Practical market insights for your product

Olive oil in Germany

Despite Germany’s low per capita consumption of olive oil in relation to Mediterranean countries, it is a very important and growing market for high-quality olive oils. At the same time that olive oil is increasingly incorporated into the cooking habits of German consumers, the focus on quality and traceability provides opportunities to professional producers and exporters in developing countries. Currently, the role of developing countries in supplying olive oil directly to the German market is very limited, since the oil is usually blended in other European countries. Successful market access would require crucial efforts in meeting the market’s organoleptic profile and correct product placing & 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 has the typically slightly sweetish odour and flavour of olives.

Codes for olive oil:
- Harmonised System (HS)

<table>
<thead>
<tr>
<th>HS CODE</th>
<th>DESCRIPTION</th>
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<tbody>
<tr>
<td>1509</td>
<td>Olive oil and its fractions, whether or not refined, but not chemically modified</td>
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<tr>
<td>1509 10</td>
<td>Virgin</td>
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<td></td>
<td>– Lampante olive oil</td>
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<td>– Other</td>
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<td>1509 90</td>
<td>Other</td>
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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 for different types of olive oils (see below), including food additives, contaminants, hygiene, labelling, physical characteristics and methods of analysis and sampling.

1 Organoleptic properties are the aspects of food or other substances that an individual experiences via the senses – including taste, sight, smell, and touch.
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, which includes Germany and main olive oil producing countries. The grades are mainly based on type of processing, acid value (i.e. free acidity expressed as oleic acid) and taste, as explained below:

- **Extra-virgin olive oil:** derived from virgin oil production and from first pressing only, contains not more than 0.8% acidity (0.8 grams per 100 grams), and has a superior taste.
- **Virgin olive oil:** derived from virgin oil production only, has an acidity of not more than 2% (2 grams per 100 grams), and is judged to have a good taste – though inferior to extra-virgin olive oil.
- **Ordinary virgin olive oil:** virgin olive oil which has an acidity of not more than 3.3% (3.3 grams per 100 grams) – not permitted for sale in Germany or in the European Union. The progress made by producers and millers has led to an increase in production of virgin and extra virgin oils, compared to ordinary oils. Therefore, the European Commission decided to take this market development into account and permit 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 lampante olive oil (at a lower allowed acidity).
- **Lampante olive oil:** virgin olive oil not suitable for consumption, with an acidity of more than 2% (2 grams per 100 grams).
- **Refined olive oil:** obtained from virgin olive oils by refining methods which do not lead to alterations in the initial glyceridic structure, with an acidity of not more than 0.3% (0.3 grams per 100 grams).
- **Olive oil:** a blend of virgin and refined production oil, of no more than 1% acidity. The mixing ratio is not fixed, thus the proportion of virgin olive oil can be 1-99%. 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 of the olive, (hexane) or 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 which do not lead to alterations in the initial glyceridic structure, with an acidity of not more than 0.3% (0.3 grams per 100 grams). It is a tasteless oil.
- **Olive pomace oil:** refined olive-pomace oil, which is mixed with virgin oil, with an acidity not more than 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) distinguishes eight categories of olive oil (ordinary virgin olive oil is excluded out of the nine included above). These quality designations are defined under which olive oil may be sold in the European Union, and prevail over IOC standards. This regulation is further explained in the section on buyer requirements of this product factsheet.

**LABELLING**

This section describes the labelling requirements for olive oils sold in Germany or generally in the European Union as a bulk product. The labelling requirements are:

- Ensure traceability of individual batches.
- Use English for labelling purposes, unless your buyer has indicated otherwise.

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2 Currently, IOC member countries are: Albania, Algeria, Argentina, European Union, Egypt, Iran, Iraq, Israel, Jordan, Lebanon, Libya, Montenegro, Morocco, Syria, Tunisia, Turkey and Uruguay.

3 The latest consolidated versions (Regulation No. 2568/91 and its latest amendments) can be found under the following EUR-Lex page.
Labels for bulk products must include the following:
- 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 in the origin country (i.e. in consumer bottles), the Commission Implementing Regulation (EU) No. 29/2012 (amended by Commission Implementing Regulation (EU) No. 1335/2013) on marketing standards for olive oil applies, on top of 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 taste and/or smell, (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.
Instructions of usage.

Organic: In order for the olive oil to be marketed as organic-certified in Germany and generally in the European Union, it must contain the European Union’s organic logo. In order to include the organic logo, the olive oil has to comply with the European Union regulation for organic farming & marketing. Read more about the EU organic logo here. The regulation is explained more extensively in the section “What are the niche requirements?” of this document. In addition to the European Union logo, Germany has its own organic logo, the Biosiegel.

DOCUMENTATION
The list below presents some of the essential documents which are commonly required by importers in Germany and in the European Union, in general.
- 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 naturalized)
- 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
TRANSPORTATION AND STORAGE

The transport of olive oil in bulk offers a few options such as:

- 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 to transport bulk olive oil.

