The consumption of olive oil protects our health

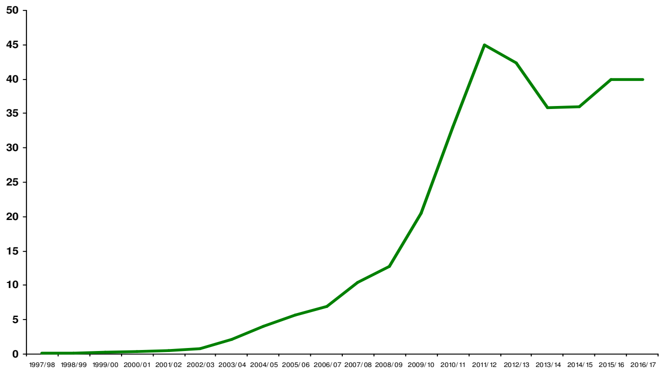
Olive is a prime example of a monosaturated fat, as a fundamental component of the Mediterranean diet. It is not only a pleasantly flavoured cooking fat that enhances other foods, but there is ample evidence of its nutritional properties and health benefits and further scientific studies are currently under way to confirm its other benefits. Virgin olive oil is a natural juice that conserves the taste, fragrance, vitamins and properties of olives, being the only vegetable oil that can be consumed as it is produced, without chemical processing.

Olive oil is principally made up of oleic acid, which constitutes approximately 75% of its components. It is also rich in vitamin A, D, K and especially in vitamin E, betacarotene and other antioxidants. Although it is a fat and therefore a calorie-rich food product (9 kilocalories per gramme), experience shows that populations that consume 60 g of olive oil a day are generally healthier and that its consumption as part of a balanced diet, substituting other less healthy fats, does not make consumers overweight.

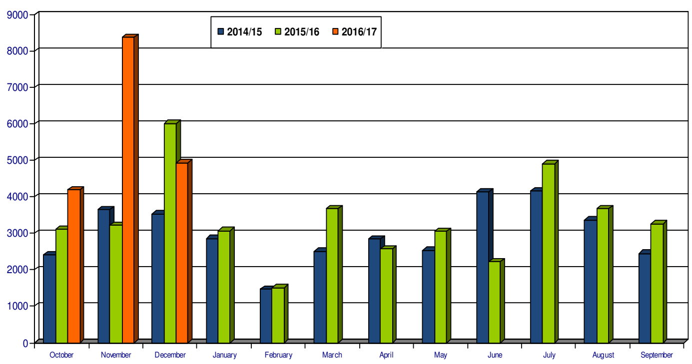
The World Health Organization projects that diabetes will be the seventh cause of death by 2030. A healthy diet such as the Mediterranean diet, rich in olive oil, has become one of the best options to prevent and control diabetes. Consuming olive oil improves the body's metabolic functions and it brings glucose levels down by 12% in healthy people. As an antioxidant, olive oil helps to slow cell aging. Various studies report that olive oil reduces the risks of heart disease and various types of cancer, as well as helping to keep blood pressure low and alleviating arthritis. Among its other properties, it helps digestion, the absorption of calcium and it improves the appearance of skin.

OLIVE OIL IMPORTS – CHINA (+42% in the first months of 2016/17)

Olive oil and olive pomace oil imports in China increased by 12% over the last crop year. As Graph I indicates, the olive oil market in China has grown steadily over the period 2001/02 – 2011/12), reaching a peak of 46 000 t in 2011/12. However, it then fell by 6% and 15% in 2012/13 and 2013/14, compared to the respective previous crop years. General stability was maintained in 2014/15 compared to the previous years, rallying to end the 2015/16 crop year with a 12% increase. Over the first 3 months of the current year (2016/17), imports of olive oil have undergone a strong increase of 42% (Graph II). Graph II tracks monthly imports and also shows the largest import volumes in the first months of the campaign (November, December and January), with a marked decrease in February.



Graph I – China – Import trends per crop year (t)



As regards the origin of olive oil imports to China, in the 2015/16 crop year, 96% of the total came from countries in the European Union, with Spain in the lead with 81% of the total, followed by Italy with 13% and Greece with 2%. The remaining 4% come from Australia, Tunisia, Morocco, Turkey and Portugal. As regards import volumes per product category, 77% of total imports come under the code 15.09.10 (virgin olive oils), followed by 14% under the code 15.10.00 (olive pomace oils) and 9% under code 15.09.90 (olive oils).

