

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Greece

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Olive Oil Annual 2014

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Oilseeds and Products

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Report Highlights:

Greece is the world's third largest olive oil producer after Spain and Italy. According to industry contacts, Greece's MY2013/14 olive oil production is projected to decline by 57 percent compared to the previous campaign, because of the severe drought of the summer. More than 80 percent of the Greek annual production is extra virgin olive oil. Per capita consumption of olive oil in Greece (20 Kg/year) is one of the highest in the world. Ninety percent of Greek olive oil is exported to the European Union: 80 percent in bulk and 10 percent under Greek brand names.

Olive Oil

Table 1: Production, Supply, and Demand (MT)

Olive Oil	2011	2012	2013
	Estimates 2011/12	Estimates 2012/13	Estimates 2013/14
	Post Data	Post Data	Post Data
Trees (Mln)	150	150	150
Beginning Stocks	91	85	92
Production	295	360	155
Extra EU-28 Imports	0	0	0
Total Supply	386	445	247
Extra EU-28 Exports	15	17	17
Food Use	211	200	180
Dom. Consumption	211	200	180
Ending Stocks	85	92	40
Total Distribution	311	309	237

Source: Greek industry; GTA (Global Trade Atlas)

Production

Greece is the world's third largest olive oil producer after Spain and Italy. According to industry contacts, Greece's MY2013/14 olive oil production is projected to decline by 57 percent compared to the previous campaign, because of the severe drought of the summer.

Greek olive oil production capacity is estimated at 400,000 MT per year. Greece devotes 60 percent of its cultivated land to olive growing. There are approximately 520,000 olive growers, of which 50.5 percent are professional farmers. The large number of olive growers in relation to the cultivated land (1,200,000 hectares) reveals that there is no large-scale industrialized olive farming. This means that olive cultivation —although systematic and much improved by the application of recent technological developments and scientific progress— remains a 'family affair'. Olive oil production is scattered all over the country, even though the Peloponnese and Crete account for over 65 percent of the total output. *Koroneiki* is the major olive variety grown in Greece. It originates from the area of Korone in Messenia (Peloponnese) and is grown on the island of Crete and around the Mediterranean. *Koroneiki* olives have a very small size, a fruity flavor, and produce a high quality olive oil, with a unique smooth taste and a golden-green color.

Other prominent olive varieties for the production of olive oil include: *Lianolia*, *Konservolia*, *Tsounati*, *Megaritiki*, *Valanolia*, *Andramytini*, *Chalkidiki*, *Matolia*, and *Kalamon*. Olive trees are slow to grow, taking four to five years to yield their first fruits and another 10 to 15 to reach their full capacity. Olive harvest occurs from October to January —depending on autumn rainfall— and may even go on into February. Farmers regularly tend small groves of trees in remote areas; olives are handpicked, and the

crop is pressed on the day of picking. Product quality is usually very high: in a good year, the percentage of low acidity olive oils with excellent organoleptic characteristics can go as high as 80 percent. In average years it fluctuates between 65-70 percent.

Consumption

Per capita consumption of olive oil in Greece (20 Kg/year) is one of the highest in the world. Olive oil is the main fat used in Greek cooking. It is also perceived to be the healthiest one. Despite the reduction of consumers' disposable income—as a consequence of the economic crisis—Greek consumption of olive oil remains steady.

Trade

Ninety percent of the Greek olive oil is exported to the European Union: 80 percent in bulk and 10 percent under Greek brand names. Greece's MY2012/13 olive oil exports reached 192,119 MT, mainly because of increased exports to Italy and Spain, the leading destinations. Greece's MY2012/13 olive oil exports to third countries increased by 10 percent (17,591 MT), mainly to the United States and Russia. Greece imports small quantities of olive oil mainly from Spain and Italy.

Table 2: Greece's Leading Olive Oil Exports

Olive Oil Exports							
Year Ending: October							
Partner Country	Unit	2011		2012		2013	
		USD	Quantity	USD	Quantity	USD	Quantity
World	T	373,533,230	104,650	361,223,772	116,570	719,918,882	192,119
Italy	T	228,893,745	74,906	215,907,736	77,216	499,172,342	142,449
Spain	T	1,198,339	990	1,359,869	913	49,738,431	16,579
Germany	T	36,518,871	7,044	37,436,423	14,705	44,393,198	8,076
United States	T	15,975,400	3,266	16,860,644	3,769	25,768,655	5,698
Canada	T	14,003,573	2,987	11,082,632	2,570	11,243,879	2,259

Russia	T	8,536,953	1,394	7,837,575	1,490	10,815,369	1,857
China	T	7,002,965	1,402	11,832,295	2,605	9,814,417	1,934
United Kingdom	T	5,842,715	1,331	5,203,822	1,340	6,652,677	1,473
Australia	T	6,041,993	1,467	6,257,507	1,705	6,319,857	1,340
Austria	T	4,928,326	743	5,368,375	896	5,681,669	883

Source: GTA

Table 3: Greece's Leading Olive Oil Imports

Olive Oil Imports							
Year Ending: October							
Partner Country	Unit	2011		2012		2013	
		USD	Quantity	USD	Quantity	USD	Quantity
World	T	5,974,049	2,300	4,210,429	1,753	7,274,358	2,307
Italy	T	1,828,431	752	2,420,240	1,105	3,161,418	1,025
Spain	T	2,977,762	1,070	1,235,515	495	2,050,525	617
Cyprus	T	269,441	78	6,113	2	920,330	268
Belgium	T	35,255	6	24,767	4	478,416	230
China	T	-	-	279,640	80	208,193	38
Bulgaria	T	404,792	253	79,854	33	193,918	77
Netherlands	T	6,468	2	4,927	1	67,600	22
France	T	12,930	2	41,909	2	66,015	4
Germany	T	64,596	24	66,564	21	62,409	14
Finland	T	4,097	1	-	-	22,370	5

Source: Global Trade Atlas (GTA)

Abbreviations and definitions used in this report

MT Metric ton = 1,000 kg

MY Marketing year: November/October

HS codes: 15091010; 15091090; 15099000