CBI
Ministry of Foreign Affairs

CBI Product Factsheet:

Olive oil in Germany

Introduction

Despite Germany's low per capita consumption of olive oil relative to Mediterranean countries, it has a very important and growing market for high-quality olive oils. As German consumers are increasingly incorporating olive oil into their cooking habits, the focus on quality and traceability is providing opportunities for professional producers and exporters in developing countries. At present, developing countries play only a limited role in supplying olive oil directly to the German market, given that the oil is usually blended in other European countries. Successful market access would require crucial efforts to meet the market's organoleptic[1] profile and to ensure proper product placement and marketing.

Product description

Olive oil is a vegetable oil obtained from the olive (the fruit of *Olea europaea*; family *Oleaceae*), a traditional tree crop of the Mediterranean Basin. The oil is produced by grinding whole olives and extracting the oil by mechanical or chemical means. Olive oil is of a light yellow to golden yellow colour, and it has the typically slightly sweetish odour and flavour of olives.

Codes for olive oil:

- Harmonised System (HS)

HS code	**Description**
1509	Olive oil and its fractions, whether or not refined, but not chemically modified
1509 10	***-*** *Virgin*
1509 10 10	*-- Lampante olive oil*
1509 10 90	*-- Other*
1509 90	***-*** *Other*

Product specifications

Quality

General:

The minimum requirements for olive oil applying to producers worldwide are covered by the *Codex Alimentarius'* Standard for Olive Oils and Olive Pomace Oils (CODEX STAN 33-1981, listed under Standards). This standard covers composition and quality factors, including food additives, contaminants, hygiene, labelling, physical characteristics and methods of analysis and sampling for various types of olive oils (see below).

As an industry standard, olive oil is classified and labelled under the grades established by the International Olive Council (IOC), which apply to its members,[2] including Germany and the leading olive-oil producing countries. The grades are based primarily on type of processing, acidic value (i.e. free acidity expressed as oleic acid) and flavour, as explained below:

- ***Extra-virgin olive oil***: derived from virgin oil production and from first pressing only; acidity not exceeding 0.8% (0.8 grams per 100 grams); superior flavour.
- ***Virgin olive oil***: derived from virgin oil production only; acidity not exceeding 2% (2 grams per 100 grams); good taste, albeit inferior to extra-virgin olive oil.
- ***Ordinary virgin olive oil:*** virgin olive oil; acidity not exceeding 3.3% (3.3 grams per 100 grams); not permitted for sale in Germany or the European Union. The progress made by producers and millers has led to an increase in production of virgin and extra virgin oils, relative to ordinary oils. The European Commission has responded to this market development, allowing consumers to benefit from it by removing ordinary virgin olive oil from the list of types of oil on the market in Europe. These oils should now be included under the category of lampante olive oil (at a lower allowable acidity level).
- ***Lampante olive oil:*** virgin olive oil not suitable for consumption; acidity exceeding 2% (2 grams per 100 grams).

[1] Organoleptic properties are the aspects of food or other substances that an individual experiences through the senses, including taste, sight, smell and touch.
[2] The following countries are currently members of the IOC: Albania, Algeria, Argentina, European Union, Egypt, Iran, Iraq, Israel, Jordan, Lebanon, Libya, Montenegro, Morocco, Syria, Tunisia, Turkey and Uruguay.

- ***Refined olive oil***: obtained from virgin olive oils by refining methods that do not alter the initial glyceridic structure; acidity not exceeding 0.3% (0.3 grams per 100 grams).
- ***Olive oil:*** a blend of virgin and refined production oil; acidity not exceeding 1%. The mixing ratio is not fixed, and the proportion of virgin olive oil can thus range between 1% and 99%. The higher the proportion of virgin olive oil, the more intense the flavour.
- ***Crude olive-pomace (residue) oil:*** from the pomace (solid residue from seeds, skins and pulp residues) that remains after pressing/extraction; hexane (i.e. a second extraction of the last remaining oil) is extracted by means of solvents. Not suitable for human consumption or intended for technical use.
- ***Refined olive-pomace (residue) oil:*** obtained from crude olive pomace oil by refining methods that do not alter the initial glyceridic structure; acidity not exceeding 0.3% (0.3 grams per 100 grams); flavourless.
- ***Olive pomace oil****:* Refined olive-pomace oil, mixed with virgin oil; acidity not exceeding 1% (1 gram per 100 grams). This blend cannot be referred to as olive oil, but it is suitable for human consumption.

Despite the existence of IOC standards, the Commission Regulation (EEC) No 2568/91 and its amendments (version 01/01/2015[3]) distinguish eight categories of olive oil (**ordinary virgin olive oil is excluded** from the nine listed above). These designations define the quality levels under which olive oil may be sold in the European Union, taking precedence over IOC standards. This regulation is explained further in the Buyer Requirements section of this product factsheet.

Labelling

This section describes the labelling requirements for olive oils sold as bulk products in Germany or in the European Union as a whole. The labelling requirements are as follows:
- Ensure traceability of individual batches.
- Use English for labelling purposes, unless your buyer has indicated otherwise.
- Labels for bulk products must include the following information:
    - Product name and grade (According to Commission Regulation (EEC) No 2568/91 and its amendments)
    - Batch code
    - A statement that the olive oil is destined for use in food products
    - Name and address of exporter
    - Best-before date
    - Net weight
    - Recommended storage conditions

Organic (if applicable): Name/code of the certifying body and certification number.

In case the product is packaged as a final product (i.e. in consumer bottles) in the origin country, the Commission Implementing Regulation (EU) No. 29/2012 (amended by Commission Implementing Regulation (EU) No. 1335/2013) on marketing standards for olive oil applies, in addition to the minimum requirements of Regulation (EU) No. 1169/2011 on the provision of food information to consumers.
- Name of product and grade of olive oil: (1) extra-virgin olive oil, (2) virgin olive oil, (3) olive oil composed of refined olive oils and virgin olive oils, (4) olive-pomace oil.
- The categories (1) extra-virgin olive oil and (2) virgin olive oil shall bear designations of origin according to Article 4 of Regulation (EU) No. 29/2012.
- *Optional* terminology: Positive attributes (fruity, bitter and pungent), according to the intensity of perception: intense, medium and light.
- Other *optional indications* may include: (1) first cold pressing, (2) cold extraction, (3) organoleptic properties referring to flavour and/or odour, (4) acidity or maximum acidity. These indications must comply with their respective requirements, as described in Article 5 of Regulation (EU) No. 29/2012.
- List of ingredients.
- Quantity/categories of ingredients.
- Net quantity.
- Date: minimum durability.
- Special storage/usage conditions.
- Declaration of allergenic substances.
- Business name and address.
- Usage instructions.

[3] The latest consolidated versions (Regulation No. 2568/91 and its latest amendments) are available on the following EUR-Lex page.

Example of retail labelling

Source: Il Palazzone

Organic: To be marketed as organic-certified in Germany and throughout the European Union, olive oil must bear the European Union's organic logo. In order to qualify for the organic logo, the olive oil must comply with the European Union regulations on organic farming and marketing. Additional information about the EU organic logo is available here. The regulations are explained in greater detail in the section 'What are the niche requirements?' in this document. In addition to the European Union logo, Germany has its own organic logo: the Biosiegel.

Labelling of organic olive oil

Source: Jordan Olivenöl

Documentation

Several of the essential documents that are commonly required by importers in Germany and the European Union in general are listed below:

- Certificate of Analysis (example: 1)
- Technical Data Sheet (TDS) (example: 2)
- Material Safety Data Sheet (MSDS) (example: 3)
- Certificate of Origin (natural vs. synthetic, local vs. imported and naturalised)
- Allergens declaration
- CMR declaration (non-Carcinogenic, Mutagenic, or Toxic for reproduction)
- Declaration: free from BSE (Bovine Spongiform Encephalopathy)/TSE (Transmissible Spongiform Encephalopathy) contaminants
- Gluten-free declaration
- Heavy metals declaration
- Non-nanoparticles declaration
- Other certificates (e.g. organic or Fair Trade), if applicable

Example of bulk packaging

Source: Olives South Africa

Transportation and storage

Options for transporting olive oil in bulk include the following:

- Drums (58 gallons/220 litres)
- Totes (275 gallons/1,014 litres)
- Flexitanks (5,812 gallons/22,000 litres), according to ISO 9001:2000 standards
- Flexitanks for liquid transportation with ISO 20' dry container
- Flexible bags designed and developed for transporting bulk olive oil.