Graph II – China – Monthly import trends of olive oil 2014/15–2016/17 (t)

Xylella fastidiosa

In follow up to a recommendation made at the international seminar on *Xylella fastidiosa,* which was held in Bari (Italy) from 28 to 30 November 2016, and with a view to strengthening cooperation between the IOC and other international organisations that are working to eradicate this bacterium (CIHEAM, FAO-IPPC, EPPO and CNR), and launching a common prevention and control policy against this disease, the IOC will set up a group of experts to address the subject at an international level. This group will meet in the course of 2017 at the IOC headquarters in Madrid.

Pilot Nursery Project

The IOC attended a coordination meeting for the "Pilot Nursery" Project – CFC/IOC/09 – from 8 to 10 February in Marrakech (Morocco) where, through a participative approach involving all the collaborating centres and the implementing agency, the percentage of achievement of each centre was evaluated in the light of the project's main objectives. In addition, future activities were set out to correct any deviations or accumulated delays to achieve the following objectives:

- Give farmers greater access to native autochthonous genotypes adapted to specific environmental conditions.
- Make farmers aware that healthy, authentic and high yielding plant material contributes to the sustainable development of the olive industry in the Mediterranean region.
- Increase the yield potential of olive orchards by providing top quality plants and widening the range of choice of plant material.
- Increase the olive growing income of rural households.

This project, which involves Algeria, Egypt, Morocco and Tunisia, will come to an end in November 2017.

I. WORLD TRADE IN OLIVE OIL AND TABLE OLIVES

1. OLIVE OIL- OPENING OF 2016/17 WITH A SHARP RISE IN IMPORTS

Sales of olive oil and olive pomace oil open the 2016/17 crop year on a sharp upturn in certain markets. In the first three months (October–December 2016) the eight markets that appear in the table below present an increase of 74% in Australia, 51% in Brazil, 42% in China, 24% in Canada; 15% in Japan; and 1% in the United States, compared to the same period the previous year. At the time of publishing this Newsletter, figures for Russia are only available up to December 2016, presenting a 14% year-on-year increase.

As regards EU[1] trade in the first two months of the current crop year (October–November 2016), intra-EU acquisitions increased by 19% and extra-EU imports fell by 36% compared to the same period the previous year.

Olive oil imports (including olive-pomace oils) (t)

No	Importing country	October 15	October 16	November 15	November 16	December 15	December 16
1	Australia	1717.8	2295.4	1818.9	3524.7	1265.9	2510.3
2	Brazil	5529.5	5232.9	4853.6	6844.5	2689.6	7652.5
3	Canada	3092.5	3580.2	2875.6	4873.0	3193.2	2883.7
4	China	3106.7	4188.8	3219.6	8375.6	6015.2	4928.6
5	Japan	4492.0	3718.0	3791.0	5987.0	3097.0	3395.0
6	Russia	1785.8	2141.1	2084.0	2266.8	1940.6	nd
7	USA	28580.0	22315.9	20324.3	29150.7	23627.0	21996.1
8	Extra-EU/27	17568.3	7774.5	8433.7	8827.0	10600.9	nd
	Intra-EU/27	65823.0	81875.5	81263.5	93162.0	112768.4	nd
	Total	**131695.6**	**133122.3**	**128664.2**	**163011.3**	**165197.8**	

[1] The data for the EU were not available for the month of December 2016 at the time of publishing this newsletter.

2. TABLE OLIVES– 2016/17 CROP YEAR OPENING

Trade in table olives in the first four months of 2016/17[2] (September–December 2016) in the five markets that appear in the table below show a year-on-year increase of 21% in Brazil; 11% in Australia, while there was no change in import levels in the United States. However, imports in Canada fell by 5%.

In the first three months of the 2016/17 crop year (September–November 2016) EU data[3] shows a 3% decrease in intra-EU acquisitions and a 6% increase in extra-EU imports compared to the same period the previous year.

