

News from the Industry

Source: <http://www.dailymail.co.uk/news/article-2726119/Olive-oil-threat-bacteria-hitting-hundreds-thousands-trees-Italy-set-prices-soaring.html>

Spain's Severe Drought Threatens Olive Harvest

Spain is currently experiencing its worst drought since records began, with olives bearing the brunt of continued heat and lack of moisture.

With climate models and Spanish researchers both predicting that Spain's droughts will get more intense and more regular than before, this is the second year since 2012 that heat and drought have threatened the country's trademark olive harvest, reports Think Progress.

Spain produces around half the world's olives and is the number one producer of olive oil. The drought has left speculators, including forecasting agency Oil World, worried that olive yield could drop up to 40 per cent year-over-year in 2014.

European olive oil prices are already up over 30 per cent since the beginning of the year, a phenomenon driven by above average temperatures and low precipitation across the Mediterranean olive-growing belt.

According to the IPCC, the Mediterranean may be one of the most impacted areas of the world from climate change.

Already a hot, semi-arid region, hotter summers and more intense and frequent droughts will threaten water supplies and agricultural production.

Source: <http://www.thecropsite.com/news/16614/pains-severe-drought-threatens-olive-harvest>

Europe Olive Oil Crisis: 2014 Harvest 'Worst Year In Memory,' Drives Up Costs

Europe's olive harvest was hit hard this year by bad weather and blight, which will likely lead to consumers spending more for some olive oils, according to the Associated Press. The European olive oil crisis comes at

a time when Europe's southern economies are struggling to jump-start growth.

In Italy, where national production of olive oil is expected to drop 35 percent, the bulk price for extra virgin olive oil has already jumped more than 3 euros – from 2.7 euros to 6 euros – compared to the same time last year. "This is the worst year in memory," Pietro Sandali, head of the Italian olive growers' consortium, told the AP.

The reason for Europe's particularly bad olive harvest was infestations of olive fly and olive moth brought on by high spring temperatures, abundant rain and a cool summer, the AP reported. Olive oil is big money for Europe's key olive harvest countries - France, Italy, Portugal and Spain - which produce around three-quarters of the world's olive oil. In 2013, the European Union collected an estimated 1.8 billion euros (\$2.2 billion) in revenue from olive oil exports.

Spain is the largest producer of olive oil in Europe and accounts for 45 percent of total world oil production. The country cultivates more than 300 million olive trees, spanning an area of 5 million acres. Italy is the second largest producer at 25 percent of global totals, followed by Greece with 20 percent.

Meanwhile, in Greece, drought in 2013 led to underwhelming harvests across the southern olive belt. Growers in other parts of Europe rely on Greece to make up for any deficits in the overall market, according to the Wall Street Journal. In May, the U.S. Department of Agriculture said it expected the harvest in Greece to dip by 57 percent this year, to just 155,000 tons.

"When prices rise in one part of the Mediterranean, it lifts prices for us too," Johnny Frantoio, owner of a production mill in Volterra in the Tuscany region of Italy, told the Journal earlier this year. "Also, it's happening at a time when Asian demand for our products is growing."

Source: <http://www.ibtimes.com/europe-olive-oil-crisis-2014-harvest-worst-year-memory-drives-costs-1725512>

Did you know?

Olive Oil is the "BEST" for frying

A British study had already shown that occasional consumption of fried foods was not associated with coronary heart disease events, as long as the food was fried in fresh (not re-used) olive oil and the

individuals were following a Mediterranean diet.

Now, a new study published in the Journal of Agriculture and Food Chemistry, analyzed the repeated deep frying and pan frying in 4 different refined oils: olive, corn, soybean, and sunflower. The researchers evaluated the status of the oils after

Did you know?

being heated ten times, measuring several chemical parameters.

The refined olive oil had the highest resistance and lowest deterioration of quality compared to all of the others. The highest deterioration occurred in the refined sunflower oil.

The findings are even more significant in the context of commercial frying, such as in restaurants.

Refined olive oil is the common olive oil grade obtained through an industrial process of chemical refining to remove undesirable qualities such as excessive acidity and unpleasant flavors. This olive oil does not contain many of the widely touted health benefits of extra virgin olive oil, which contains a host of nutrients and antioxidants. Nevertheless it can be a useful and a healthier alternative for repeated frying compared to other cooking oils such as corn or soybean.

Source: <http://www.oliveoiltimes.com/olive-oil-health-news/use-olive-oil-frying/41953>

Olive Oil Accelerates Wound Healing in Burn Patients

Past studies have shown that olive oil may be effective in the treatment and healing of skin burns, when used externally. Now, a new study has shown that consuming

olive oil can expedite the healing process.