More information on the bulk transportation of olive oil and shipping options, refer to Olive Oil Market: Olive Oil Transportation. Make sure to consult your buyer on specific requirements and/or preferences regarding bulk transportation.

Under normal transport conditions, olive oil is liquid, thus no heating is needed. However, if the temperature falls to 6 °C, olive oil assumes a semifluid consistency, with 50 % of the oil precipitating out. At 0 °C, olive oil is buttery in consistency. As such, the olive oil has to be heated to prevent losses in quality and to achieve pumpability. The travel temperature must be complied with as far as possible during transport, also 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 the tanks, totes, bags or drums as fully as possible in order to avoid ventilation and light. Ventilation must not be carried out under any circumstances, as it would supply fresh oxygen to the cargo, which would promote oxidation processes and premature rancidity.

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

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 shall be presented to the final consumer in packaging of a maximum capacity of 5 litres. Such packaging shall be fitted with an opening system that can no longer be sealed after the first time it is opened and shall be labelled according to the requirements described in the above-given “Labelling” section.

In the case of oils intended for consumption in restaurants, hospitals, canteens and other similar collective establishments, the maximum capacity exceeding 5 litres for packaging may be allowed, depending on the type of establishment concerned.

Regarding packaging materials, the most common type of consumer packaging available at German retailers is glass (mostly 0.5 litre net content, but ranging between 0.25 litre and 0.75 litre; 2 litre and 5 litre packages are also available at selected retailers). Nonetheless, other packaging solutions are available on the market, as described under the “What trends offer opportunities for olive oil on the German market?” section.

The UC Davis Olive Oil Centre recently published a report addressing the different packaging solutions for olive oil: Packaging influences on olive oil quality: A review of the literature (2014). It provides a review of the following materials: glass, aluminium, tinplate cans, stainless steel, plastic, coated paperboard and bag-in-box. In general, the report describes that the ideal packaging material prevents air and light penetration, and that the oil is stored in the dark at 16 to 18 °C – which maximises shelf stability.
WHAT IS THE DEMAND FOR OLIVE OIL IN GERMANY?

Germany is among the largest European markets for olive oil. Total consumption is high and stable. Moreover, the market offers good opportunities for organic olive oil. Most consumption in Germany is for virgin olive oil.

PRODUCTION

The European Union is the largest producer of olive oil worldwide. Germany does not produce olive oil; production is concentrated in Spain, Italy and Greece. However, production in the European Union decreased considerably between 2010 and 2014 (Figure 1). This was mainly the result of bad harvests in Spain in 2012/2013 and disastrous harvests in Italy/Spain in 2014/2015. In this last season, non-EU producers such as 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 the level of European 2015/2016 olive oil production will not be as low as the year before, which may lower opportunities for non-EU producers to sell additional olive oil on the European market. When looking at agro-climatic conditions that affect development of olives, the Council and the Spanish Association of Olive Municipalities estimate that for Spain the 2015/2016 harvest will reach higher levels than in the previous year. However, 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). Instead, the country mainly imports olive oil from Italy (75% of 2014 import volume). Turkey is Germany’s largest non-EU supplier of olive oil, annually increasing 56% in volume and 41% in value from 2010 to 2014. In the same time frame, German total imports grew steadily, annually at 3% in volume and 6% in value.

Since direct imports of Germany from developing countries are small, figure 2 also gives an overview of leading non-European suppliers for the total European market. Here, Italy is the largest importer, accounting for over half of import volume in 2014. Imported olive oil is blended in Italy and re-exported to other European countries, such as Germany.

The largest non-European supplier is Tunisia. Italy is Tunisia’s main European import partner, accounting for 60-80% of Tunisian exports to Europe (volume). Here, 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 and partly reflect European production cycles. To illustrate, in 2012 Tunisian exports to Spain increased by almost 160% when 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, as Italy and Spain suffered from disastrous harvests in the 2014/2015 season. These supplies will remain dependent on the fluctuation in European production of olive oil. European producers will continue to be strong competitors for Tunisian olive oil suppliers.

Moreover, 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 for Tunisian exports in 2016 and 2017 and supplement the existing tariff free quota of 56,700 tonnes.
CONSUMPTION

In terms of total consumption, Germany is one of the largest olive oil markets in Northern Europe; only France and the UK consume more olive oil. Compared to the EU average, per capita olive oil consumption in Germany is lower (Figure 4). This is the result of the high per capita consumption in Southern Europe (e.g. Italy and Spain), which drives up the EU-average. German consumption of olive oil was stable from 2010 to 2014, at 58-60 thousand tonnes total consumption (around 750 grams per capita). To compare, consumption in most European countries fell in the same time frame.

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

EXPORTS

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

TIPS:

■ Stay up to date on the EU production of olive oil for opportunities to increase supplies to the European and German market. Sources such as the International Olive Council and Olive Oil Times bring up-to-date information on the olive oil market, and address issues such as production, prices and other developments.

