

Australian Olive Oil - An Overview 2020

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Global production of olive oil:

The top producers of olive oil by country¹ are (1000s tonne):

Country	2015/16	2016/17	2017/18	2018/19	2019/20 (provisional)	2020/21 (estimated)
Spain	1,403	1,291	1,262	1,790	1,125	1,300*
Greece	320	195	346	185	275	265
Morocco	130	110	140	200	145	160
Turkey	150	178	263	194	225	210
Italy	475	182	429	174	366	255
Tunisia	140	100	325	140	350	120
Portugal	109	69	135	100	140	100
Algeria	82	63	83	97	126	90
Argentina	24	24	45	28	30	27
(Australia)²	16.3	17.6	9.4	19.7	9.0	(20) ¹
World	3,177	2,561	3,379	3,263	3,207	3,000

¹ International Olive Council (IOC) - November 2020

Ref: <https://www.internationaloliveoil.org/what-we-do/economic-affairs-promotion-unit/#figures>

² Australian Horticulture Statistics Handbook 2018/19 (Hort Innovation)

* Revised Spanish crop estimates following Andalusian freeze (down from 1,500,000 tonne)

Australian olive production snapshot:

- Olives are grown throughout temperate South Eastern and South Western Seaboard regions of the continent. However, two regions in particular account for an estimated 70 per cent of Australia's current production i.e. north-central Victoria and north of Perth Western Australia.

¹ International Olive Council (IOC): <https://www.internationaloliveoil.org/what-we-do/economic-affairs-promotion-unit/#figures>

- Australian Industry estimates around 10 million trees are grown on 450 commercial groves covering more than 30,000 hectares, with 70 per cent of the olive trees concentrated in 20 groves (Large Enterprise Group).
- Australian olive oil production in the 2020 production season is estimated at 8,800 tonne (9.6 million litres), only half that produced in the 2019 season at 19,736 tonne (21.5 million litres) processed from 118,750 fresh tonne, which in turn was up from the 9,390 tonne (10.3 million litres of oil from 52,165 fresh tonne in 2018 (AOA data), clearly demonstrating the biennial bearing pattern of olive production in Australia.
- Australian olive oil production represents only 0.6% of total global production which for the 2018/19 year was 3,131,000 tonne of olive oil produced from 10 million hectares.
- Australian consumption of EVOO has risen from 63% of olive oil sales in 2017 to 65% in 2019. The key drivers of this growth are health and quality.
- Imports of olive oil in 2018/19 was 33,274 tonne (36 million litres) and increase in 'off' crop years of Australian production.
- Australian apparent consumption of olive oil in 2019 was 50,707 tonne (55 million litres). This equates to consumption of 2.1 litres per person per annum.
- Australian olive oil production is typically 85% to 90% EVOO classification, depending on seasonal events - in contrast to Mediterranean production where only 25% is EVOO, 25% VOO, and 50% Lampante (requiring further processing) classification.

Major Exporters of Olive Oil:

The top exporters of olive oil by country¹ are (1000s tonne):

Country	2015/16	2016/17	2017/18	2018/19	2019/20 (provisional)	2020/21 (estimated)
Spain	298	291	292	356	429	432
Italy	208	200	186	197	211	210
Tunisia	103	90	205	160	300	100
Portugal	41	40	58	65	80	50
Turkey	15	45	66	50	45	50
Argentina	31	17	38	22	23	20
Greece	19	19	20	20	22	26
Morocco	17	9	11	28	11	20
<i>(Australia)²</i>	<i>4.8</i>	<i>3.8</i>	<i>3.7</i>	<i>2.3</i>	<i>(3.0)¹</i>	<i>(4.0)¹</i>
World	798	783	945	975	1,202	990

¹ International Olive Council (IOC) - November 2020

Ref: <https://www.internationaloliveoil.org/what-we-do/economic-affairs-promotion-unit/#figures>

² Australian Horticulture Statistics Handbook 2018/19 (Hort Innovation)

Australian olive oil exports² in the 2018-2019 reporting period was 2,304 tonne, with a total value of A\$16.1 million, which represents 0.25% of global imports.

Major importers of olive & olive pomace oil:

The top importers of olive oil by country¹ are (1000s tonne):

Country	2015/16	2016/17	2017/18	2018/19	2019/20 (provisional)	2020/21 (estimated)
USA	314	305	311	347	391	350
Spain	47	41	99	84	144	52
Brazil	50	60	77	86	104	97
Italy	41	36	64	49	80	34
Japan	54	55	56	69	70	78
Canada	41	40	47	47	58	49
China	34	39	38	46	51	59
<i>Australia²</i>	<i>20.0</i>	<i>29.8</i>	<i>27.7</i>	<i>32.9</i>	<i>36.6³</i>	<i>(35.0)¹</i>
World	791	782	943	975	1,156	957

¹ International Olive Council- November 2020

Ref: <https://www.internationaloliveoil.org/what-we-do/economic-affairs-promotion-unit/#figures>

² Global Trade Atlas 2020 (Hort Innovation)

³ IOC Newsletter March 2021

Olive oil imports to Australia:

The top source countries of olive oil to Australia by country² are (1000s tonne):

Country	2015/16	2016/17	2017/18	2018/19	2019/20
Spain	17.66	20.44	23.03	22.22	29.13
Italy	6.12	5.69	5.48	6.45	4.11
Greece	1.58	1.51	1.38	1.21	1.39
Turkey	0.29	0.71	0.60	1.01	0.56
Tunisia	0.64	0.42	0.36	0.50	0.31
Lebanon	0.22	0.29	0.43	0.34	0.52
Others	0.34	0.56	0.42	0.58	0.56

Australia Total	26.85	29.62	31.70	32.32	36.56
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² IOC Newsletter March 2021

Ref: IOC Import profiles 2018/19 – Australia: <https://www.internationaloliveoil.org/wp-content/uploads/2020/04/IOC-Import-profiles-Australia-2018-19-rev.1.html>

According to Hort Innovation data, Australia imported between 20,000 and 36,000 tonne of olive oil in each of the last 5 years, reaching 36,558 tonne in the 2019/20 reporting year, or 3.2% of world imports. Australian ranks as the 7th largest importer of olive oil.