Burn patients have increased nutritional needs in calories, protein as well as minerals and vitamins, so nutrition is an important factor in burn care and healing.

Antioxidant and anti inflammatory therapy have been known to be beneficial in the treatment of burns, so researchers set out to evaluate the effect of a diet rich in olive oil on the healing of burns in hospitalized patients.

The study was conducted on 100 patients who were hospitalized with second and third degree burn wounds on 10–20 percent of their body surface area. The patients were assigned to obtain either olive oil or sunflower oil in their diets.

The patients were examined daily and, while there were no significant differences in terms of the total body surface area of the burns, there were significant differences in the duration of wound healing and hospitalization. The olive oil group appeared to have accelerated wound healing and decreased the duration of their hospitalization.

Source: <http://www.oliveoiltimes.com/olive-oil-health-news/olive-oil-accelerates-wound-healing-in-burn-patients/42404>

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Indian Olive Association

From the President's Desk



I would like to thank the members for reposing their confidence and electing me as the President and Mr. Aseem Soni as the Vice-President of the Indian Olive Association at the 7th Annual General Meeting held on 26th September 2014.

The Association has played an active role in representing the importers of olive and olive oils on various fronts and will continue to do so in the times to come. We are also identifying key issues where we need support from the ministries and FSSAI to help in the growth of the category in India.

I alongwith Mr. V N Dalmia, Mr. Akshay Modi, Mr. Aseem Soni and Ms. Shabnam Pareek called on Ms. Harsimrat Kaur Badal, Union Minister for Food Processing, Government of India on 31 July 2014 in her office. The details of the meeting are given in the following section.

The Association sent a representation to Mr. Arun Jaitley, Hon'ble Finance Minister of India on 30th June 2014 requesting him to reduce import duty on Table Olives.

We are happy to welcome S4 General Trading Company as a new Associate member of the Association.

Rajneesh Bhasin
Rajneesh Bhasin

Annual General Meeting of IOA

The 7th Annual General Meeting of the Indian Olive Association was held on 26th September 2014 at PHD House, New Delhi. Mr. Rajneesh Bhasin took over as the President of the Indian Olive Association and Mr. Aseem Soni took over as the Vice President of the Association. Mr. V N Dalmia, Immediate Past President was presented a memento in recognition of his invaluable contribution as the President of the Indian Olive Association and for his pioneering work and tireless efforts for the growth of olives and olive oil sector in India.



Executive Council for the Year 2014-2015

At the 7th Annual General Meeting of the Indian Olive Association held on 26th September 2014, at PHD House, New Delhi, the following were elected as President and Vice-President:

Mr. Rajneesh Bhasin, Borges India Pvt. Ltd. : President
Mr. Aseem Soni, Cargill India Pvt. Ltd. : Vice President

At the first Executive Council meeting held on 26th September 2014, at PHD House, New Delhi, the following were unanimously elected as members to the Executive Council:

1. **Mr. Natwar Pujari**, Consumer Marketing India Pvt. Ltd.
2. **Mr. Vikas Sharma**, Fieldfresh Foods Private Limited
3. **Mr. S. N. Bahadur**, Manisha International Pvt. Ltd
4. **Mr. Akshay Modi**, Modi Naturals Ltd.
5. **Mr. Rahul Upadhyay**, Rian Imports and Marketing

Mr. V N Dalmia, Immediate Past President has been made the Founder President



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Meeting with Ms. Harsimrat Kaur Badal, Union Minister for Food Processing, Government of India



Mr. V N Dalmia, Mr. Rajneesh Bhasin, Mr. Akshay Modi, Mr. Aseem Soni and Ms. Shabnam Pareek called on Ms.

Harsimrat Kaur Badal, Union Minister for Food Processing, Government of India on 31 July 2014 in her office. Mr. V N Dalmia made a presentation on the Indian olive oil and table olives scenario and highlighted several issues being faced by the Indian olive oil industry, particularly relating to FSSAI.

The Indian Olive Association subsequently submitted a representation consisting of the following issues and suggestions with respect to FSSAI, to her office.

Issues

1. Specific issues:

a. Table Olives – current standards in India are outdated, e.g.:

- Sterilized Black Olives darkened by oxidation with NaCl percentage of minimum 7% in brine.
- Treated Green Olives, pasteurized, with NaCl percentage of minimum 5% in brine.
- 4 variants

b. Blended oils:

As per FSSAI, AGMARK certification is mandatory for blended oils. AGMARK has specified that oil blends can be made with a maximum of two different oils with minimum of 20% of either of the oils in the blend. But AGMARK does not certify imported products. Therefore, blended oils cannot be imported.

c. Benzopyrene:

Benzopyrene is a Polycyclic Aromatic Hydrocarbon. No standard in India.