Source: CBI Market Information data base | URL: www.cbi.eu

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
WHAT TRENDS OFFER OPPORTUNITIES ON THE GERMAN MARKET FOR OLIVE OIL?

Authenticity of olive oils is an important issue in Europe, also affecting the German market. The issue revolves around two main themes: oil composition and oil origin. Regarding composition, reports abound of oils sold as extra virgin oils (in German: natives Olivenöl Extra) whose composition does not correspond to the claim. As explained in “Product specifications”, olive oil composition and labelling are clearly defined by legislation, being 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. However, in light of a series of fraudulent origin claims, the legislative provisions under EU law clearly define the rules for “Made in” claims for olive oil. Nonetheless, industry sources indicate that the olive oil market still contains products and players who do not follow European law strictly, thus creating traceability concerns.

TIPS:

■ Have a look at the RASFF Portal to trace cases of notifications and border rejections in Germany and in the European Union. For olive oil these are mostly based on adulteration, false claims (see Figure 6 below) and contamination.

■ Make 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) 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 their origin and on transparency along the chain.

4 The latest consolidated versions (Regulation No. 2568/91 and its latest amendments) can be found under the following EUR-Lex page.
Although it is still a niche market, there is an increased interest in speciality olive oils among German and European consumers. This trend leads to increased opportunities for oils with a geographic indication or coming from a specific origin or terroir. Although some conventional supermarkets sell such specialty oils (e.g., Rewe), they are more commonly marketed through delicatessen shops or e-tailers (online retailers); examples are: OlivenÖlKontor, Oil & Vinegar and Delinat. Olive oil assortments are often combined with wines, vinegars and other delicatessen. The main drivers for the trend toward specialty products such as olive oil are consumer needs for traceability and authenticity. German consumers increasingly demand more information on the quality and origin of olive oils. In this higher-end market segment, price mark ups are also higher, but the need for proper qualities and supporting documentation is pressing.

Following the movements in the speciality oil market in Europe (and Germany), there is an opportunity for olive oil suppliers to move from exporting bulk olive oils to branded oils, based on authenticity and origin. You need to be able to ensure consistency in the sensory properties (taste, smell) of your olive oil to sell it in Europe as a consumer product (see Tips). North African countries such as Tunisia and Morocco are attempting to do just that. One of these brands from Morocco won Gold Award in the 2014 New York International Olive Oil Competition (Olive Oil Times). Tunisia hosts a national competition for high quality and best packaged olive oils (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:
- Make sure that you can meet the sensory (organoleptic) properties of olive oil as demanded in Germany, if you want to market blended olive oils as a branded consumer product. In Germany, and in Europe generally, olive oil blends have a mild organoleptic profile (not too strong, not too weak). Develop expertise and skills in terms of blending and quality control to ensure that you can offer oils with this profile consistently all-year-round.
- Develop a strong marketing story for your olive oil. This is essential if you want to enter the German market for speciality oils, in addition to reaching a high-quality product and complying with the European law. This marketing element can possibly cover:
  - The origin of the olive oil, including elements of the producing communities
  - The (traditional) production methods
  - Environmental and social impact (substantiated with certificates)

Organic-certified olive oils are the strongest selling category of organic edible oils in Germany, which is an opportunity for suppliers who can meet the requirements for organic certification. Euromonitor (2011) estimated that in 2014 the German retail market for organic olive oils would reach 2.6 thousand tonnes. Moreover, Germany is the largest market for organic food products in Europe. In 2014, 3.8-4.0% of the total German food market consisted of organic sales (AMI, 2015), reaching approximately 7.5 billion euros. Within the German organic market, vegetable oils grew by 25% from 2013 to 2014, one of the fastest growing categories. Olive oil is one of the top three oils sold in Germany, next to canola/rapeseed oil and sunflower oil.

TIPS:
- In order to market a product as “organic” in Germany (or in any other country in the European Union), this product has to 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 discuss your options to comply with organic certification with your buyers.
- Learn more about the requirements for organic certification and refer to other Tips under the “What are the niche requirements?” section.
In line with ethical marketing, **fair trade certification** is also a growing trend for olive oils in Germany. This is an opportunity for developing country suppliers as it can help them to distinguish their original sources. Fair trade certification is associated with a positive social impact on the producing country and with a fair pricing system for producers, which is a growing concern among German consumers.

A large share of Fair trade products in Germany, including olive oils, are sold by over 800 “**One World Stores**” offering groceries, textiles and crafts exclusively from developing countries. However, conventional stores are also offering a growing range of Fair trade-certified goods *(DW)*. A large share of fair trade products is sold through these conventional stores.

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

**TIPS:**
- Browse through 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 under the “What are the niche requirements?” section.

