

News from the Industry

Syria, output is expected to receive “a major blow” as a result of the civil war as well as drought, dropping to 50,000 tons from 135,000 tons.

Source: <http://www.bloomberg.com/news/2014-11-04/global-olive-oil-output-seen-declining-on-spain-syria.html>

Turkey's olive oil exports come to a halt

Turkey's olive oil exports have decreased by almost 50 percent in the last two months from the same period of the previous year as producers kept their products in stock with the expectation of a rise in prices, according to sector representatives.

“Our producers are now exporting their products for almost nothing just not to lose their market share to their strong Spanish and Italian competitors”, said the head of the Aegean Olive and Olive Oil Exporters Association (EZZİB), Gürkan Renklidağ.

After several reports claiming that production in Spain and Italy would decrease dramatically due to climatic conditions, there were expectations that prices would start to increase, convincing Turkish producers not to sell their products and wait for a rise in prices, according to sector sources. Turkey's olive oil exports decreased 52 percent in the last two months from the same period of the previous year to around 3,600 tons, according to EZZİB figures. Over 7,600 tons of olive oil was exported in the previous two-month period, normally a high season for olive oil.

Source: <http://www.hurriyetdailynews.com/turkeys-olive-oil-exports-come-to-a-halt.aspx?pageID=238&nID=76609&NewsCatID=345>

Did you know?

Olive oil is more stable and healthy when frying food

Frying is one of the most popular ways of preparing food. For frying, various types of oils are used. A study by scientists from Tunisia and Germany indicates that olive oil resists heat of the fryer, which means that olive oil offers healthier fried foods.

All cooking oils have their own range of physical, chemical and nutritional properties, and experience different high frying temperatures operation. Some of these changes may lead to the formation of novel compounds which are potentially toxic. Other by-products of oil used for frying can also reduce the nutritional value of food frying.

Tunisia Is the World's Second Largest Olive Oil Producer, for Now

Olive oil production in Tunisia has increased fourfold, making it the second largest producer after Spain. This is the first time Tunisia comes in second place in olive oil production figures, with this year's yields estimated at 280,000 to 300,000 tons, a 400 percent increase from last year's figure of 70,000 tons.

Spain's production has been estimated at 600,000 tons, putting it in first place again despite its poor olive harvest. While many European olive producers in Italy and Spain have experienced an exceptionally bad harvest because of poor weather and olive fly infestations, Tunisia has had a record olive season.

Though Tunisia is a major olive oil producer, only a small percentage of it is consumed at home where olive oil is being replaced by other vegetable oils in the traditional Tunisian diet.

Between 60 and 70 percent of Tunisia's olive oil is exported to the EU, namely Spain and Italy. Tunisian olive oil is also exported to over 60 markets around the world including the US, Canada, France, Russia, China and a few Arab countries under as many as 80 different brand names.

Tunisia's olive oil exports represent 40 percent of its agricultural exports and 10 percent of total exports.

Source: <http://www.oliveoiltimes.com/olive-oil-business/africa-middle-east/tunisia-second-largest-olive-oil-producer/46287>

Mohamed Bouaziz's team at the University of Sfax in Tunisia set out to find which cooking oil can better preserve its quality to be used multiple times at high temperatures.

Researchers used pieces of raw potato in both frying (where the food is fully immersed in oil) and in pan (where the oil level is lower and often have to turn around what is frying to prevent is nearly burnt on one side and almost raw on the other). The scientists used four different refined oils: olive, corn, soy (soy) and sunflower oil and reused 10 times.

Analysis demonstrated that olive oil is the most stable for fryers, to between 160 and 190 degrees Celsius (320 and 374 degrees Fahrenheit). The research

Did you know?

team has concluded that, for frying, olive oil maintains a quality and better nutritional value than those stored in the seed oils.

Source: <http://www.betawired.com/olive-oil-is-more-stable-and-healthy-when-frying-food/1416983/>

6 Healthy Alternatives to Butter

Butter is a beloved ingredient that plays a starring role in some of our favorite recipes from cakes to quick breads to pasta dishes. But too much of a good thing can pose a problem. The fat found in butter is mostly the saturated variety – the kind that clogs arteries and raises LDL (bad) cholesterol, a contributing factor in heart disease.

For those trying to lower their cholesterol, the American Heart Association recommends reducing saturated fat intake to 11 to 13 grams. It's safe to say

that butter should be an occasional treat, but what about all of our favorite everyday recipes that call for it? Luckily, there are a handful of ingredients that can easily stand in for butter in your favorite recipes. You'll still enjoy all the creamy texture and taste, but cut back on fat and up the nutritional value in the process. One of the 6 Healthy Alternatives to Butter is olive oil.