For additional information on the bulk transportation of olive oil and shipping options, refer to [Olive Oil Market: Olive Oil Transportation](). Be sure to consult your buyer concerning specific requirements and/or preferences regarding bulk transportation.
Given that olive oil is liquid under normal transport conditions, it requires no heating. At temperatures below 6°C, however, it assumes a semi-liquid consistency, with 50% of the oil precipitating out. At 0°C, olive oil takes on a buttery consistency. As such, olive oil should be heated in order to prevent quality loss and achieve pumpability. Ensuring the proper travel temperature as much as possible during transport is also important in order to minimise oxidation processes.

Other measures to safeguard the quality of olive oil include the following:

- Cleaning and drying the drums, tanks, totes or bags before loading the oil
- Not loading rancid olive oil
- Filling tanks, totes, bags or drums as fully as possible in order to avoid ventilation and light: ventilation should not be used under any circumstances, as it would supply fresh oxygen to the cargo, thus promoting oxidation processes and premature rancidity.

Note that ***organic olive oil*** should remain physically separated from conventional oils.

Additional information on the appropriate conditions for the transportation of olive oil can be found under the websites of Cargo Handbook: Olive Oil and Transport Information Service: Olive Oil.

Example of cargo transport

Source: Olive Oil Market

Consumer packaging

According to Commission Implementing Regulation (EU) No 29/2012 (amended by Commission Implementing Regulation (EU) No. 1335/2013) on marketing standards for olive oil, the product must be presented to the final consumer in

packaging of a maximum capacity of 5 litres. Such packaging must be fitted with an opening system that can no longer be sealed after the first time it is opened, and it must be labelled according to the requirements described above in the section on ‘Labelling’.
In the case of oils intended for consumption in restaurants, hospitals, canteens and similar collective establishments, the maximum packaging capacity of 5 litres may be exceeded, depending on the type of establishment concerned.

The most common type of consumer packaging available from German retailers is glass (usually with a net content of 0.5 litre, but ranging between 0.25 litre and 0.75 litre; packages of 2 and 5 litres are also available from selected retailers). Other packaging solutions are available on the market as well, as described in the section on ‘What trends offer opportunities for olive oil on the German market?’

The UC Davis Olive Center recently published a report addressing the various packaging solutions for olive oil: [Packaging influences on olive oil quality: A review of the literature (2014)]. This report provides a review of the following materials: glass, aluminium, tinplate cans, stainless steel, plastic, coated paperboard and bag-in-box. According to the report, the ideal packaging material should prevent air and light penetration, and oil should be stored in the dark at temperatures 16 ^{o}–18^{o} C in order to maximise shelf stability.

Examples of consumer packaging

Source: Imgbuddy

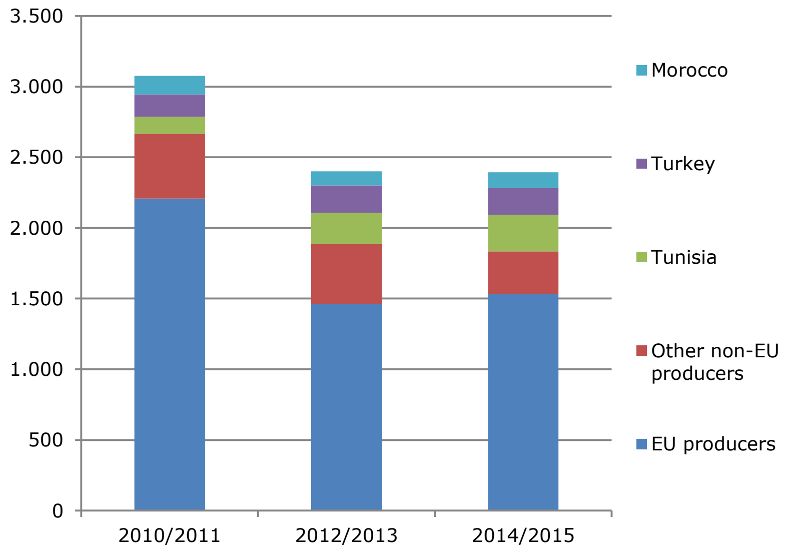
What is the demand for olive oil in Germany?

Germany is one of Europe’s largest markets for olive oil. Total consumption is high and stable. Moreover, the market offers good opportunities for organic olive oil. Virgin olive oil accounts for the largest share of consumption in Germany.

Production

The European Union is the world’s largest producer of olive oil, with production concentrated in Spain, Italy and Greece. Germany does not produce olive oil. Between 2010 and 2014, production in the European Union decreased considerably (see Figure 3). This was primarily due to poor harvests in Spain in 2012/2013 and disastrous harvests in Italy and Spain in 2014/2015. In the most recent season, non-EU producers (e.g. Tunisia) exploited the gap that European suppliers left on the market by increasing their exports three-fold compared to the previous season.

Figure 1: Leading producers of olive oil, in 1,000 tonnes*



Source: International Olive Council
** Data for 2014/2015 season are estimated*

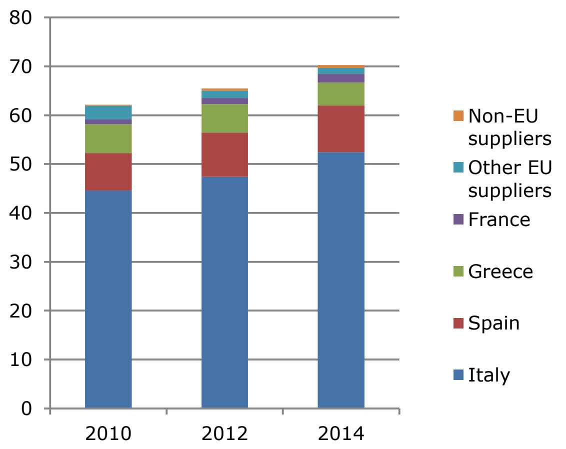
The International Olive Council estimates that European olive oil production for 2015/2016 will be higher than the year before, thus decreasing opportunities for non-EU producers to sell additional olive oil on the European market. When looking at agro-climatic conditions that affect the development of olives, the Council and the Spanish Association of Olive Municipalities estimate that Spain's harvest for 2015/2016 will be higher than in the previous year. Nevertheless, the consecutive high temperatures in the Spanish summer of 2015 do not bode well for the upcoming Spanish harvest.

Imports

Germany imports a small amount of olive oil directly from developing countries (Figure 2). Most of the country's olive oil is imported from Italy (75% of 2014 import volume). Imports from Turkey, Germany's largest non-EU supplier of olive oil, have increased by 56% in volume each year and 41% in value each year from 2010 to 2014. During the same time frame, total German imports increased steadily at an annual rate of 3% in volume and 6% in value.

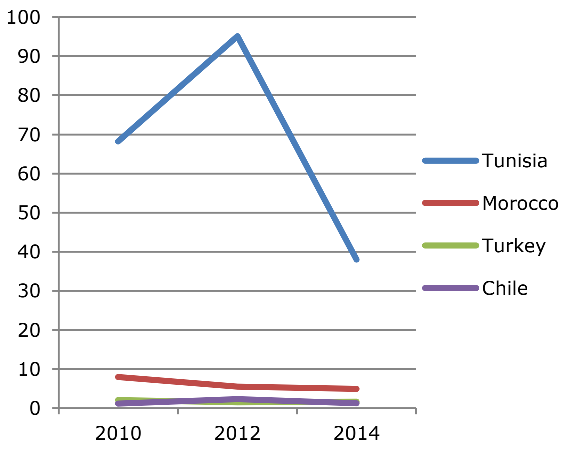
Given the small scale of Germany's direct imports from developing countries, an overview of leading non-European suppliers for the total European market is also provided in Figure 2. In this figure, Italy is the largest importer, accounting for over half of the entire import volume in 2014. Imported olive oil is blended in Italy and re-exported to other European countries, including Germany.