Suggested Changes

CODEX standards to be adopted in entirety for table olives, e.g.:

Sterilized Black Olives darkened by oxidation with NaCl percentage of GMP.

Treated Green Olives, pasteurized, with NaCl percentage of GMP.

12 Variants

Clarification that blends of different grades of olive oil with each other should not be required to comply with the minimum 20% rule.

A regulation must be made to permit import of blended oils. AGMARK must certify imported products and / or manufacturers abroad.

Introduction of a new standard of 'benzopyrene' for edible oils, specifically solvent extracted refined oils.

Amendment to Standards of Table Olives

Several importers of table olives faced problems as their consignments were blocked at Indian ports from entry into India even though they were fully compliant with the Codex standards but not fully with the FSSAI standards. Such incidents caused losses and suffering to the member companies of Indian Olive Association. IOA took up the matter with FSSAI requesting them to amend the Indian standards

by adopting the Codex standards for table olives and making FSSAI standards consistent with Codex and also requested them to allow entry into India of products compliant with Codex standards.

With the representation made by Indian Olive Association and constant follow up, the shipments were cleared on a case-to-case basis.

Representation on Import Duty on Table Olives

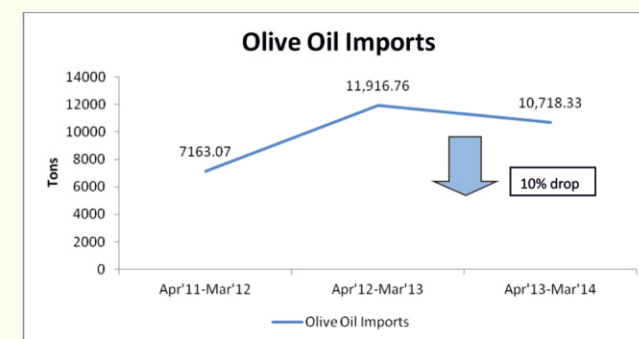
The Indian Olive Association submitted a representation to Mr. Arun Jaitley, Hon'ble Finance Minister of India, requesting to reduce import duty on Table Olives. IOA's request was to bring the rates of Basic duty and CVD to 0% on Table Olives. India's entire requirement of Table Olives is met by imports. There is no domestic production

of Table Olives in the country and hence, no domestic producers that need protection. No other domestic product exists with similar health benefits that could be adversely affected by duty reduction. With lower rates of duty and thus lower prices, table olives will become accessible to a greater population.

Olive Oil and Table Olive Imports Data

Olive Oils

Total imports of Olive Oil in April'13- March'14 period were 10,718 MT versus 11,917 MT in the same period last year, registering a drop of around 10%.



Total imports in the period April'14-June'14 were

3356.08 MT. The corresponding quantity imported in the same period last year April'13-June'13 was 3242.71 MT, registering an increase of about 3.5%.

Table Olives

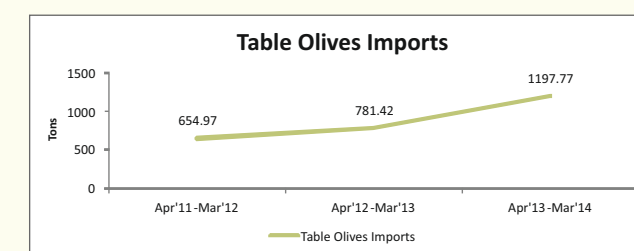


Table Olives imports in India have grown by 53% over last year which is an indication of the growing preference of eating olives amongst Indians.

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India's first olive oil extraction facility started in Rajasthan



Chief Minister of Rajasthan Vasundhara Raje inaugurated the first olive oil extraction facility with a cost of Rs. 3.75 crore in Lunkaransar area near Bikaner. The Vasundhara Raje government in its earlier term in 2007 had commenced the olive cultivation project by taking assistance from Israel and had planted 1.12 lakh saplings in 7 agro-climatic zones.

282 hectare areas of land in districts like Bikaner, Nagaur, Jhunjhunu and others have been covered with olive plantation and the government wants to increase the area to 5,000 hectare in coming years.

IOA President Mr. Rajneesh Bhasin was present on the day of inauguration and met the Chief Minister, the Agriculture Minister and the ROCL officials of Rajasthan.