Olive oil is a popular ingredient in salad dressings and stir fries – but did you know that you can bake with it too? Simply use 3/4 cup of olive oil for every cup of butter called for in a recipe. Olive oil is also an effective butter substitute in pasta sauces and mashed potatoes. Touted as a heart-healthy staple by the American Heart Association, olive oil is loaded with healthy unsaturated fats that are worth the extra calories.

Source: <http://www.everydayhealth.com/news/healthy-alternatives-to-butter/>

Recipe Section



Pasta Recipe with Olive Oil

Ingredients: 250g Farfalle Pasta; 2tbsp Olive Oil; 200g Fresh Cream; 200g Mushrooms, Sliced; 1

Onion, Finely chopped; 5-6 Garlic cloves, Finely chopped; 2 tsp Cheese & Italian Herbs Seasoning; Salt to taste

Method:

- Boil the pasta for 12-13 mins in salt water, drain and keep aside.
- Heat the olive oil and sauté onions till translucent. Add the garlic and sauté for 1 minute.
- Add sliced mushrooms, salt and seasoning and cook for 3-4 mins till the mushrooms sweat. Add the cream and simmer for 3-4 mins.
- Add the cooked pasta and cook for another minute. Serve hot.

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Indian Olive Association

From the President's Desk



The Department of Revenue, Ministry of Finance, Government of India, has increased the import duty on Crude Oil from 2.5 % to 7.5% and the import duty on Refined Edible Oil has been increased from 10% to 15%. The Indian Olive Association subsequently submitted a representation to concerned departments of the Government of India, on 8th January 2015, urging them to reconsider the decision and roll back the duty hike on olive oil. More details are given in the relevant item below.

We had circulated the comparative data of olive oil exports to India by Italy & Spain during the last two financial years (2012-13 and 2013-14) and April-October 2014-15 as well as the crop year data of India's olive oil imports, as per Department of Commerce, Government of India, for the period October 2013-September 2014. Details are given below.

Rajneesh Bhasin
Rajneesh Bhasin

Representations: Increase in Import Duty on Crude oil and Refined Edible Oil

The Department of Revenue, Ministry of Finance, Government of India, vide Notification No. 34/2014-Customs dated 24th December 2014, has increased the import duty on Crude Oil from 2.5 % to 7.5% and the import duty on Refined Edible Oil has been increased from 10% to 15%.

We are also approaching the embassies of olive oil exporting countries.

We are writing to like-minded organisations like Forum of Indian Food Importers (FIFI) for their support.

The President, Indian Olive Association submitted representations to the following Ministries, Embassies and Association. IOA through its representation has urged the government to reconsider the decision and roll back the duty hike on olive oil.

Subsequent to the increase in import duty on crude oil and refined edible oil, the Association is taking a 3-pronged approach on this.

We are approaching the relevant government departments including finance, health, agriculture and food-processing.

Ministries	Embassies	Associations
Ms. Harsimrat Kaur Badal, Hon'ble Minister for Food Processing, Govt of India	Embassy of Spain, New Delhi	Forum of Indian Food Importers (FIFI)
Mr. Siraj Hussain, Secretary, Govt of India, Ministry of Food Processing Industries	Embassy of Italy, New Delhi	
Mr. Ashish Bahuguna, Secretary, Govt of India, Ministry of Agriculture, Department of Agriculture & Cooperation	Embassy of the Republic of Tunisia, New Delhi	
Mr. Shaktikanta Das, Secretary (Revenue), Govt of India, Ministry of Finance, Department of Revenue;	Embassy of Portugal, New Delhi	
Mr. Kaushal Srivastava, Chairperson, Central Board of Excise & Customs	Embassy of Greece, New Delhi	
Mr. Alok Shukla, Joint Secretary (TRU), Govt of India, Ministry of Finance, Department of Revenue		



The Association brought to their notice that olive oil is not a native crop to India and there is no domestic production of olive oil in India; hence there are no domestic producers who would be affected by olive oil imports. In

view of the tremendous health benefits of olive oil and in order to make olive oil accessible to more consumers in India, the Association has requested the Government of India to remove the duty hike on olive oil.

Meetings

Mr. Rajneesh Bhasin, President, Indian Olive Association met with various officials in embassies and ministry to discuss the issue of olive oil duty increase with them. Following meetings have happened till date:

Embassies	Officials Met
Embassy of Spain, New Delhi	Mr. Carlos Jimenez (Chief Economic & Commercial Counsellor) & Ms. Veronica Samper (Economic & Commercial Counsellor)
Embassy of Italy, New Delhi	Mr. Luigi Estero First Counsellor (Head of Economic & Commercial Office), Mr. Martino Catellani (Deputy Trade Commissioner) & Ms. Antonella Simonelli (Senior Commercial Officer)
Embassy of the Republic of Tunisia, New Delhi	Mr. Boujdaria Jamel (First Counsellor)
Embassy of Portugal, New Delhi	Mr. Jorge Roza de Oliveira (Ambassador of Portugal) & Mr. Joao Rodrigues (Trade Commissioner)
Embassy of Greece, New Delhi	Mr. Ioannia E. Raptakis (Ambassador of Greece), Mr. Andreas Karaiskakis (Minister Plenipotentiary for Economic & Commercial Affairs) & Ms. Niki Stefanidou (Second Secretary for Economic & Commercial Affairs)
Ministry	Official Met
Ministry of Agriculture	Mr. Sanjeev Chopra (Joint Secretary)

All the embassies have shown support and have agreed to make a representation to the concerned authorities through EU as well.