Figure 2: Leading suppliers of German olive oil imports, in 1,000 tonnes



Source: Eurostat, 2015

Figure 3: Leading non-EU suppliers to Europe, in 1,000 tonnes*



Source: Eurostat, 2015
** Supply figures from Turkey are similar to those from Chile (lines overlap)*

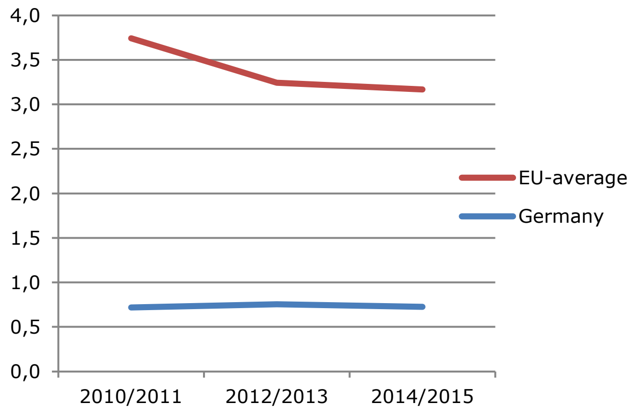
The largest non-European supplier is Tunisia. Italy is Tunisia's main European import partner, accounting for 60%-80% of the total volume of Tunisian exports to Europe. In Italy, Tunisian olive oil is blended with oils from Italian and other origins and exported to other European countries. Other large import partners include Spain and France.

Tunisian exports of olive oil are quite volatile, partly reflecting European production cycles. To illustrate, in 2012, Tunisian exports to Spain increased by almost 160% compared to the year before, presumably to make up for the failed Spanish harvest. Although Tunisian exports to Europe fell in 2014, they are expected to recover in 2015, due to the disastrous harvests suffered by Italy and Spain in the 2014/2015 season. These supplies will continue to depend upon fluctuations in the European production of olive oil. European producers will continue to be strong competitors for Tunisian olive oil suppliers.

The European Commission has offered an additional opportunity for Tunisian exports of olive oil to Europe. In September, the Commission proposed a temporary additional annual duty-free tariff quota of 35,000 tonnes of olive oil to the EU (European Commission). If enacted, this quota would apply to Tunisian exports in 2016 and 2017, supplementary to the existing tariff-free quota of 56,700 tonnes.

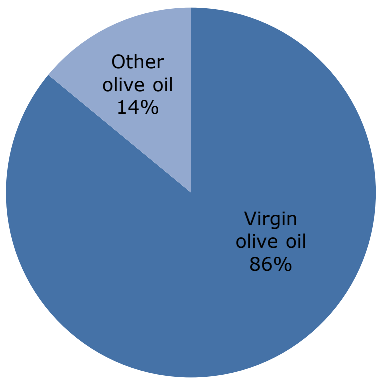
Consumption

Figure 4: Per capita consumption Germany and EU-average, in kg*



Source: International Olive Council (2015)
** Data for 2014/2015 season are estimated*

Figure 5: German imports of virgin and other olive oils



Source: Eurostat, 2015

In terms of total consumption, Germany is one of the largest olive oil markets in Northern Europe, with only France and the UK consuming more olive oil. In terms of per capita olive oil consumption, however, the German figures are lower than the EU average (Figure 4), which is driven up by the high per capita consumption in Southern Europe (e.g. Italy and Spain). From 2010 to 2014, total German consumption of olive oil remained stable at 58–60 thousand tonnes (around 750 grams per capita). To compare, consumption in most European countries fell within the same time frame.

Germany imports and consumes predominantly virgin olive oil, rather than refined olive oils (Figure 5).

Exports

Given that Germany is an end market for olive oil, the country's exports of olive oil are small, relative to its imports, and mostly regional. The leading export destinations are the Netherlands and Austria (together accounting for 50% of German exports), followed by France, Switzerland, the UK and Poland.

Tip:

- Stay abreast of the EU production of olive oil for opportunities to increase supplies to the European and German market. The International Olive Council, the Olive Oil Times and other resources provide current information on the olive oil market, addressing production, prices and other developments.

What trends offer opportunities on the German market for olive oil?

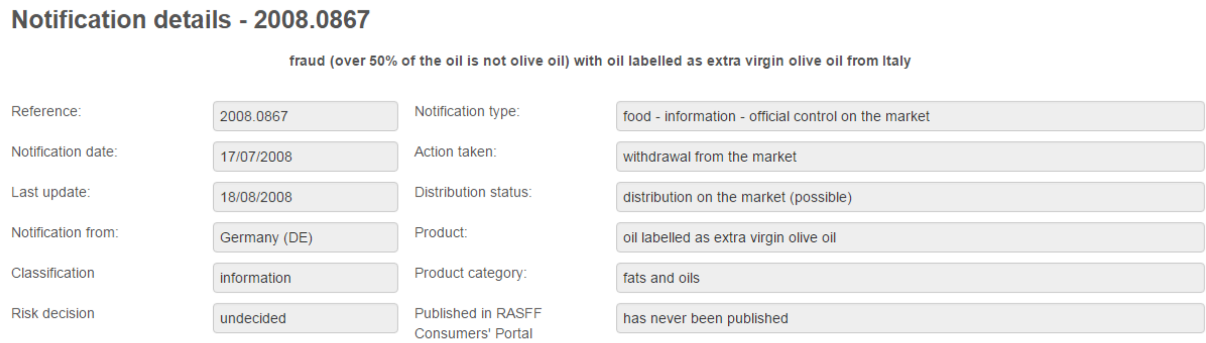
The ***authenticity*** of olive oils is an important issue in Europe, and it affects the German market as well. The issue revolves around two primary themes: **composition** and **origin**. With regard to composition, many reports note that oils sold as extra virgin oils (in German: *natives Olivenöl Extra*) often do not have a composition that corresponds to the claim. As explained in 'Product specifications', olive oil composition and labelling are clearly defined by legislation, and they are strictly monitored by customs authorities and buyers.

Origin is also a point of attention for olive oils. Until July 2009, the European Union did not require olive oil labels to state the country of origin of the olives used in the product. In response to a series of fraudulent origin claims, however, the legislative provisions under EU law now clearly define the rules for 'made in' claims for olive oil. Nonetheless, industry sources indicate that the olive oil market continues to contain products and players who do not follow European law strictly, thus creating traceability concerns.

Tip:

- Refer to the [RASFF Portal](#) to trace cases of notifications and border rejections in Germany and in the European Union. For olive oil, most cases involve adulteration, false claims (see Figure 6 below) and contamination.

Figure 6: Example of false claims of olive oil in the RASFF Portal



Notification details - 2008.0867

fraud (over 50% of the oil is not olive oil) with oil labelled as extra virgin olive oil from Italy

Reference:	2008.0867	Notification type:	food - information - official control on the market
Notification date:	17/07/2008	Action taken:	withdrawal from the market
Last update:	18/08/2008	Distribution status:	distribution on the market (possible)
Notification from:	Germany (DE)	Product:	oil labelled as extra virgin olive oil
Classification	information	Product category:	fats and oils
Risk decision	undecided	Published in RASFF Consumers' Portal	has never been published

Source: [RASFF Portal](#)

- Be sure to browse through various border rejections and alerts for specific olive oil under the product category 'Fats and oils' after accessing the RASFF Portal. In this manner, you can learn about common problems faced by suppliers during border controls and adopt appropriate measures to avoid them.
- Do not deviate from European legislation for olive oil, including origin claims, as described under Commission Regulation (EEC) No 2568/91 and its amendments (version 01/01/2015[4]) and Commission Implementing Regulation (EU) No. 29/2012 (amended by Commission Implementing Regulation (EU) No. 1335/2013).
- Develop an Identity Preservation (IP) system for your products (i.e. maintaining their segregation and documenting their identity), focusing on origin and transparency along the chain.

Example of specialty oil

Terra di Bari DOP (Denominazione di Origine Protetta: Protected Designation of Origin)
Source: Olivenoelkontor.de

Although they remain a niche market, ***speciality olive oils*** are attracting increasing interest amongst German and European consumers. This trend is expanding opportunities for oils with geographic indications and those coming from a specific origins or terroirs. Although some conventional supermarkets (e.g. Rewe) sell such specialty oils, they are more commonly marketed through delicatessen shops and e-tailers (online retailers). Examples include OlivenÖlKontor, Oil & Vinegar and Delinat. Olive oil assortments are often combined with wines, vinegars and other delicatessen items. The trend towards speciality products (e.g. olive oil) is driven primarily by consumer needs for traceability and authenticity. German consumers are increasingly demanding more information on the quality and origin of olive oils. Although price mark-ups are higher in this higher-end market segment, there is a pressing need for proper quality and supporting documentation.

