

## **Italy on fourth place on the podium of world olive oil production**

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Greece, Tunisia and Turkey. These three countries are competing with Italy for second place on the podium of world olive oil production, while Spain confirms first place despite a downturn for production estimated at 875 thousand tons.

In the wake of a very difficult year, with very poor weather right from budding, the Italian olive oil sector followed hard on its heels by Greece, where production - according to forecasts by the International Olive Oil Council - is expected to grow by as much as 122% to 300 thousand tonnes. There are also excellent prospects in Tunisia where not even the old folk recall such abundant production that could well exceed 250 thousand tonnes. On the other hand, production in Turkey is likely to be stable at 190 thousand tons, according to figures released by the Ministry of Agriculture in Ankara.

Looking ahead a few years confirms that these three countries will be aggressive competitors for Italian olive oil. Tunisia continues to plant new olive groves, not the least thanks to expanding trade and a wholesale price of 2.65 euros/kg which is considered to be very remunerative. The Turkish Ministry of Agriculture has announced the aim of achieving production of 700 thousand tonnes of oil per year, output largely intended for export since per capita consumption of olive oil stands at just 2 kg/year, compared to 13 kg/year of Italy.

The situation in Greece is more uncertain, where excellent production this year is hampered by higher VAT on olive oil that has put a brake on trade. In Italy, where olive growers have been forced to combat the olive fly, the principal parasite affecting crops, prices have been climbing for months and, on the eve of the olive oil campaign, in Bari has even been quoted at 4 euros/kg. Italian production, which will come to about 300 thousand tons (down from the average in recent years), can at least take advantage of a wholesale price higher than seen for many years by now, with a price differential - compared to Spanish extra virgin oil - of 1.2 euro/kg.

Olive oil made in Italy, however, will still be available on supermarket shelves - it will "only" cost a little more.

Source: <http://www.teatronaturale.com/technical-area/olive-and-oil/4979-italy-on-fourth-place-on-the-podium-of-world-olive-oil-production.htm/> 28/10/2014