More meetings are expected to happen in the coming weeks with the concerned departments.

Interaction with Lebanese Olive Oil Exporters

A 15-member delegation from Lebanon from the olive oil sector met Mr. Aseem Soni, Vice President, Indian Olive Association, on Friday, 6th February 2015 at PHD House, New Delhi, to discuss about the demand of olive oil in India and how Lebanon could be a potential import source of olive oil for India.

The delegates mentioned that Lebanon, though a small country, is rich in olives and olive oil and has 6000 year old olive trees and different varieties of olive trees.

However, Lebanon does not produce pomace oil, the grade which India imports the most. The delegates suggested that India can consider import of extra virgin olive oil from Lebanon in packed/bottled and bulk form.

Mr. Aseem Soni enlightened the delegates about the Indian Olive Association and its



goals. He shared with them that Indians use olive oil largely for frying, salad dressing, and massage.

He pointed out that though the olive oil market is small in India, potential is huge. There have been changes in the consumption trends of Indians towards olive oil due to the increasing awareness of health benefits of olive oil.

Olive Oil Import Data

Total imports of Olive Oil in Apr'14- Dec'14 period were 9659 MT versus 8021 MT in the same period last year, registering a growth of 20%.

Reason for growth:

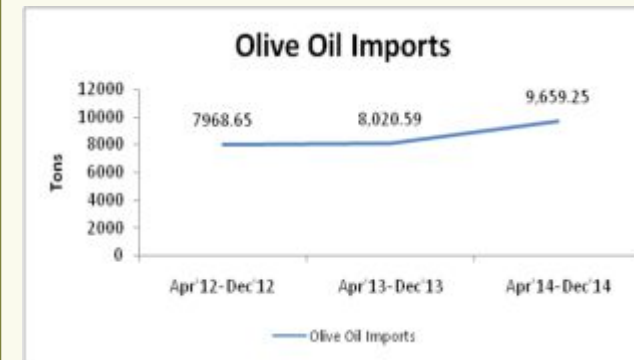
- Festive season imports and,
- Imports in anticipation of the increase in bulk olive oil prices due to bad crop.

Crop Year Data on Olive Oil Imports

Crop year data of India's olive oil imports, as per Department of Commerce, Government of India, for the period October 2013-September 2014, was also circulated to its members. India's imports of olive oil

Lebanese Olive Oil Exporters showed interest in partnering and entering into joint ventures with private companies in India. Since Lebanon is also a small market, they would be able to better understand the mindset of the Indian consumers and can serve the Indian market well by taking into account the needs, sensitivities and culture of India.

during this period were about 12,245 MT. India's imports of olive oil for the previous crop year October 2012-September 2013 were about 10,115 MT, registering a growth of 21% this year.



Press Releases

Article in Hindu Business Line

According to an article published in the Hindu Business Line on 25th November 2014, the edible olive oil market has been growing at 45-50 per cent over the last five years, with cities leading the way. What is significant, however, is that tier-II markets have been growing faster in the same period with affluent consumers exploring healthier cooking options.

Mr. Rajneesh Bhasin said that we're seeing a lot of traction in tier-II towns and cities with growth doubling year-on-year and at the same time, annual expansion in tier-I cities has varied between 20 to 30 per cent.

According to estimates by the Indian Olive Association, the domestic market has grown from 1,000 tonnes in 2003 to 12,000 tonnes in 2013. For a market that consumes about 12 million tonnes of edible oils, olive oil's share works out to just 0.1 per cent. The goal, Bhasin said, was to expand consumption to at least 1 per cent over the next decade.

The Article stated that imports shrunk by 10 per cent in 2013-14 for the first time in three years due to higher global prices caused by a poor crop in Spain and a steep depreciation of the rupee. According to Mr. Bhasin, it's a temporary blip and we see double-digit growth in the near future, say, at 25 per cent, which in

five years will be about 35,000-40,000 tonnes and a ₹1,000 crore market.

Interview with Hospitality Biz magazine

According to an interview with Mr. Rajneesh Bhasin, President, Indian Olive Association on 15th December 2014 about the market opportunities of Olive products in India market, Olive Oil market is poised for strong growth in India in coming years. With leading brands proactively investing in creating consumer awareness about Olive Oil in India, Indian Olive Association is hopeful of achieving at least 25% CAGR growth of the category in the India edible oil market over the next five years.