Movements in the European (and German) market for speciality oils offer an opportunity for olive oil suppliers to shift from exporting bulk olive oils to ***branded oils***, based on authenticity and origin. Suppliers must be able to ensure consistency in the sensory properties (e.g. taste, smell) of their products in order to sell them as consumer products in Europe (see Tips). Two North African countries, Tunisia and Morocco, are attempting to do just that. One brand from Morocco won the Gold Award in the 2014 New York International Olive Oil Competition (Olive Oil Times). Tunisia hosts a national competition for

[4] *The latest consolidated versions (Regulation No. 2568/91 and its latest amendments) are available on the following EUR-Lex page.*

the olive oils with the highest quality and best packaging (Agence Tunis Afrique Presse, 2015). This competition was created to highlight the efforts made by companies to promote the olive oil sector in Tunisia.

Tips:

- If you would like to market blended olive oils as branded consumer products, be sure that your products meet the sensory (organoleptic) properties of olive oil, as demanded in Germany. In Europe as a whole, and specifically in Germany, olive oil blends have a mild organoleptic profile (not too strong, not too weak). Develop expertise and skills in blending and quality control in order to ensure your ability to offer oils with this profile consistently throughout the year.
- Develop a strong marketing story for your olive oil. This is essential if you would like to enter the German market for speciality oils, in addition to ensuring a high-quality product and complying with the European law. As a marketing element, your product story could possibly include:
    - The origin of the olive oil, including elements of the producing communities
    - Traditional and/or current production methods
    - Environmental and social impact (substantiated with certificates)

Organic-certified olive oils are the strongest selling category of edible organic oils in Germany. This offers an opportunity for suppliers who can meet the requirements for organic certification.

Valued at €7.5 billion in 2014, Germany is the largest market for organic food products in Europe, with 3.8%–4.0% of its total food market consisting of organic sales (AMI, 2015). Within the German organic market, vegetable oils grew by 25% from 2013 to 2014, thus constituting one of the most rapidly growing categories. Olive oil is one of the three leading oils sold in Germany, in addition to canola/rapeseed oil and sunflower oil.

Tips:

- In order to be marketed as 'organic' in Germany (or in any other country in the European Union), a product must comply with the EU Regulation (Council Regulation (EC) No 834/2007 and Commission Regulation (EC) No 889/2008 (OJ L-250 18/09/2008) for organic production and labelling. Claims of 'Natural', 'Pesticide free' or 'Organic by default' are not valid without organic certification.
- Always consult your buyers with regard to your options for complying with organic certification.
- Learn more about the requirements for organic certification and refer to other *Tips* provided in the section 'What are the niche requirements?'

In line with the movement towards ethical marketing, **fair trade certification** is another growing trend for olive oils in Germany. This trend offers an opportunity for developing country suppliers, as it can help them to distinguish their original sources. Fair trade certification is associated with positive social impact on producing countries and fair pricing systems for producers, thus responding to a growing concern among German consumers.

A large share of fair trade products in Germany, including olive oils, are sold in more than 800 '**One World Stores'**, which offer groceries, textiles and crafts exclusively from developing countries. Conventional stores are also offering an expanding range of goods with fair trade certification (DW). Conventional stores account for a large share of all sales of fair trade products.

Whereas Fairtrade International/FLOCERT accounts for the largest share of the German market for fair trade-certified products (amounting to around € 654 million in 2014 at the retail level), other fair trade certifiers include Ecocert Fair Trade and Fair for Life.

Tips:

- Browse the list of operators on the websites of the main fair trade certifiers to learn more about the certified companies and cooperatives: FLOCERT (under Oilseeds and oleaginous fruit > Olive Oil > Producer); Ecocert Fair Trade; Fair for Life.
- Learn more about the requirements for fair trade certification, and refer to other *Tips* provided in the section 'What are the niche requirements?'

The retail market in Germany is currently in need of new ***packaging solutions*** for olive oil (e.g. increased use of aerosol-packaging). Although most olive oils are still packaged in bottles or cans, industry experts have associated these common forms of packaging with problems in terms of flavour and quality. In contrast, aerosol-packaged oils are pure. The trend towards this new packaging is driven by the popularity of the Mediterranean diet and by increasing consumer interest in convenience, product purity and value (Olive Oil Market). This could be an opportunity for you if you are able to produce innovative packaging that complies with EU legislation (see tips).

> **Tip:**
> - Although innovation is encouraged, it is important to remember that packaging solutions for olive oil must comply with the Commission Implementing Regulation (EU) No 29/2012 (amended by Commission Implementing Regulation (EU) No. 1335/2013) and any additional buyer requirements communicated by direct customers in Germany/Europe.

Stainless steel container

Source: La Nuova Sansone

Another interesting development in Germany concerns the expansion of **package-free retailers**, which cater to a niche market segment. In such establishments, various products, including olive oil, are sold in bulk form, in an effort to avoid the excessive use of packaging/waste materials. The Zero Waste Europe website describes this development, in addition to listing several retailers in Germany (e.g. Unverpackt). Specialised retailers (e.g. Oil & Vinegar) also provide bulk solutions to customers, allowing them to dispense customised amounts of olive oils from vacuum-sealed stainless steel containers (see example). This could be an interesting opportunity for you, as it would eliminate the need to re-package your olive oil into consumer packaging.

> **Tip:**
> - Investigate the alternative market for package-free retailers and learn more about their bulk packaging solutions.

With which legal requirements should olive oil comply?

Olive oil

Specific criteria apply to olive oils intended for sale directly to customers in the European Union. These criteria cover such aspects as product characteristics, quality and purity, as discussed under Product Specifications (Commission Regulation (EEC) No 2568/91, consolidated version 01/01/2015[5]). They describe the physico-chemical characteristics of the various categories of olive oil and olive-residue (pomace) oil (see Annex I of Regulation (EEC) No 2568/91).

In addition, methods of analysis have been established for determining the chemical characteristics of olive oil (see Annex II to XIX of Regulation (EEC) No 2568/91). The regulation also provides maximum limits for solvents, specifying that halogenated solvents (e.g. freon, trichloroethylene, perchloroethylene, chloroform) cannot exceed the maximum limit of 0.1 mg/kg per individual solvent, or 0.2 mg/kg for the total content of halogenated solvents (Article 7).

In addition, the European market for olive oil is regulated by the Commission Implementing Regulation (EU) No 29/2012 (amended by Commission Implementing Regulation (EU) No. 1335/2013), which addresses marketing standards for olive oil. The regulation highlights that olive oil has certain properties, in particular organoleptic and nutritional properties, which allow access to a high-priced market relative to most other vegetable fats, even when taking production costs into account.

In addition to these product-specific requirements, other more general legal requirements for food products/vegetable oils apply to producers and exporters of olive oil.

Note: Olive oils used as food ingredients in processed food products or exported to the European Union for further processing into food products do not fall under the scope of the Commission Regulation 2568/91 discussed above. These

[5] *The latest consolidated versions (Regulation No. 2568/91 and its latest amendments) are available on the following EUR-Lex page.*

products are required to comply only with the health and safety requirements and other requirements applying to all food products marketed to the European Union.

Food safety: Traceability, hygiene and control

Food safety is a key issue in EU food legislation. All food products in the European Union, including olive oil, must comply with the General Food Law (Regulation (EC) 178/2002). This legislation specifies the general principles and requirements of food legislation, establishes the European Food Safety Authority and stipulates procedures in matters of food safety. It also includes provisions on the traceability of food: the ability to track food products throughout the various stages of production. Buyers expect that exporters to the EU at least know and document their buyers and suppliers and the products that are used during their production processes, in addition to labelling final products for traceability in case of food safety problem. Be sure to maintain detailed purchasing and sales records, and implement a traceability system to keep track of the products and supplies that you use.

One important aspect in controlling food safety hazards involves defining critical control points (HACCP) through the implementation of food management principles. Another important aspect concerns subjecting food products to official controls. Products that are not considered safe will be denied access to the European Union.

Control of food imported to the EU

When specific products originating from particular countries are repeatedly found to be in non-compliance, they may be subject to stricter import conditions (e.g. requiring health certificates and analytical test reports). Products from countries involved in repeated cases of non-compliance are included on a list appearing in the Annex to Regulation (EC) 669/2009. No cases specifically involving olive oil are currently listed under this annex.