Source: <http://www.thehindubusinessline.com/news/states/rajasthan-becomes-first-state-to-start-olive-refinery/article6469110.ece>

International Olive Council: Global Olive Oil Production and Consumption on the Rise

The International Olive Council (IOC) revealed, during a seminar at the Summer Fancy Food Show on June 30, that worldwide production and consumption of olive oil is increasing, which underscores the need for increased education of consumers on the quality standards, health benefits, preparation and ideal ways to store olive oil.

For 2013-2014, olive oil production is expected to reach 3.09 million tons worldwide, up from 2.43 million tons in 2012-2013. Consumption is also expected to mirror this upward trend, with consumption estimated to reach 3.06 million tons for 2013-2014, up from 3.04 million tons in 2012-2013.

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The IOC is comprised of 17 members, representing 25 olive producing countries. According to IOC Executive Director Jean-Louis Barjol, while these countries account for 97 percent of global olive oil production and 96 percent exports, they represent only 15 percent of world imports. Of the non-IOC countries importing olive oil, the U.S. represents approximately 45 percent of imports. This demonstrates the need for increased education among U.S. consumers regarding the quality standards that have been put in place by the IOC.

Source: <http://www.marketwatch.com/story/international-olive-council-global-olive-oil-production-and-consumption-on-the-rise-2014-07-09>

Exports of Spanish olive oil reach one million tons

For the first time in history, Spain exceeded one million tons of olive oil sold abroad, but half of trade of oil is sold in bulk to Italy (450 thousand tons), and Portugal (50 thousand tons).

According to the Association of Exporters of Olive Oil, Asoliva, record in this season is mainly due to high oil campaign last year, where it touched 1.8 million tons of production, with prices remaining low, even under the 2 euro/kg, for much of the season, the lowest quotation of the entire Mediterranean basin.

According to the data of Asoliva, Spain has already exceeded export of olive oil in Italy, in the markets of the United States, China and Japan. However, Italy remains a leader in Germany and in Canada.

Source: <http://www.teatronaturale.com/food-and-fun/business/4931-exports-of-spanish-olive-oil-reaches-one-million-tons-.htm>

Table olive growers report a 'real bad' crop

Freezing temperatures last winter, coupled with the impact of the drought, have left many California table olive growers in the San Joaquin Valley with not much of a crop this year.

Although the U.S. Department of Agriculture reported a production forecast of 50,000 tons - down from last year's crop of 91,000 tons - Adin Hester, President of the Olive Growers Council of California, said that he thinks the estimate is "on the high side" based on what growers are reporting in Tulare County, where there's about 12,000 acres or 60 percent of the State's table olives.

Olive trees are alternate-bearing, and this would have been the "off" year, yielding a lighter crop, Hester noted. But with the added weather issues and

the drought, growers had a particularly challenging year, he said.

Source: <http://www.agalert.com/story/?id=7035>

With No Deal on Olive Council's Future, Europe Favors Treaty Extension

Lack of a deal on the future of the International Olive Council (IOC) means the treaty governing it is likely to be prolonged a year beyond its deadline of December 31.

The European Commission favors asking the IOC Council of Members to extend the 2005 International Agreement on Olive Oil and Table Olives to allow more time for negotiation, Commission documents show.

Talks on a new deal have been confidential, however, both the Commission and its olive oil advisory group have flagged support for new rules letting countries, that are olive oil consumers, but not producers, join the IOC.

The Commission received a mandate from the Council of the European Union (EU) last November, authorizing it to open talks on behalf of the EU – an IOC member – for the conclusion of a new treaty.

Source: <http://www.oliveoiltimes.com/olive-oil-business/no-deal-on-new-ioc-treaty/40776>

Olive oil under threat from bacteria which is hitting hundreds of thousands of trees in Italy - and could set prices soaring

A hostile bacteria - Xylella fastidiosa - seen in Europe for the first time, is destroying centuries-old olive trees and threatening supplies of Italian oil.

The microbe, first identified in the Americas, has now infected 8,00,000 trees in Salento, the southern half of Puglia, the heel of Italy. Puglia produces about 11 million tonnes of olives a year, more than a third of the national crop and some of the country's best oils.

If supplies are significantly affected, it could lead to higher prices for shoppers in Britain and around the world. The species causes plants to dry out, leaving shrivelled stumps that are incapable of bearing fruit. The epidemic has already cost producers €250m (£200m) - a figure expected to rise.

Officials have called on experts from the University of California, Berkeley, to help them contain the devastating outbreak.