The time is right for new **packaging solutions** of olive oil for the retail market in Germany, with an increased use of aerosol-packaging, for instance. Most olive oils are currently still packaged in bottles or cans, but, according to industry experts, these common forms of packaging lead to flavour and quality issues. Aerosol-packaged oils, on the other hand, are pure. The trend for this new packaging is driven by the popularity of the Mediterranean diet and consumers interested in convenience, product purity and value *(Olive Oil Market)*. This may be an opportunity for you if you can produce innovative packaging that complies with EU legislation.

**TIPS:**
- Keep in mind that, whereas innovation is encouraged, 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 extra buyer requirements communicated by your direct customer in Germany/Europe.

Another interesting development in Germany is the expansion of **package-free retailers**, which cater for 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, and lists a few retailers in Germany such as Unverpackt. Specialised retailers such as Oil & Vinegar also provide bulk solutions to customers, whereby they can dispense customised amounts of olive oils from (vacuum) stainless steel containers (see example). This can be an interesting opportunity for you, since your olive oil would not need to be re-packaged into consumer packaging.

**TIPS:**
- Investigate the alternative market for package-free retailers and learn more about their (bulk) packaging solutions.
WHAT LEGAL REQUIREMENTS SHOULD OLIVE OIL COMPLY WITH?

OLIVE OIL

Specific criteria apply for olive oils intended to be sold directly to European Union customers, which cover aspects such as product characteristics, quality and purity, as discussed under the section on product specifications (Commission Regulation (EEC) No 2568/91, consolidated version 01/01/2015). These criteria describe the physic-chemical characteristics for the different categories for olive oil and olive-residue (pomace) oil (see Annex I of Regulation [EEC] No 2568/91).

In addition, methods of analysis are established for the determination of 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; it states 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 the marketing standards for olive oil. The regulation highlights that olive oil has certain properties, in particular organoleptic and nutritional properties, which, taking into account its production costs, allow its access to a relatively high-price market compared with most other vegetable fats.

Besides 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 a food ingredient in processed food products, or exported to the European Union intended to be further processed in food products, do not fall under the scope of the Commission Regulation 2568/91 discussed above. These products only have to comply with the health and safety requirements and other requirements which apply 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 lays down the general principles and requirements of food legislation, establishes the European Food Safety Authority and lays down procedures in matters of food safety. It also includes provisions on the traceability of food; the ability to track food products through the stages of production. For exporters to the EU, your buyers (minimally) expect you to know and document your buyers and suppliers, which products are used during your production process and to label final products for traceability in case of a food safety problem. Keep elaborate buying and sales records and implement a traceability system; keep track of the products and supplies you use.

An important aspect to control food safety hazards is defining critical control points (HACCP) by implementing food management principles. Another important aspect is 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

In the event of repeated non-compliance of specific products originating from particular countries, such products can only be imported under stricter conditions, such as having to be accompanied with a health certificate and analytical test report. Products from countries that have shown repeated non-compliance are put on a list included in the annex of Regulation (EC) 689/2009. No cases specifically involving olive oil are currently listed under this annex.

5 The latest consolidated versions (Regulation No. 2568/91 and its latest amendments) can be found under the following EUR-Lex page.
TIPS:
- Read more about sanitary and phytosanitary requirements at the EU Export Helpdesk and 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 procedures based on the HACCP principles
- Check if there are any increased levels of controls for your product and country.
  The list is updated regularly. Check the Regulation periodically for the most recent list.
- Hygiene is also an important matter when it comes to means of transportation, e.g. with bulk transport of olive oil. This means adequate cleansing of the tanks and no unacceptable residues of former freights of the tanks.

CONTAMINATION SOURCES AND MAXIMUM LEVELS
Contaminants are substances that may be present as a result of the various stages of processing, packaging, transport or storage of olive oil. One of the most common problems faced by olive oil exporters is contamination derives from the raw material or from foreign matter. For this reason, it is crucial for exporters to learn and comply with the maximum contamination levels allowed by the European legislation. The different sources of contamination in olive oil, and the respective legislation addressing them, are:

- Polycyclic aromatic hydrocarbons (PAHs): Contamination with PAHs, especially benzo(a)pyrene, is most common in olive pomace oil. PAHs are a group of semi-volatile organic compounds (SVOCs) that are present in crude oil. Contamination is mostly related to the drying processes where combustion gases may come into contact with the raw material. The product can be contaminated by PAHs that are present in air (by deposition), soil (by transfer) or water (deposition and transfer). The maximum limit of benzo(a)pyrene is 2.0 μg/kg. The maximum sum of PAHs is 10 μg/kg (see section 6 in the annex of Regulation [EC] No 1881/2006).
- Aflatoxins: There are no aflatoxin requirements for seeds which are 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 molds such as 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’. The indication shall be included on the label of each individual bag, box etc. and on the accompanying document(s) (see section 2 in the annex of Regulation [EC] No 1881/2006).
- Dioxins and PCBs: Limits are in place to protect human health (see section 5 in the annex of Regulation [EC] No 1881/2006).
- Heavy metals: Oils are not allowed to contain more than 0.1 mg/kg of lead (see section 3 in the annex of Regulation [EC] No 1881/2006).
- Pesticides: The European Union has set 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 the MRLs laid down in European Union legislation. Which MRLs buyers apply and how strict they are will vary among buyers. You always need to discuss which specific MRLs they apply.
- Microbiological: In the current EU legislation, no microbiological criteria have been set specifically for olive oil or other vegetable oils. Food safety authorities however can withdraw imported food products from the market or prevent them from entering the EU when salmonella or other microbes are found present. Irradiation is a way to combat microbiological contamination at the raw material level, but its use is not allowed for oilseeds, according to EU legislation.
- Foreign matter: Contamination by foreign matter like chemicals, dust or other materials is a threat for vegetable oils when food safety procedures are not carefully followed. In some cases, contamination by foreign matter can adulterate the olive oil, thus creating a major threat...
in terms of food safety.
TIPS:
■ On the website of the Rapid Alert System for Food and Feed (RASFF), you can 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. Examples are: adulteration and contamination.
■ The International Olive Council has specific standards and guidelines for quality control within the olive oil industry, covering production steps 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 more information.
■ To find out the MRLs that are relevant for your products, you can use the EU MRL database in which all harmonised MRLs can be found. You can search on your product or pesticide used and the database shows the list of the MRLs associated to your product or pesticide.
■ A good way to reduce the amount of pesticides is applying integrated pest management (IPM), which is an agricultural pest control strategy that uses 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 check the European Commission’s factsheet on food contaminants: Managing food contaminants: how the EU ensures that our food is safe.
■ Be familiar with FEDIOL’s Hygiene Guides, including set procedures dealing with salmonella and other sources of contamination.
■ Many border rejections come from 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 – though not significantly high in olive oils. The EU has set the maximum level of erucic acid to be 5 % of the total level of fatty acids in the fat component of the product.

TIPS:
■ Comply with the maximum levels for erucic acid as described in Council Directive 76/621/EEC.

EXTRACTION SOLVENTS
Extraction solvents can be used for production or fractionation of (vegetable) oils. Be aware that there are maximum residue limits restrictions for the extraction solvents such as ethyl-methyl-ketone (5 mg/kg, fractionation of oils) and hexane (1 mg/kg, production and fractionation of oils) as well. Extraction solvent limits (e.g., the use of acetone in the refining of olive-pomace oil is forbidden) are applied on top of the requirements described in Commission Regulation (EEC) No 2568/91, specifically for olive oil.

TIPS:
■ Refrain from using extraction solvents which are not allowed by EU law! Refer to EU Directive 2009/32s/EC for more information about the restriction of such solvents.
PRODUCT COMPOSITION

Products can be rejected by buyers and EU custom authorities in case they have undeclared, unauthorised (e.g. mineral oil, Sudan 4 colour) or a high content level of extraneous materials. There is specific EU legislation for additives and enzymes (e.g. colours, thickeners) and flavourings. The substances which are allowed for use in food products are listed as E-numbers. In olive oil, the use of extraneous materials is generally not allowed, but you need to be careful in using flavourings such as truffle as these are covered by the specific legislation.

TIPS:
- E-numbers indicate approval by the EU. To obtain an E-number, the 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 of Regulation 1333/s2008 (see under Consolidated versions). Refer to the CBI Buyer Requirements for the sector natural colours, flavours and thickeners for more information.

FOOD CONTACT MATERIALS

For consumer packaging materials which come in contact with food (e.g. bottles, containers), specific health control provisions apply. Food contact materials made from (recycled) plastic and ceramic, for instance, must be manufactured so that they do not transfer constituents to food in quantities that could endanger human health, change the composition of the food in an unacceptable way or deteriorate the taste and odour of foodstuffs. Common restricted substances are 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. Therefore, EU importers of food products will require documentation on toxicology and risk assessment of chemical migration from food contact materials and/or declarations of compliance.
- An interesting substance to be aware of is Bisphenol A (BPA). BPA is known for its use in plastic bottles. At the moment, the use of BPA is still allowed in the European Union, but recent discussions have led some buyers to ban it.

LABELLING

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

Allergens
Pre-packed products, such as olive oil in consumer packaging, that contain allergens have to be labelled in such a way that it is clearly visible to consumers that they contain allergens. Under Regulation (EU) No 1169/2011, allergens have to be highlighted in the list of ingredients; requirements on allergen information will also cover non pre-packed foods including those sold in restaurants and cafés. This is a considerable change compared to the repealed Directive 2000/13/EC. Olive oil allergy is very uncommon, but undisclosed and illegal fillers containing nut oils, for instance, can be fatal to some consumers.

TIPS:
- 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 a food item such as olive oil has a beneficial characteristic. These claims cannot mislead the consumer, thus they are only EU-approved if they are based on scientific evidence. Before new nutrition or health claims are made, they have to be approved in advance by the European Food Safety Agency (EFSA).