Tips:

- Read more about sanitary and phytosanitary requirements at the EU Export Helpdesk, pay special attention to the following documents from the European Commission:
    - Import requirements and the new rules on food hygiene and official food controls
    - Implementation of certain provisions of Regulation (EC) No 852/2004 of the European Parliament and of the Council on the hygiene of foodstuffs
    - Implementation of procedures based on the HACCP principles
- Determine whether any increased levels of control apply to your product and country. The list is updated regularly. Consult the Regulation periodically for the most recent list.
- Hygiene is another important factor with regard to the mode of transport (e.g. bulk transport of olive oil). Suppliers should therefore ensure that tanks are adequately cleansed and free of unacceptable residues from previous freights.

Contamination sources and maximum levels

Contaminants are substances that may be present in olive oil as a result of the various stages of processing, packaging, transport or storage. One of the most common problems faced by olive oil exporters is contamination derived from the raw material or from foreign matter. For this reason, it is crucial for exporters to know of and comply with the maximum contamination levels allowed by European legislation. The various sources of contamination in olive oil and the corresponding legislation are as follows:

- ***Polycyclic aromatic hydrocarbons (PAHs):*** contamination with PAHs, especially benzo(a)pyrene, is most common in olive pomace oil. This group of contaminants consists of semi-volatile organic compounds (SVOCs) that are present in crude oil. Most contamination is related to the drying processes, during which combustion gases may come into contact with the raw material. The product can be contaminated by PAHs present in air (by deposition), soil (by transfer) or water (deposition and transfer). The maximum limit for benzo(a)pyrene is 2.0 µg/kg. The maximum sum of PAHs is 10 µg/kg (see Section 6 of the Annex to Regulation (EC) No 1881/2006).
- ***Aflatoxins:*** no aflatoxin requirements apply to seeds used for crude or refined vegetable oil (crushed or extracted), as they contain only small fractions of the aflatoxin present in matter. Nonetheless, olives can be contaminated by moulds (e.g. *Aspergillus parasiticus*) when stored for long periods; contamination can potentially be transferred to the olive oil. Consignments destined for refined oil should be clearly labelled with 'product to be subject to crushing for the production of refined vegetable oil'. This indication must be included on the label of each individual bag, box or other container, as well as on the accompanying documents (see Section 2 of the Annex to Regulation (EC) No 1881/2006).
- ***Dioxins and PCBs:*** limits have been adopted to protect human health (see Section 5 of the Annex to Regulation (EC) No 1881/2006).
- ***Heavy metals:*** oils are not allowed to contain more than 0.1 mg/kg of lead (see section 3 of Annex to Regulation (EC) No 1881/2006).

- ***Pesticides:*** the European Union has specified maximum residue levels (MRLs) for pesticides in and on food products. Products containing more pesticides than allowed will be withdrawn from the European Union market. Note that buyers in several Members States, including Germany, apply MRLs that are stricter than those established in European Union legislation. The MRLs applied and their relative strictness vary according to buyer. Always consult your buyer to determine the specific MRLs that they apply.
- ***Microbiological criteria:*** current EU legislation does not specify any microbiological criteria for olive oil or other vegetable oils. Nevertheless, food safety authorities can withdraw imported food products from the market or prevent them from entering the EU if salmonella or other microbes are found in them. Although irradiation is one way of combating microbiological contamination at the level of raw materials, EU legislation prohibits its use for oilseeds.
- ***Foreign matter***: contamination by foreign matter (e.g. chemicals, dust) is likely to occur in vegetable oils if food safety procedures are not carefully followed. In some cases, olive oil can become contaminated by foreign matter, thus posing a major threat in terms of food safety.

Tips:

- The Rapid Alert System for Food and Feed (RASFF) lists various border rejections and alerts for specific olive oil under the product category 'Fats and oils', after accessing the RASFF Portal. Browsing these lists can help you to learn about common problems faced by suppliers during border controls and to adopt appropriate measures to avoid them. Examples include adulteration and contamination.
- The International Olive Council has specific standards and guidelines for quality control within the olive oil industry, covering various stages of production in mills, refineries, packing plants and olive-pomace extraction plants. Refer to the page of IOC: Standards.
- Read more about PAHs in vegetable oils in the EU paper Polycyclic Aromatic Hydrocarbons – Occurrence in foods, dietary exposure and health effects.
- Refer to the Code of practice for the prevention and reduction of dioxins and PCBs in food by the *Codex Alimentarius* for additional information.
- To identify the MRLs that are relevant to your products, consult the EU MRL database, which lists all harmonised MRLs. When searched according to product or pesticide used, the database displays a list of the MRLs associated with specific products or pesticides.
- One good way to reduce the amount of pesticides involves the application of integrated pest management (IPM), an agricultural pest control strategy using complementary strategies, including growing practices and chemical management. Read more about MRLs in the EU Export Helpdesk.
- Read more about contaminants in the EU Export Helpdesk, and consult the European Commission factsheet on food contaminants: Managing food contaminants: How the EU ensures that our food is safe.
- Become familiar with the FEDIOL Hygiene Guides, including the procedures established for addressing salmonella and other sources of contamination.
- Many border rejections are due to the improper transport of olive oil. For information on safe storage and transport, refer to the website of the Cargo Handbook: Olive Oil.

Erucic acid in oils and fats

Erucic acid is a substance naturally found in some oils derived from plants, primarily in some varieties of mustard seed oil and rapeseed oil. It is not significantly high in olive oils. The EU has set the maximum level of erucic acid at 5% of the total level of fatty acids in the fat component of the product.

Tip:

- Comply with the maximum levels for erucic acid, as defined in Council Directive 76/621/EEC.

Extraction solvents

Extraction solvents can be used in the production or fractionation of vegetable and other oils. Be aware that maximum residue limits restrictions also apply to extraction solvents (e.g. 5 mg/kg for ethyl-methyl-ketone in the fractionation of oils; 1 mg/kg for hexane in the production and fractionation of oils). Extraction solvent limits (e.g. the use of acetone is prohibited in the refining of olive-pomace oil) apply in addition to the requirements described in Commission Regulation (EEC) No 2568/91, specifically for olive oil.

Tip:

- Refrain from using extraction solvents that are not allowed by EU law. Refer to EU Directive 2009/32s/EC for additional information about the restriction of such solvents.

Product composition

Buyers and EU customs authorities may reject products with undeclared, unauthorised (e.g. mineral oil, Sudan 4 colour) or high contents of extraneous materials. Specific EU legislation applies to additives and enzymes (e.g. colours, thickeners) and to flavourings. The substances that are allowed for use in food products are listed as E-numbers. The use of extraneous materials is generally not allowed for olive oil, and caution is advised when using flavourings (e.g. truffle), as they are subject to this specific legislation.

Tip:

- E-numbers indicate approval by the EU. To obtain an E-number, an additive must have been fully evaluated for safety by the competent food safety authorities in the EU (EFSA). For an overview of E-numbers, refer to the Annex to Regulation 1333/s2008 (see under *Consolidated versions*). Additional information is available in the CBI Buyer Requirements for the sector including natural colours, flavours and thickeners.

Food contact materials

Specific health control provisions apply to consumer packaging materials that come into contact with food (e.g. bottles, containers). For example, food contact materials made from recycled or other plastic and ceramic must be manufactured in a manner that prevents them from transferring constituents to food in quantities that could endanger human health, change the composition of the food in an unacceptable way or cause deterioration in the flavour and odour of foodstuffs. Commonly restricted substances include vinyl chloride monomer N-nitrosamines, N-nitrosatable BADGE, NOGE, BFDGE and heavy metals.

Tips:

- The European Union legislation on food contact materials is quite extensive. It is not easy to prove to your EU importer that your product complies with all requirements. For this reason, EU importers of food products require documentation on toxicology and risk assessment of chemical migration from food contact materials and/or declarations of compliance.
- One interesting substance of which suppliers should be aware is Bisphenol A (BPA), which is known for its use in plastic bottles. Although the use of BPA is still allowed in the European Union, recent discussions have led some buyers to ban it.

Labelling

Olive oil is subject to the general EU Regulation 1169/2011 on the provision of food information, which establishes new labelling requirements, most of which have been applicable since December 2014. This regulation applies to exporters of olive oils that are sold as final/consumer products.

Allergens

Pre-packed products (e.g. olive oil in consumer packaging) that contain allergens must be labelled in such a way that the presence of allergens is clearly visible to consumers. Under Regulation (EU) No 1169/2011, allergens must be highlighted in the list of ingredients. Requirements concerning allergen information also apply to foods that are not pre-packed, including those sold in restaurants and cafés. This represents a considerable change from the repealed Directive 2000/13/EC. Although olive oil allergies are quite uncommon, undisclosed and illegal fillers (e.g. those containing nut oils) could be fatal to some consumers.