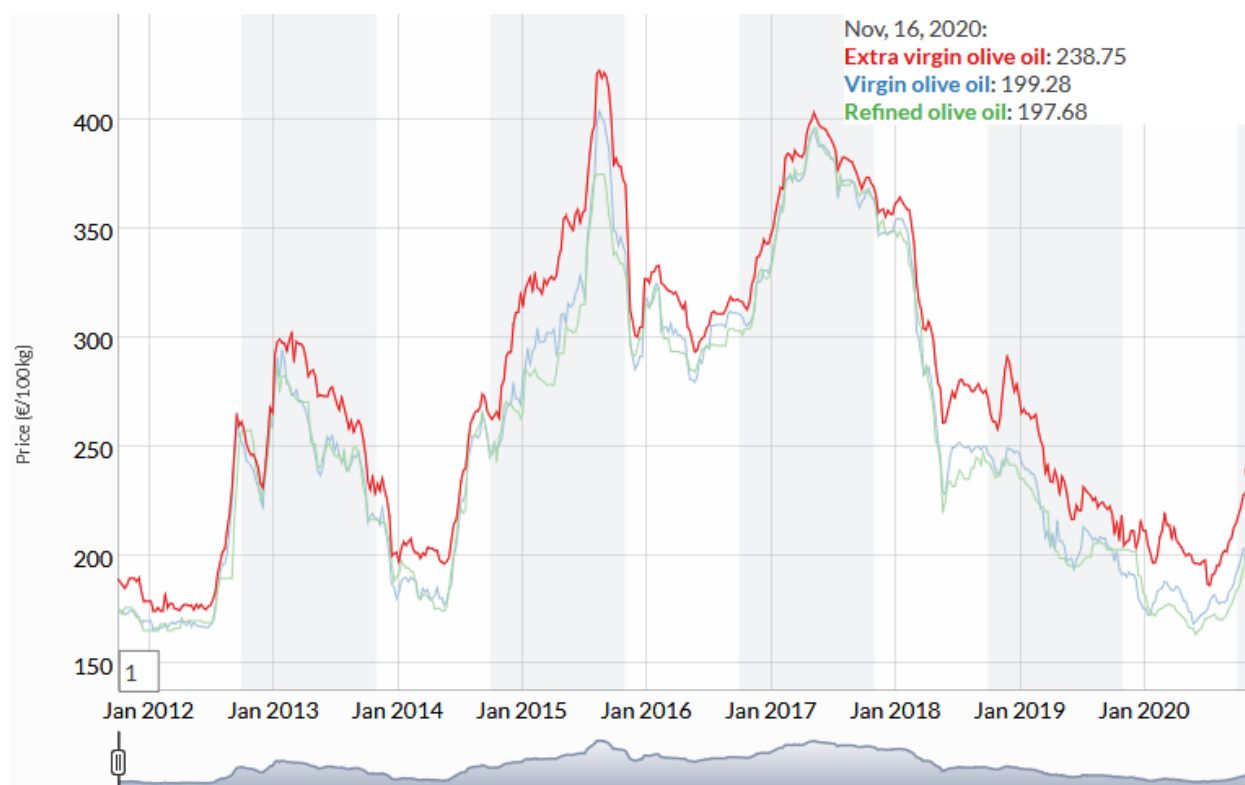
Spain stands out as the main supplier to Australia in the 2019/20 reporting period, with 79.7% of the imported volume (29,125 tonne), followed by Italy with 11.2% (4,105 tonne), Greece with 4% (1,385 tonne), Turkey with 1.5% (557 tonne), Lebanon with 1.5% (516 tonne), Tunisia with 1% (309 tonne). The remaining source countries total 1.5%.

The grades of imported olive oil for the 2019/20 year were:

- Virgin Olive Oils (code 15.09.10): 61.2%
- Olive Oils (15.09.90): 37.8%
- Olive Pomace Oils (1 5.10.00): 1.0%

Note: The volume of virgin olive oil imported has increased by 75.5% if we compare the 2019/2020 crop year when they represented 61.2% of imports, compared with the 2007/2008 crop year, when they represented 46% of imports – confirming the Australian market is moving away from refined olive oils to virgin olive oils.

Weekly olive oil prices:



Australian domestic and export market conditions remain challenging with Australian supermarket shelves dominated by cheap imported olive oil products. However, the Australian Dollar (A\$)² has further depreciated against the euro (EUR) from a high of 0.73 in February 2017

² OzForex: <https://www.ofx.com/en-au/forex-news/>

to a fairly stable 0.62 during 2020 (apart from a COVID-19 dip in March 2020!). The lower Australian Dollar serves to make imports more expensive, exports more competitive, and applies upward pressure on domestic wholesale prices.



Market share:

Pleasingly Extra Virgin Olive Oil (EVOO) now enjoys 46% of the Australian Retail Sales Value (RSV)³ of the cooking oil category, with refined olive oil at 17%, making total olive oil sales 63% of the RSV. This exceeds its competitors with seed oils having 24% of the RSV, and the much hyped coconut oil at only 4%. The growth in the EVOO category means it is important for industry to monitor the market to ensure consumers are actually getting what they believe they are purchasing.

³ IRI Scan Data, Australian Grocery, MAT 16/8/20.