- Read more about nutrition and health claims on the website of EU.
- Make sure to check the EU Register of nutrition and health claims made on foods for claims which are allowed for olive oil, and under which conditions.

Olive oil-specific requirements

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

Read more about labelling on the “Product specifications” section.

GENERAL REQUIREMENTS ON PACKAGING AND LIABILITY

Note that there is also non product specific legislation on packaging and liability that apply to all goods marketed in the European Union.

FULL OVERVIEW OF REQUIREMENTS FOR OLIVE OIL

For a list of requirements consult the EU Export Helpdesk where you can select your specific product code under 1509 (olive oil); you can select your respective origin and export destination (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 to enter the European market.

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

By complying with such additional standards, olive oil exporters are able to enter specific market segments or gain competitive advantage in relation to their competitors. Certifications on 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 regarding exporters of olive oil in consumer packaging. As a general rule, the further processed and packaged the product is, the stricter the quality management requirements become.
The adoption of standards which go beyond HACCP (and which specific standard) will depend on the profile of your buyer; usually large retailers and private label manufacturers are more demanding and will require compliance with one or more of the following:

- **International Featured Standards (IFS): Food**: 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)**: private institution which promotes private (BRC) standards, which contain more extensive rules on Good Manufacturing Practices (GMP) than HACCP, e.g. regarding organisation and communication.
- **ISO 22000**: it combines the HACCP plan with prerequisite programmes (PRPs). It specifies the requirements for a food safety management system along the food chain, up to the point of final consumption.
- **FSSC22000**: it is based on existing international standards ISO 22000 and ISO/TS 22002-1.

All the mentioned 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. However, in practice some buyers still have preferences for one specific management system. Generally, IFS is the most commonly required standard in Germany, although this may differ among buyers.

**TIPS:**
- Market entry preparation is more likely to include implementing a food safety management system than not, and it is therefore important to familiarise yourself with them.
- When you plan to target one or more markets, check which specific food safety management systems are most commonly requested. In any case choose for a management system that is GFSI approved.
- Read more on the different Food Safety Management Systems at the [Standards Map](#).
- An interesting Information source covering food safety standards, which also publishes news items on this topic is the website of [HACCP EUROPA](#).

**CORPORATE RESPONSIBILITY**

German buyers may expect you to comply with their supplier codes of conduct regarding social responsibility, which are often based on the **ILO labour standards**. This can be the importer’s own code of conduct or a code of conduct as a part of an initiative in which the importer is participating. The adoption of those standards is most common among large-scale importers, food manufacturers and retailers.

This also affects you as a supplier. Common requirements are the signing of a suppliers’ code of conduct in which you declare that you do your business in a responsible way, meaning that you (and your suppliers) respect local environmental and labour laws, stay away from corruption etc. These aspects are also investigated further in company audits carried out by your (potential) buyer.

**TIPS:**
- In selecting suppliers, German and other European buyers will look for those with an appropriate Code of Conduct and targets for improvement in key areas such as child labour and the environmental footprint of the company. Key references at the international level are the [UN Global Compact](#) and [ISO 26000](#) on Social Responsibility.
- Implementing a management system such as [ISO 14000](#) (environmental aspects), OHSAS 18001 (occupational health and safety) or [SA 8000](#) (social conditions) is complementary strategy to address sustainability and possibly gain competitive advantage on the German market.
- However, first verify with your (potential) buyer the extent to which these standards are required...
WHAT ARE THE REQUIREMENTS FOR NICHE MARKETS?

Additional requirements for niche markets (subset of a market that focuses on a specific market), such as environmental and social (labour) certifications, are becoming increasingly important for exporters of olive oil.

ORGANIC

Organic certification is a non-legislative requirement for olive oil but, in order for a company to market their product as ‘organic’ in Germany and in the European market, it 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 is in itself a legal requirement. Organic products must be grown using organic production methods which are laid down in legislation and growing and processing facilities must be audited by an accredited certifier, before you may put the EU and the German organic logo on your products.

The above-mentioned EU Regulation also contains specific provisions for processed foods (including labelling), a category which includes olive oil. Organic certification applied to the olive oil value chain will contribute to traceability aspects in a market known for blending.

One of the factors which exporters have to pay special attention to is whether their organic certification is de facto recognised by the EU legislation. Therefore, producers/exporters should search for a certifier whose standards are accredited by the EU. The European Commission’s Agriculture and Rural Development website provides a thorough explanation of import regulations and other related issues.

Commission Regulation (EC) No 1235/2008 of 8 December 2008 laying down detailed rules for implementation of Council Regulation (EC) No 834/2007 and its latest amendments, as regards the arrangements for imports of organic products from third countries, can be found on the EUR-Lex website. If you want to target niche markets in Germany, you can also try to gain a competitive advantage if you comply with Demeter or Naturland organic certification.