Tip:

- Refer to Annex II of Regulation (EU) No 1169/2011 for an overview of all allergens.

Nutrition and health claims

Nutrition and health claims suggest or indicate that specific food items (e.g. olive oil) have beneficial characteristics. In order to prevent such claims from misleading consumers, EU approval requires them to be based on scientific evidence. Any new nutritional or health claims are required to have advance approval from the European Food Safety Agency (EFSA).

Tips:

- Read more about nutrition and health claims on the website of EU.
- Be sure to consult the EU Register of nutrition and health claims made on foods to identify claims that are allowed for olive oil, along with the conditions under which they can be made.

Requirements specific to olive oil

Labelling requirements for olive oil are supplemented by the Commission Implementing Regulation (EU) No 29/2012 on marketing standards for olive oil, which addresses product-specific requirements.

Tip:

- Read more about labelling in the section on 'Product specifications'.

General requirements on packaging and liability

Note that all goods marketed in the European Union are subject to general legislation on packaging and liability.

Full overview of requirements for olive oil:

For a list of requirements, consult the EU Export Helpdesk, selecting specific product codes under 1509 (olive oil), as well as specific origins and export destinations (e.g. Germany).

What additional requirements do buyers often have?

Food Safety Certification as a guarantee

Food hygiene (based on HACCP methodology) is a legislative requirement for producers and exporters of olive oil entering the European market.

In addition to the minimum and mandatory food safety standards, buyers in Germany and in the European Union are increasingly demanding compliance with food safety standards that are more comprehensive.

Compliance with such additional standards can allow olive oil exporters to enter specific market segments or gain competitive advantages relative to their competitors. Certifications concerning general quality and food safety management systems from recognised and trustworthy sources demonstrate the supplier's commitment to high and consistent quality and safety. This is highly relevant to the production and handling of olive oil, especially for olive oil in consumer packaging. As a general rule, quality management requirements become stricter at higher levels of processing and packaging.

The need to adopt standards that exceed HACCP (and the specific standards to be adopted) depends upon the profile of your buyer. Large retailers and private label manufacturers tend to be more demanding, and they are likely to require compliance with one or more of the following:

- International Featured Standards (IFS): Food: This standard corresponds to ISO 9001, but with a focus on food safety, HACCP, hygiene, the manufacturing process and business surroundings. The IFS is a quality and safety standard published by the union of German supermarket chains, HDE (Hauptverband des Deutschen Einzelhandels).
- British Retail Consortium (BRC): This private institution promotes private (BRC) standards, which contain rules on Good Manufacturing Practices (GMP) that extend beyond the HACCP plan (e.g. regarding organisation and communication).
- ISO 22000: This standard combines the HACCP plan with prerequisite programmes (PRPs). It specifies requirements for a food safety management system along the food chain, up to the point of final consumption.
- FSSC22000: This standard is based on the existing international standards ISO 22000 and ISO/TS 22002-1.

All of the aforementioned management systems are recognised by the Global Food Safety Initiative (GFSI), which means that any of them should be accepted by several major retailers in Germany. In practice, however, some buyers are likely to prefer specific management systems. In general, the IFS is the most commonly required standard in Germany, although this may differ amongst buyers.

Tips:

- Preparation for market entry is likely to include the implementation of a food safety management system, and it is therefore important to become familiar with such systems.
- If you plan to target one or more markets, identify the specific food safety management systems that are most commonly requested. In any case, select a management system that has been approved by the GFSI.
- Read more on the different Food Safety Management Systems on the Standards Map.
- One interesting source of information on food safety standards is the website of HACCPEUROPA, which also publishes news items on this topic.

Corporate responsibility

German buyers may expect you to comply with supplier codes of conduct regarding social responsibility, which are often based on the ILO labour standards. These codes can be specific to individual importers or included as part of initiatives in which the importer is participating. The adoption of such standards is most common among large-scale importers, food manufacturers and retailers.

Corporate responsibility initiatives also affect you as a supplier. Common requirements include signing a code of conduct for suppliers, in which you declare that you conduct your business in a responsible manner. More specifically, you declare that you (and your suppliers) observe such measures as respecting local environmental and labour laws and avoiding corruption. These aspects are also investigated further in company audits performed by potential buyers.

Tips:

- In selecting suppliers, German and other European buyers are likely look for exporters who have adopted appropriate codes of conduct and targets for improvement in such key areas as child labour and the environmental footprint of the company. Key references at the international level include the UN Global Compact and ISO 26000 on Social Responsibility.
- The implementation of a management system (e.g. ISO 14000 for environmental aspects; OHSAS 18001 for occupational health and safety; SA 8000 for social conditions) is a complementary strategy for addressing sustainability and, possibly, for gaining a competitive advantage on the German market.
- Before implementing such systems, however, it is important to consult current or potential buyers to determine the extent to they require and/or appreciate such standards.

What are the requirements for niche markets?

Additional requirements for niche markets (subsets of a market focusing on specific products) are becoming increasingly important for exporters of olive oil. Examples include environmental and social (labour) certifications.

Organic

Organic certification is a non-legislative requirement for olive oil. In order to market products as 'organic' in Germany and the European Union, however, companies must comply with the EU Regulation (Council Regulation (EC) No 834/2007 and Commission Regulation (EC) No 889/2008 (OJ L-250 18/09/2008) for organic production and labelling, which does constitute a legal requirement. Organic products must be grown using organic production methods, as specified in legislation, and growing and processing facilities must be audited by an accredited certifier before the EU or German organic logo may be applied to specific products.

The aforementioned EU Regulation also contains specific provisions (including with regard to labelling) for processed foods, which include olive oil. Organic certification applied to the value chain for olive oil contributes to traceability aspects in a market known for blending.

One of the factors to which exporters should pay special attention concerns whether specific organic certifications are actually recognised by the EU legislation. For this reason, producers/exporters should search for certifiers whose standards have been accredited by the EU. The European Commission's website on Agriculture and Rural Development provides a thorough explanation of import regulations and other related issues.

Commission Regulation (EC) No 1235/2008 of 8 December 2008 establishes detailed rules for the implementation of Council Regulation (EC) No 834/2007 and its latest amendments, with regard to arrangements for importing organic products from third countries. This regulation is available on the EUR-Lex website. Exporters targeting niche markets in Germany could also gain a competitive advantage by obtaining organic certification from Demeter or Naturland.

Tips:

- Investigate possibilities for organic certification, including the opportunities and costs involved in the process.
- For information on organic certification in Europe, visit the website of Organic Farming in the European Union, which also contains guidelines concerning the import of organic products. For information on certification standards, consult the International Federation of Organic Agriculture Movements (IFOAM) website.
- To become acquainted with Germany's national organic label, consult the Bio-Siegel website.
- For additional information on organic certification standards consult the Standards Map database.

Fair Trade

Fairtrade International is the leading standard-setting and certification organisation for fair trade. Products carrying the fair trade label indicate that producers are paid a Fairtrade Minimum Price. Fairtrade International has a complete minimum price structure for olive oils, which are classified by origin (Northern Africa, South America and Western Asia & Middle East), as well as by category (organic/conventional and extra virgin/virgin).