Table Olive Imports (t)

No	Importing country	September 15	September16	October 15	October 16	November 15	November 16	December 15	December 16
1	Australia	1376.0	1705.0	1156.0	1192.0	1469.0	1943.0	1682.0	1479.0
2	Brazil	7394.7	10420.7	7793.4	7994.2	9311.3	10718.4	8834.9	11311.1
3	Canada	2186.0	2237.0	2636.0	2225.0	3090.0	3037.0	3003.0	2864.0
4	USA	12256.0	13398.0	12738.0	11758.0	11635.0	12898.0	11997.0	10549.0
5	Extra-EU/27	5972.3	6570.8	6386.7	6858.6	7133.3	7302.6	7836.3	nd
	Intra-EU/27	26220.1	24999.2	30114.0	29334.5	31646.4	30830.4	30882.0	nd
	Total	**55405.1**	**59330.7**	**60824.1**	**59362.3**	**64285.0**	**66729.4**	**64235.2**	

II. PRODUCER PRICES – OLIVE OIL

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

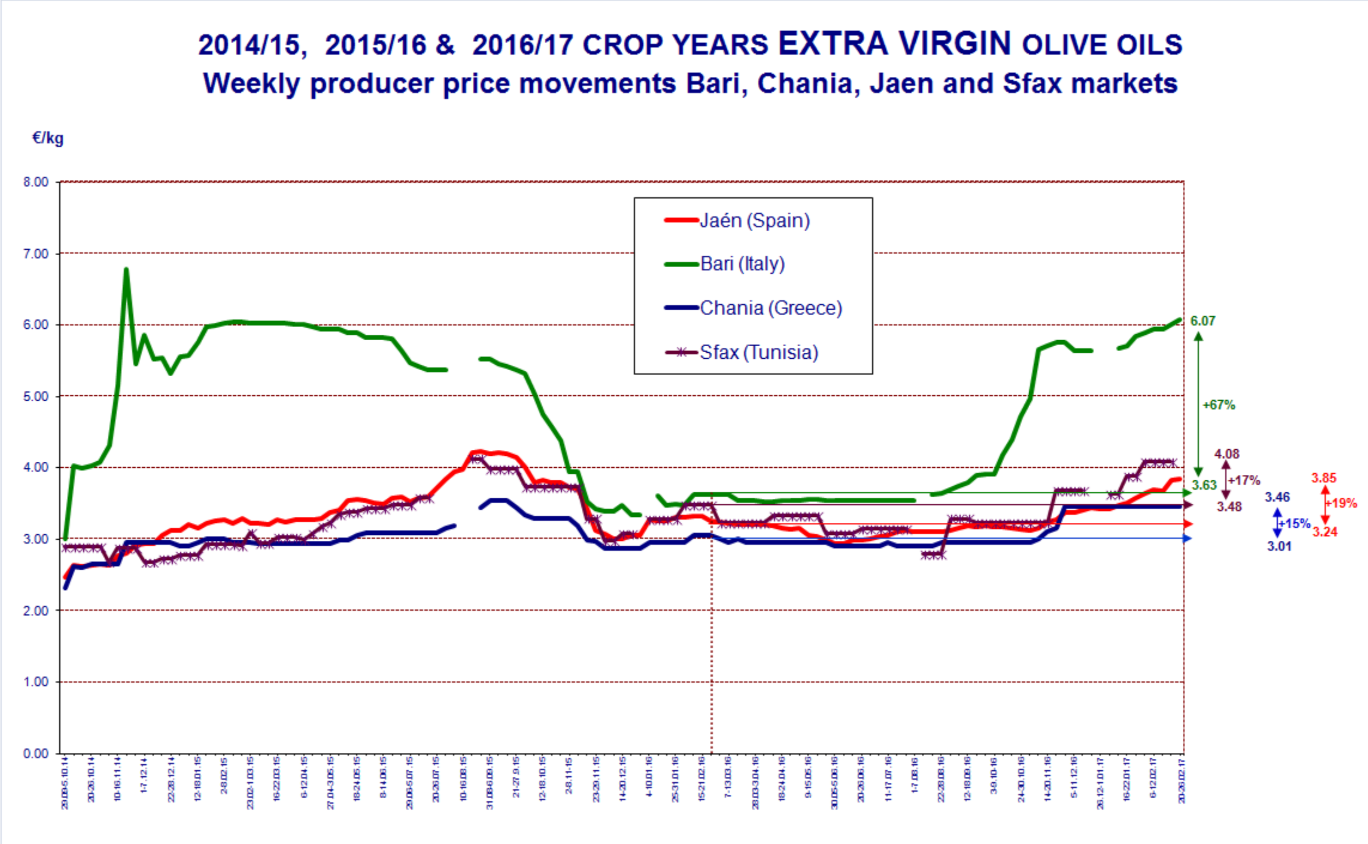
Extra virgin olive oil – Producer prices in **Spain** over the last few weeks continued increasing steadily to reach **€3.85/kg** at the end of **February 2017**, which was a 19% increase compared to the same period the previous year. If we compare this price with the maximum price in the third week of August 2015 (€4.23/kg), it presents a 9% decrease (Graph 1).