TIPS:

- Investigate the 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 imports of organic products. Also consult the International Federation of Organic Agriculture Movements (IFOAM) website for information on certification standards.
- Check the Bio-Siegel website to get acquainted with Germany’s national organic label.
- Consult the Standards Map database for more information on organic certification standards.

FAIR TRADE

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

Other fair trade standards available in the European market are Fair Trade Ecocert and IMO’s Fair for Life. Fair Trade Ecocert provides for guaranteed minimum prices, producer support and good agricultural practices; this standard requires an organic certification. IMO’s Fair for Life has a similar proposition, and is a standard for companies which demonstrate decent working conditions and commit to fair sourcing and responsibilities towards their primary producers. Organic certification is not compulsory for Fair for Life holders.
TIPS:
■ Before engaging in a Fair Trade certification programme, make sure to check (in consultation with your potential buyer) that this label has sufficient demand in your target market and whether it will 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 more 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 7: MARKET CHANNELS FOR OLIVE OIL IN EUROPE AND GERMANY

MARKET CHANNELS

DEVELOPING COUNTRY: PRODUCTION AND EXPORTS

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

In Europe, a large share of olive collection is mechanised, whereas in countries such as Tunisia and Morocco collection mainly consists of hand-picking. Although hand-picking safeguards the correct ripeness and reduced bruising of the olives, it can also result in longer intervals between collection and processing – thus affecting the product’s quality and increasing contamination risks.

Virgin olive oil

Virgin grade olive oils that are fit for consumption are packed immediately following extraction, therefore, some oil mills have their own packaging facilities. The oil may also be sent to a specialised packaging/bottling plant. After the olive oil is put 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 and tanks. The different packaging solutions, as described under “Product specifications”, will depend on buyer requirements and on the packaging material(s) available in the country of origin. Olive oil unfit for consumption may also be sold in bulk in order to be refined in European/other markets.
Refined olive oil

Olive oil unfit for consumption may also be sold to local oil refineries to produce refined olive oil. As explained under “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 the refinery. Refined oils may either be packaged in consumer packaging or in bulk and 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 via two main channels:

- Through the intermediary role of traders (importers or brokers)
- Directly to olive oil mills and blenders or oil refineries

Both channels may represent an opportunity for you. If you are a (relatively) small supplier of olive oil or new to the European market, it may be more sensible to enter the market through traders. These companies have an extensive network in the European/German market. Alternatively, if you can supply large volumes of good quality and priced olive oil it may be feasible to build up a long-term trade relationship with olive oil blenders. If your olive oil needs to be refined, it needs to go to a refinery in Europe, with or without going through traders.

Traders can specialise in general food ingredients, a specific product group (example: vegetable oils) or olive oils only. They intermediate the contact between exporters and customers, such as refineries and processing industries.

A large share of the olive oils exported from developing countries to the European Union reaches olive oil mills in olive-oil producing countries such as Italy and Spain, both directly and through traders. In these mills oils are blended with oils from other (local) origins. The olive oil is either packaged immediately or proceeds to specialised packaging/bottling companies before reaching final consumers in Germany. There are also companies in the value chain who take on all steps of this process of blending and packaging/bottling, rather than going through different channels. These players are not necessarily the primary producer and often perform the role of importers as well.

Refining of olive oils, if needed or required, takes place in oil refineries in Germany or in another European country, such as the Netherlands. This is an extra step before the oil is blended. Oil refineries can act as blenders as well; the refined olive oil may be blended with other (virgin) olive oils or other vegetable oils (e.g. sunflower oil) before being packaged/bottled for consumption. Packaging/bottling activities may be integrated into the oil refinery or carried out by a separate company.

Olive oil is also used by the food processing industry in Germany and other European countries to produce a number of food products such as margarines, chips, dips, canned fish, salad sauces etc.

Olive oils which are exported from the country of origin as a final consumer product are mostly distributed in Europe via 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 are:

- Cosmetics and toiletries: e.g. lotions, skin oils, creams, soaps. Find out more about olive oil as a possible ingredient for cosmetics in CBI’s Natural Ingredients for Cosmetics – Market Intelligence Platform.
- Pharmaceutical: as a base for plasters and other products, carrier for active ingredients, soft gelatine capsules, 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 olive oils are sold in discount retailers such as Aldi and Lidl (Olive Oil Times).

At the same time, the German market also offers opportunities for speciality oils. These can be from a specific origin, of a particularly high quality, or with organic/organic plus certification (e.g. organic and fair trade certified oils).

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

FIGURE 8: MARKET SEGMENTATION FOR OLIVE OIL IN GERMANY

Source: ProFound

* The food industry will rarely process products using speciality olive oils.
WHAT ARE THE MARKET PRICES FOR OLIVE OIL?