Article in Hindu Business Line

According to an article published in the Hindu Business Line on 7th January 2015, Mr. Aseem Soni, Vice President, Indian Olive Association & Director, Cargill India, said that production of olive oil this year is likely to be 60-65 per cent of a normal year's output and forecasting is tricky but their next consignment is already quoted at 18 per cent more than the last one imported two months ago.

The Article mentioned about the Government's recent decision to raise the import duty on crude and refined

edible oils to 7.5 per cent and 15 per cent, respectively. Mr. Rajneesh Bhasin, President, Indian Olive Association & Managing Director, Borges India, said that the IOA has requested the Centre to exempt olive oil. The rationale for the duty hike was to protect Indian farmers, which is not relevant in the case of olive oil as there's no local production of olive oil.

The Article also stated that IOA estimates imports of olive oil at around 10,500-11,000 tonnes for the period April 2014 to March 2015. Prices per litre for refined olive oil and olive pomace variants were Rs. 500-600 and Rs. 240-300 respectively, for this fiscal year.

Article in Live Mint

According to an article published in Live Mint on 3rd February 2015, Mr. Rajneesh Bhasin, Managing Director, Borges India Pvt. Ltd. and President of the Indian Olive Oil Association said that Indian oil importers are expecting a rough ride in 2015 after being hit by a steep increase in the international price of olive oil and a rise in duty on all refined edible oils. "Olive oil as a category should see flat growth; at best we should be able to do 10,500 to 11,000 tonnes this year," said Mr. Bhasin.

While some companies have started to increase their prices, the extent of the increase in international prices has meant that consumer prices will have to be increased in gradual steps. "We have increased our prices, but we can't increase at one go. If we have to increase by prices by over 20%, then we will do it gradually, 5% or so at a time," said Mr. Akshay Modi, Executive Director, Modi Naturals Ltd., which sells olive oil under the brand Oleev.

News from the Industry

Global Olive Oil Output Seen Declining on Spain, Syria

World olive oil production is predicted to slump in 2014-15 because of the effects of drought and exhausted trees in Spain and civil war in Syria, lifting prices in coming months, according to the industry researcher Oil World.

Output of pressed olive oil may fall to 2.55 million metric tons in 2014-15 from a record 3.19 million tons a year earlier, according to the Hamburg-based researcher.

Southern Spain suffered its worst drought in a century in the period September 2013 to May 2014, and trees are exhausted from record production in 2013-14, according to Oil World.

The production drop "will require substantial demand rationing, primarily in the European Union but also in

"Ability of the industry to pass on the prices is a question mark, because if the entire price increase has to be passed on, then it would result in a significant increase in price for the consumer, which they might not be willing to pay," said Mr. Yogesh Bellani, Chief Executive at FieldFresh Foods Pvt. Ltd, which sells Del Monte brand olive oil, adding that the adoption of olive oil will be impacted if customers do not see the value in it, a scenario which the nascent industry would like to avoid.

According to Mr. Aseem Soni, Director of the consumer packs segment at Cargill India Pvt. Ltd, which sells the Leonardo brand of olive oil, although a price increase is unavoidable, the company will be trying to absorb as much of the cost as possible. He said that "Significant price hike can result in de-growth of the category, which would mean that we would lose at least two years in returning to the market size seen last year". Most companies have been able to avoid price hikes so far as they had been sitting on stocks imported at lower prices earlier in 2014. However, Mr. Soni expects that the significantly higher priced new crop product (October-January crop) should hit market shelves by the middle of February and that is when one would start seeing price hikes. Some companies are looking at cutting down on advertising and promotions to keep costs in check.

"We are urging members not to increase price but to reduce promotions to give the consumers a stable price. I don't think doing BOGO (buy one, get one) all year round is a good way to build a brand. This is the best time to wean out such promotional activities," said Mr. Bhasin.

other countries, keeping prices well supported in the foreseeable future," according to Oil World.

Olive oil prices in Spain "have upward potential in coming months in view of renewed confirmation of a looming steep decline of Spanish olive oil output in 2014-15" Oil World said. Spanish output of first-pressed oil is forecast to fall to 830,000 tons from 1.77 million tons, while production including residue oils obtained from pressed olive pulp is expected to fall to 900,000 tons from 1.92 million tons.

Rising production in Greece will partially make up for the drop in Spain, with the volume of pressed oil climbing to 300,000 tons from 158,000 tons. Italy's olive oil output is seen little changed at 455,000 tons, from 450,000 tons.

Tunisia's production of oil may rise to 260,000 tons from 80,000 tons, which is "good news" for European consumers. In