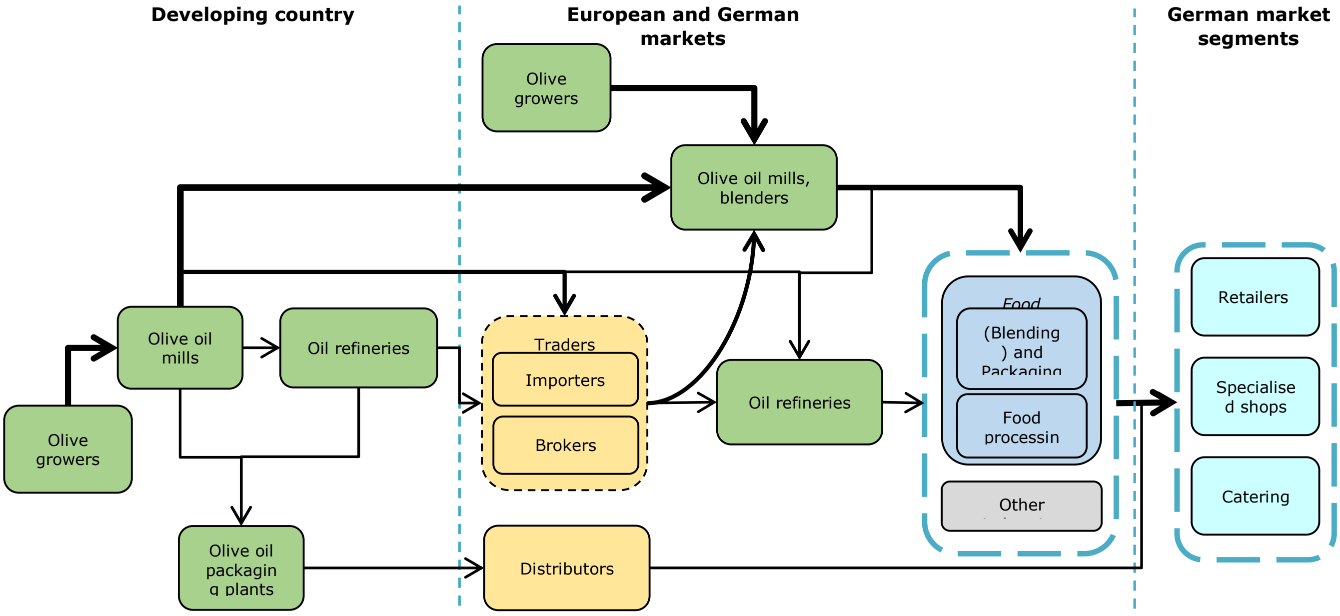
Other fair trade standards available in the European market include Fair Trade Ecocert and the IMO Fair for Life standard. Fair Trade Ecocert provides guaranteed minimum prices, producer support and good agricultural practices. This standard requires organic certification. The IMO Fair for Life standard has a similar proposition, and it is a standard for companies that demonstrate decent working conditions and commitment to fair sourcing and responsibilities towards their primary producers. This standard does not require organic certification.

Tips:

- Before engaging in a fair trade certification programme, consult with your potential buyer to verify that there is sufficient demand for the label in your target market and to determine whether it would be cost beneficial for your product. In general, Fairtrade International is the most common fair trade label in Germany.
- Consult the Standards Map database for additional information on Fair Trade and other voluntary standards relevant for olive oil.

What do the trade channels and interesting market segments look like in Europe and Germany?

Figure 6: Market channels for olive oil in Europe and Germany



Source: ProFound

Market channels

Developing country: production and exports

Olive growers produce, harvest and transport olives to **olive oil mills**, where the olives are crushed or pressed to extract olive oil. Olive growers may work independently or in business associations (cooperatives or agricultural partnerships). Olive production can also be integrated into the activities of olive oil mills.

In Europe, a large share of olive collection is mechanised, in contrast to other countries (e.g. Tunisia and Morocco), where collection consists largely of hand-picking. Although hand-picking safeguards the proper ripeness and reduces the bruising of olives, it can also result in longer intervals between collection and processing, thus affecting the quality of the product and increasing the risk of contamination.

Virgin olive oil
Virgin grade olive oils that are suitable for consumption are packed immediately following extraction. For this reason, some oil mills have their own packaging facilities. The oil may also be sent to specialised **packaging/bottling plants**. After the olive oil has been placed in consumer packaging, it is ready to be exported as a finished product or consumed domestically.

If olive oil is transported in bulk, it is stored in larger drums, totes or tanks. As described in the section on 'Product specifications', packaging solutions vary according to buyer requirements and the packaging materials available in the country of origin. Olive oil that is unfit for consumption may also be sold in bulk for refinement in markets in Europe or other destinations.

Refined olive oil
Olive oil that is unfit for consumption may also be sold to local **oil refineries** that produce refined olive oil. As explained in the 'Product description', the grade known as 'olive oil' is a blend of varying proportions of refined and virgin olive oils. This blending may take place at a refinery.

Whether in consumer packaging or in bulk, refined oils are consumed domestically or exported to Germany or other markets in Europe/internationally.

European and German markets: market entry, processing and distribution

Virgin or refined olive oils in bulk may enter the German or other European markets through two primary channels:
- Through the intermediary role of **traders (importers or brokers)**
- Directly to **olive oil mills and blenders** or **oil refineries**

Both channels may offer opportunities for exporters. Relatively small suppliers of olive oil and suppliers who are new to the European market may do well to enter the market through traders, who have extensive networks in the European/German market. Exporters who are able to supply large volumes of good quality and attractively priced olive oil might be able to build long-term trade relationships with olive oil blenders. Olive oil that needs to be refined must be sent to refineries in Europe, whether directly or through traders.

Some traders specialise in general food ingredients, while others work with specific product groups (e.g. vegetable oils) or only with olive oils. They intermediate contacts between exporters and customers (e.g. refineries and processing industries).

A large share of the olive oils exported from developing countries to the European Union reaches olive oil mills in Italy, Spain or other olive-oil producing countries, whether directly or through traders. In these mills, the oils are blended with oils from other local origins. Some olive oil is packaged immediately, while the rest proceeds to specialised packaging/bottling companies before reaching final consumers in Germany. The value chain also includes companies that are able to cover all steps of the process of blending and packaging/bottling, rather than going through different channels. These players are not necessarily the primary producers, however, and they often perform the role of importers as well.

Any refinement of olive oils that is needed or required takes place in oil refineries in Germany or other European countries (e.g. the Netherlands). This is an additional step before the oil is blended. Oil refineries can act as blenders as well, blending the refined olive oil with other olive oils (e.g. virgin) or other vegetable oils (e.g. sunflower oil) before being packaged/bottled for consumption. Packaging/bottling activities may be integrated into oil refineries or carried out by separate companies.

Olive oil is also used by the **food processing industry** in Germany and other European countries to produce a number of food products (e.g. margarines, chips, dips, canned fish, salad sauces).

Most olive oils that are exported from the country of origin as final consumer products are distributed in Europe through **food distributors** or **specialised vegetable/olive oil distributors**. If olive oil exporters have a direct contact with a German retailer, the distributing company might belong to the retailer as well.

Other industries using olive oils in their products include:
- Cosmetics and toiletries (e.g. lotions, skin oils, creams, soaps). Additional information about olive oil as a possible ingredient for cosmetics is available in the CBI document on Natural Ingredients for Cosmetics – Market Intelligence Platform.
- Pharmaceutical (as a base for plasters and other products, as carriers for active ingredients or for soft gelatine capsules and nose sprays)
- Veterinary (pet food industry)
- Detergent industries for cleaning and hygiene

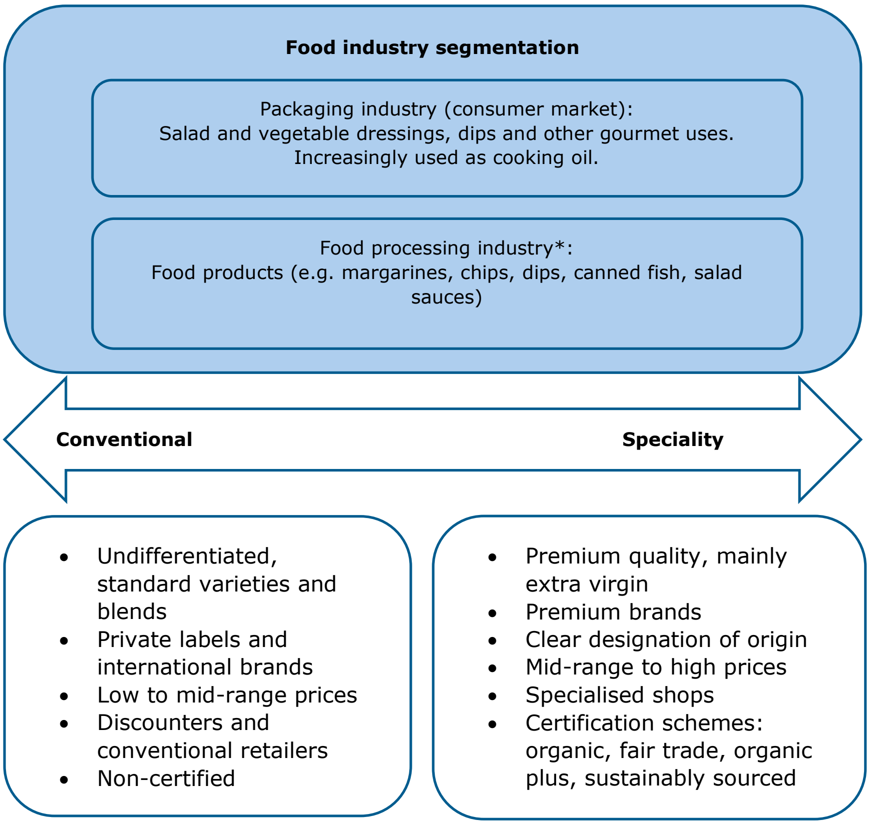
Market segments

Price-sensitive German consumers drive the market for high-volume and low-priced conventional olive oils. Around two thirds of all olive oils are sold through discount retailers, including Aldi and Lidl (Olive Oil Times).