Italy – Producer prices in Italy began rising in mid-August and this trend remains unchecked. They broke the €5 barrier in the first week of November, coming in at **€6.07/kg** at the end of February 2017, which is a 67% year-on-year increase. Graph 2 shows the movements in monthly prices for the extra virgin olive oil category in recent campaigns.

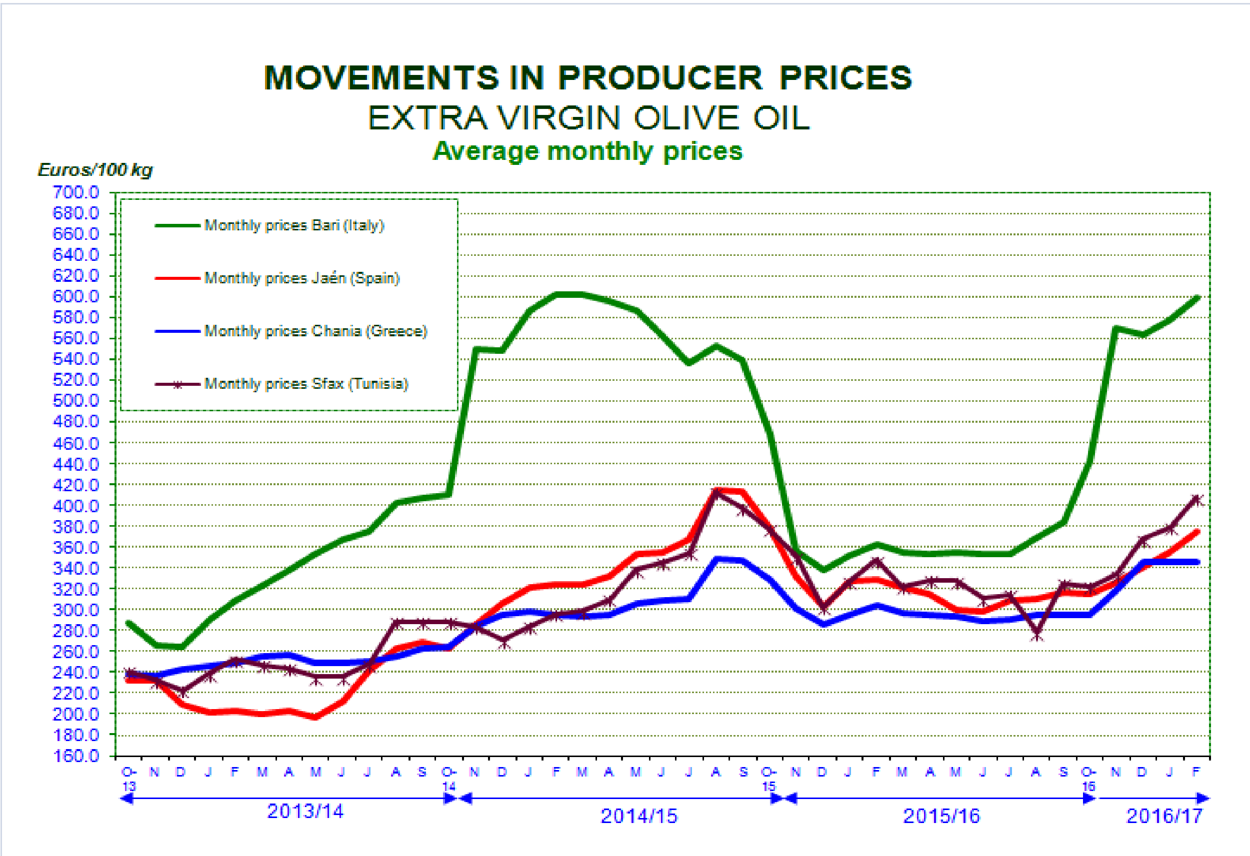
Greece – The prices in Greece from mid-August to the end of October remained stable but, as in other markets, they levelled off in November and have remained stable over the last few months at **€3.46/kg**, which is a 15% increase compared to the same period the previous year.

Tunisia – Prices in Tunisia, following some weeks of relative stability, increased as of the third week of January, breaking the €4 barrier and coming in at **€4.08/kg** at the end of February 2017 for a 17% year-on-year increase.

