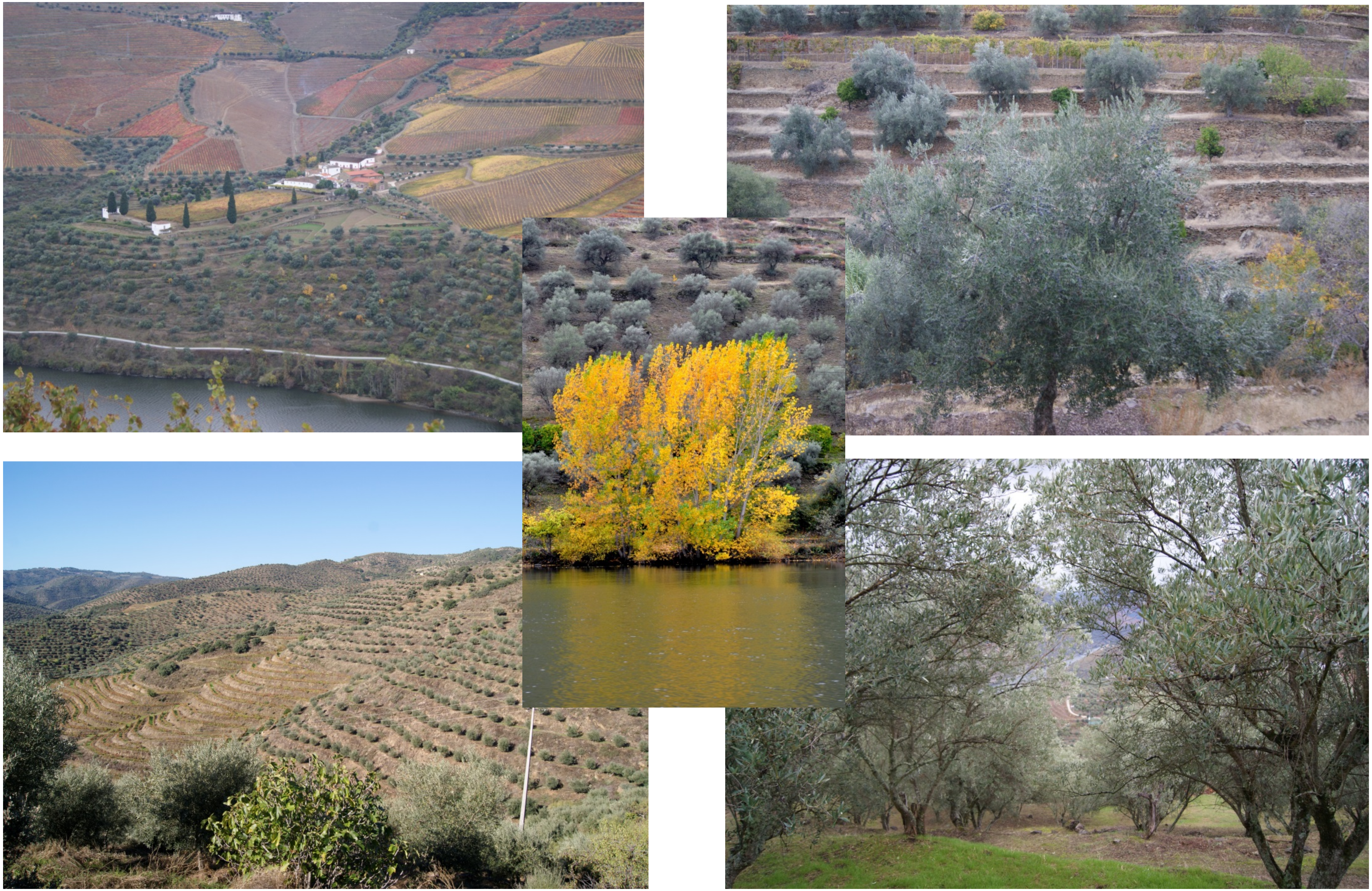


The Olive Production in Portugal




The Olive Production in Portugal

The Olive Production in Trás-os-Montes

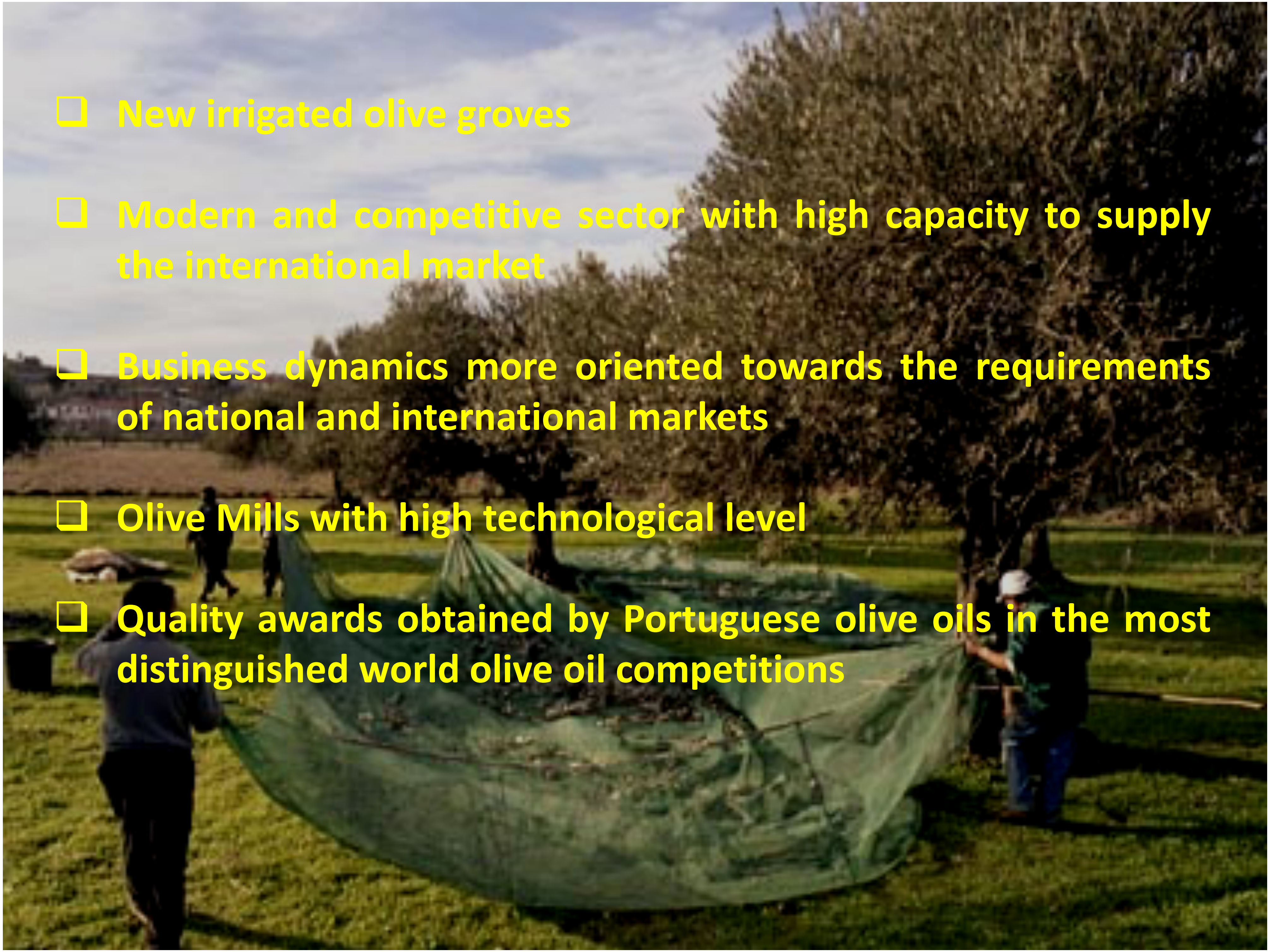
- Lack of recognition of PDO Portuguese olive oil in Portugal and in foreign markets
- Relatively low level of mechanization in traditional olive groves, combined with problems of lowproductivity
- High production costs in traditional olive groves
- Reduced average area of farms
- Availability of workers
- Difficulty in structuring the sector in producer organizations
- Low level of generic promotion and consumer information, which makes it difficult todistinguish and differentiate different commercial categories

- Small size and capacity for internationalization of most companies in the sector,with an offer very concentrated in 3 or 4 large companies
- External market very dependent on two destinations (Spain - bulk market and Brazil - packaged market
- Climate change and emergence of new pests and/or diseases (Xylella fastidiosa, ...)

- Production of olive oil of recognized quality, associated with genetic andedaphoclimatic conditions allowing to obtain differentiating oils (Terroir olive oils, PDO, Organic, ...)

- Autochthonous genetic heritage adapted to extreme conditions contributing to the conservation ofresources (including genetic ones) and settlement of people in rural territories

- Culture with a positive contribution to the environment and sustainability of the environment
    - ✓ Important in the fixation/sequestration of carbon
    - ✓ Biodiversity
    - ✓ Soil conservation
    - ✓ Circular economy



- New irrigated olive groves
- Modern and competitive sector with high capacity to supply the international market
- Business dynamics more oriented towards the requirements of national and international markets
- Olive Mills with high technological level
- Quality awards obtained by Portuguese olive oils in the most distinguished world olive oil competitions


Olive Field
Quality
Trainning
Olive Mill
Passion
Promotion