At the same time, the German market offers opportunities for speciality oils. These oils can be from specific origins of particularly high quality, or they may possess organic/organic plus certification (e.g. organic and fair trade certification).

As highlighted in the section on 'What trends offer opportunities for olive oil on the German market?', delicatessen shops, e-tailers (online shops) and other retailers are important distributors of speciality (premium) olive oils. Package-free shops are also becoming interesting outlets for speciality olive oils in Germany.

Figure 7: Market segmentation for olive oil in Germany

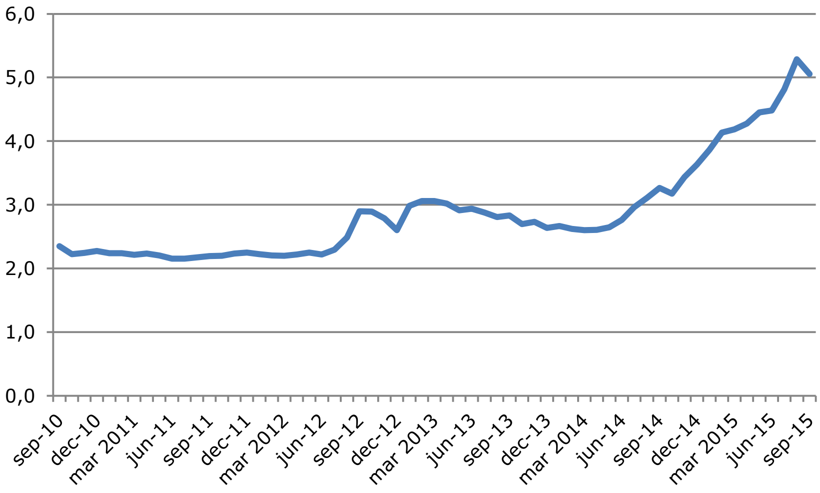


*The food industry rarely processes products using speciality olive oils.
Source: ProFound

What are the market prices for olive oil?

Price developments

Figure 8: Global prices for extra virgin olive oil, in € per kg



Source: Index Mundi, 2015

Global prices for extra virgin olive oil have increased sharply in the past year, due to the poor harvests in Europe during the 2014/2015 season. The vast increase in price is likely to be accompanied by an increase in olive oil fraud by producers attempting to exploit the high prices.

Table 1: Retail prices for extra virgin olive oil on the German market

Market Segment	Low	Middle	High
Characteristics			
Retail channel	Discount stores	Online and conventional retailers	Specialised retailers (including online)
Origin	Blended (no origin listed)	Wide range of origins (Europe and non-Europe)	Wide range of origins; often supplemented by designation of origin
Certifications	No certifications	Organic Fair trade	Organic or organic-plus
Brands	Private label	Private label or international brands	Terroirs or geographic indication
Price	Under €5 per litre	€5 to €12 per litre	Over €12 per litre

Sources: German supermarkets (Edeka, Rewe, Aldi) and specialised retailers

Although high-volume and low-priced olive oils account for more than half of the German market, increasing numbers of consumers are willing to pay more for high quality, authentic oils from single origins, sometimes with organic certification.

Competitor analysis

Product level

As supported by Spain's Institute of Foreign Trade (ICEX in Olive Oil Times), olive oil faces strong competition from other vegetable oils in Germany. ***Canola/rapeseed oil*** is the leading oil, with a market share of 37%. Germany is the European Union's largest producer of rapeseed oil, with production amounting to around four million tonnes in 2014 (nearly 40% of total EU production), according to FEDIOL. ***Sunflower oil*** also represents strong competition as a cooking oil in Germany, with a market share of 31%. Sunflower oil is a highly versatile oil, which is also used in cooking and in the food industry.

With a market share of 18%, ***olive oil*** represents a higher-end product, relative to competing products. In Germany, olive oil is not used as extensively in cooking as it is in South European/Mediterranean countries. Instead, it tends to be used as a dressing for salads, raw vegetables and in dips. In this respect, olive oil offers interesting opportunities as a premium product, marked by low volume, high quality, origin designation and certification. As described previously, olive oil is the most important organic-certified vegetable oil in Germany.

Although the use of olive oil for cooking purposes in Germany continues to be limited, the situation is gradually changing. Olive oil is becoming increasingly interesting as a replacement for other fats in Germany, as it has been associated with numerous ***health benefits*** and identified as one of the cornerstones of the Mediterranean diet, which is low in saturated fats.

Although the market for ***other premium oils*** (e.g. walnut oil, toasted sesame seed oil and almond oil) is growing, it accounts for a low share of the total market for vegetable oils in Germany.

Supplier competition

With regard to the German market for olive oil, the most important competitive forces defining market entry stem from large producers of olive oil in Europe (mainly Italy, Spain and Greece) and North Africa/Middle East, with an emphasis on Turkey.

Italy is ***Germany's*** largest supplier of olive oil, accounting for 75% of Germany's imports. Olive oils from Italy cover a wide range, from blended, inexpensive, lower quality oils to high-quality oils from a single origins or terroirs, increasingly with organic certification. Turkey is one of the few non-EU suppliers exporting directly to the German market, where its supplies are playing an increasingly important role.

European olive oil producers play a dual role for non-EU suppliers, especially considering the role of Italy, which is the largest importer of olive oils in Europe. Accounting for 52% of the total European import volume in 2014, Italy is an important trade partner for non-EU suppliers (e.g. Tunisia). In the same year, 60% of Tunisia's olive oil exports to the European Union were destined for Italy. It is important to note that Tunisia has a tariff-free quota (currently 81,700 tonnes) for supplying olive oil to the European Union. This is not the case for other non-EU suppliers (with the exception of the Palestinian Territories, which rely on a quota of 2,000 tonnes). This quota gives Tunisia a special status with which to access the European market.

Italy and other European producers also represent the strongest competition to non-EU suppliers of olive oil. From the perspective of the consumer market, Italian olive oil has the highest quality, for which consumers are often willing to pay an additional margin. This reputation gives Italy a strong competitive advantage over other supplying countries. In addition, Italian producers and blenders may even give precedence to domestically-produced olive oils, increasing imports from non-EU sources only if they cannot achieve sufficient volumes nationally. This situation could harm the competitive position of suppliers outside of Italy.

Useful sources

- International Olive Council - http://www.internationaloliveoil.org
- Olive Oil Times - http://www.oliveoiltimes.com
- Olive Oil Market - http://www.oliveoilmarket.eu
- European Commission: Olive Oil - http://ec.europa.eu/agriculture/olive-oil/index_en.htm
- Olive Oil, Life with Pleasure (German Olive Oil Panel) - http://olivenoel.ingds.de
- Federation of German Food and Drink Industries (BVE) - https://www.bve-online.de

German importers and wholesalers include:

- W. ULRICH GmbH, http://www.ulrichgmbh.de
- Henry Lamotte Oils GmbH, www.lamotte-oils.de
- Seitenbacher Vertriebs-GmbH, http://www.seitenbacher.de
- Bressmer - http://www.bressmer-oils.de
- Rapunzel - http://www.rapunzel.de
- Biokorntakt - http://www.biokorntakt-vertriebs-gmbh.de
- Bruno Zimmer - http://www.brunozimmer.de

Relevant trade fairs

- BioFach, Nuremberg, Germany - https://www.biofach.de/en
- Anuga, Cologne, Germany - http://www.anuga.com
- Food ingredients Europe, France, Germany and the Netherlands - http://www.figlobal.com/fieurope/home

For additional information
CBI Market Information: Promising EU Export Markets.
EU Expanding Exports Helpdesk - http://exporthelp.europa.eu - go to 'trade statistics'.
Eurostat - http://epp.eurostat.ec.europa.eu/newxtweb - statistical database of the EU. Several queries are possible. For trade, choose 'EU27 Trade Since 1995 By CN8'.
International Trade Statistics - http://www.trademap.org – registration required

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