[2] According to the new International Agreement on Olive Oil and Table Olives, 2015, which came into force on 1 January 2017, "table olive crop year" is understood as the twelve-month period running from 1 September of one year to 31 August of the next. In the previous 2005 Agreement, the table olive crop year was the same as the olive oil crop year (October to September).
[3] EU data were not available for December 2016 at the time of publishing this newsletter.



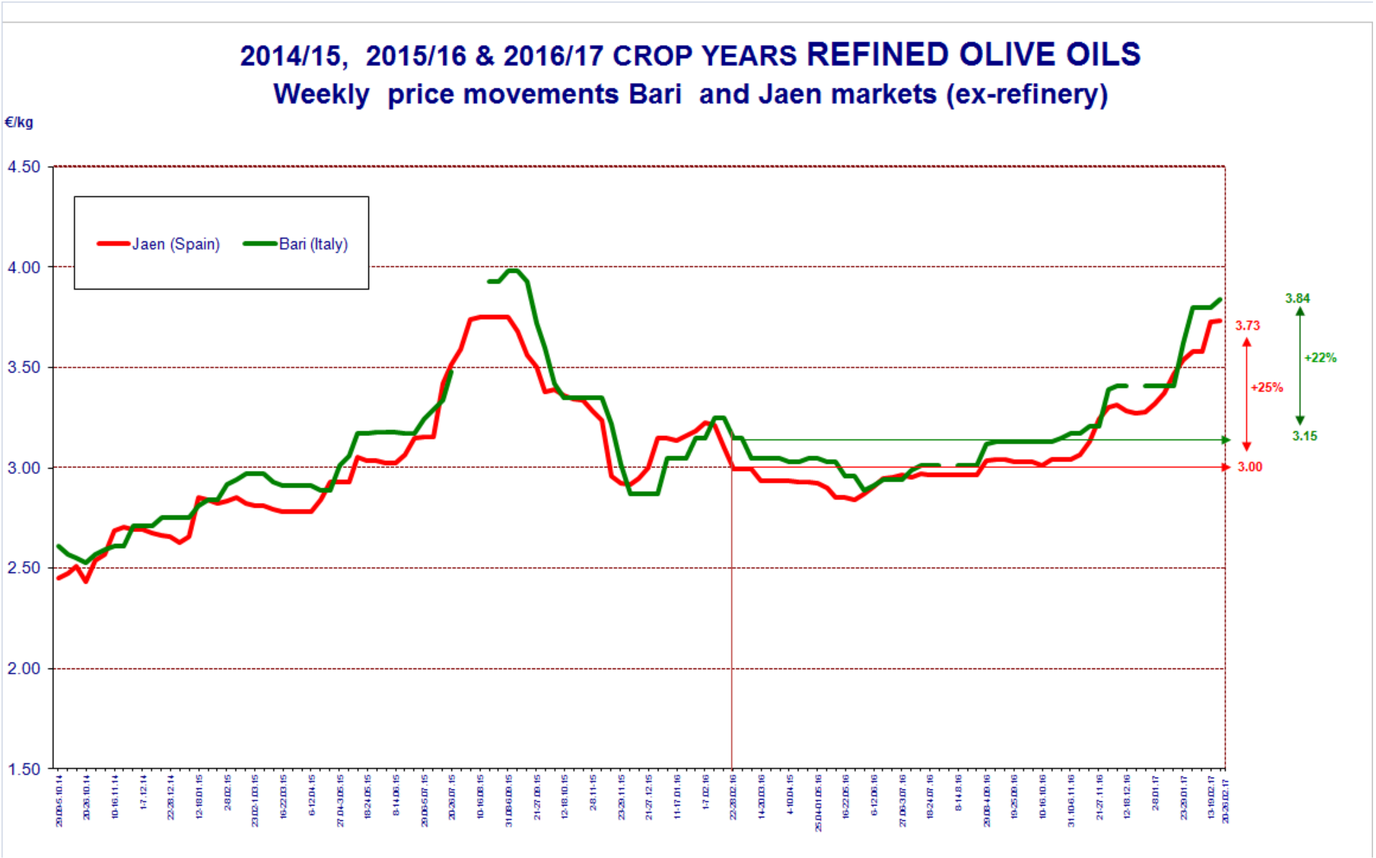
Graph 1



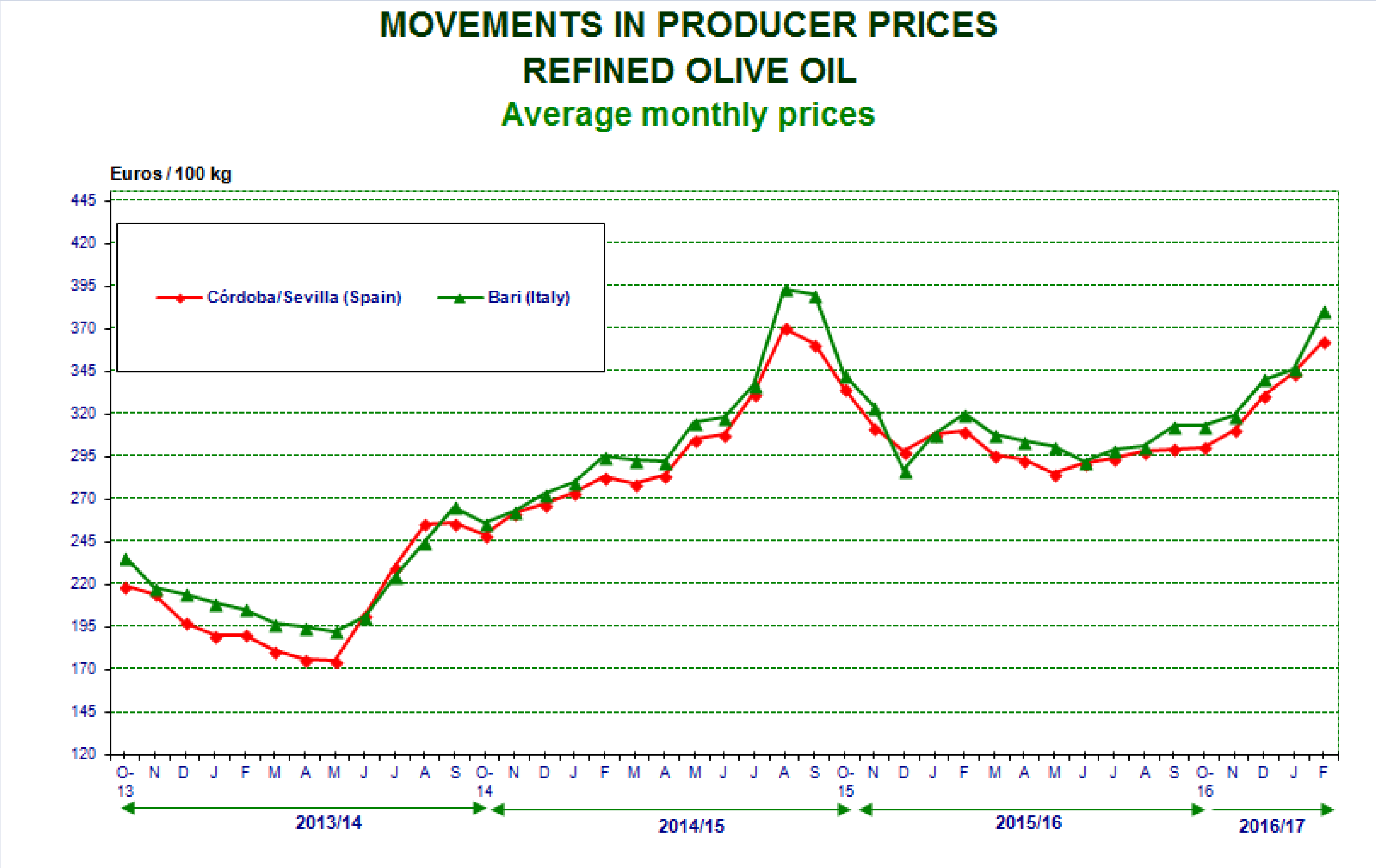
Graph 2

- **Refined olive oil**: The producer prices for refined olive oil in Spain and Italy generally follow the same trend as the prices for extra virgin olive oil. The price in **Spain** at the end of February 2017 stands at **€3.73/kg**, up by 25% compared to the previous year. In **Italy** it came in at **€3.84/kg,** which was a 22% year-on-year increase. No price data are available for this product category in Greece.

At the end of February 2017, the price difference in Spain between refined olive oil (€3.85/kg) and extra virgin oil (€3.73/kg) was of €0.12/kg. In Italy the price difference between the two categories was greater at €2.23/kg (Graph 3).



Graph 3



Graph 4

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