PRICE DEVELOPMENTS

FIGURE 9: GLOBAL PRICES OF EXTRA VIRGIN OLIVE OIL, IN € PER KG

Source: Index Mundi, 2015

The global prices for extra virgin olive oil increased steeply in the last year, due to the low-level European harvests during the 2014/2015 season. Because of the vast increase in price, olive oil fraud is likely to expand as well, by producers trying to cash in on the high prices.

TABLE 1: RETAIL PRICES FOR EXTRA VIRGIN OLIVE OIL ON THE GERMAN MARKET

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

Sources: German supermarkets (Edeka, Rewe, Aldi) and specialised retailers
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 stands at number 1, at a market share of 37%. Germany is the European Union’s largest rapeseed oil producer that, according to FEDIOL, amounted to around 4 million tonnes in 2014 (nearly 40% of total EU production). Sunflower oil also represents strong competition as cooking oil in Germany, at a market share of 31%. It is a highly versatile oil, which is also used in cooking and within the food industry.

Olive oil, at a market share of 18%, represents a higher-end product than its competing products. In Germany, olive oil is not used as extensively in cooking as in South European/Mediterranean countries; it is rather 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.

Despite the limited use of olive oil for cooking purposes in Germany, this is changing gradually. There is an increased interest in olive oil to replace other fats in Germany, because olive oil is associated with numerous health benefits and is one of the cornerstones of the Mediterranean diet – low in saturated fats.

The market for other premium oils such as walnut oil, toasted sesame seed oil and almond oil is growing, but accounts for a low share of the total vegetable oil market in Germany.

SUPPLIER COMPETITION
When looking at the German market for olive oil, the main 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, cheap, lower quality oils to high-quality oils from a single origin or terroir, increasingly with organic certification. Turkey is one of the few non-EU suppliers that directly export to the German market. The country’s supplies are playing an increasingly important role in Germany.

European olive oil producers play a dual role for non-EU suppliers, especially when looking at the role of Italy. On the one hand, this country is the largest European importer of olive oils, accounting for 52% of total European import volume in 2014. The country is an important trade partner for non-EU suppliers, such as Tunisia. In the same year, 60% of Tunisia’s olive oil exports to the European Union were destined to Italy. It is important to note that Tunisia has a tariff-free quota to supply olive oil to the European Union (currently at 81,700 tonnes), which is not the case for other non-EU suppliers (with the exception of the Palestinian Territories, which rely on a 2,000-tonne quota). This quota gives Tunisia a special status to access the European market.

On the other hand, Italy and other European producers also represent the strongest competition to non-EU suppliers of olive oil. From the consumer market perspective, Italian olive oil has the highest quality, which defines consumers’ willingness to pay an extra margin. Because of this reputation, Italy has a strong competitive advantage over other supplying countries. In addition, Italian producers and blenders may even give precedence to domestically-produced olive oils and only increase imports from non-EU sources when they cannot reach sufficient volumes nationally. This can harm the competitive position of suppliers outside of Italy.
USEFUL SOURCES

International Olive Council – [www.internationaloliveoil.org](http://www.internationaloliveoil.org)
Olive Oil Times – [www.oliveoiltimes.com](http://www.oliveoiltimes.com)
Olive Oil Market – [www.oliveoilmarket.eu](http://www.oliveoilmarket.eu)
Olive Oil, Life with Pleasure (German Olive Oil Panel) – [http://olivenoel.ingds.de](http://olivenoel.ingds.de)
Federation of German Food and Drink Industries (BVE) – [www.bve-online.de](http://www.bve-online.de)

GERMAN IMPORTERS AND WHOLESALERS INCLUDE
W. ULRICH GmbH, [www.ulrichgmbh.de](http://www.ulrichgmbh.de)
Henry Lamotte Oils GmbH, [www.lamotte-oils.de](http://www.lamotte-oils.de)
Seitenbacher Vertriebs-GmbH, [www.seitenbacher.de](http://www.seitenbacher.de)
Bressmer – [www.bressmer-oils.de](http://www.bressmer-oils.de)
Rapunzel – [www.rapunzel.de](http://www.rapunzel.de)
Biokomtakt – [www.biokomtakt-vertriebs-gmbh.de](http://www.biokomtakt-vertriebs-gmbh.de)
Bruno Zimmer – [www.brunozimmer.de](http://www.brunozimmer.de)

RELEVANT TRADE FAIRS
BioFach, Nuremberg, Germany – [www.biofach.de/en](http://www.biofach.de/en)
Anuga, Cologne, Germany – [www.anuga.com](http://www.anuga.com)
Food ingredients Europe, France, Germany and the Netherlands – [www.figlobal.com/fieurope/home](http://www.figlobal.com/fieurope/home)

MORE INFORMATION

CBI market information: Promising EU export markets.
Several queries are possible. For trade, choose ‘EU27 Trade Since 1995 By CN8’.
International Trade Statistics – [www.trademap.org](http://www.trademap.org) – you have to register.

This survey was compiled for CBI by ProFound – Advisers In Development in collaboration with CBI expert Klaus Dürbeck. November 2015
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