

Olive Annual Investment Plan 2022/23



Industry position

Olives are grown throughout temperate Australia such as the south-eastern and south-western seaboard regions of the continent. Two regions in particular account for an estimated 70% of Australia's current production: north-central Victoria; and north of Perth, Western Australia.

The Australian olive industry estimates that around 10 million olive trees are grown on 450 commercial groves covering more than 30,000 hectares, with 70% of the trees concentrated in 20 groves.

The 2021 olive harvest was a record with 23 million litres of Australian olive oil produced from around 131,000 tonnes of olives. The industry expects production to keep increasing with the use of best practice grove management, best practice extra virgin olive oil production, and newly planted olive groves coming into production over the next few years.

There are about 125 table olive producers across Australia with a total grove area of around 1,000 hectares, producing an estimated 2,500 tonnes of fruit per annum. The Australian table olive industry is largely a boutique industry, with 80% of table olive producers having less than five hectares, and only five known producers with more than 40 hectares. The major olive production states are NSW, SA, WA, and VIC. Australian table olive production represents only 0.06% of global production.

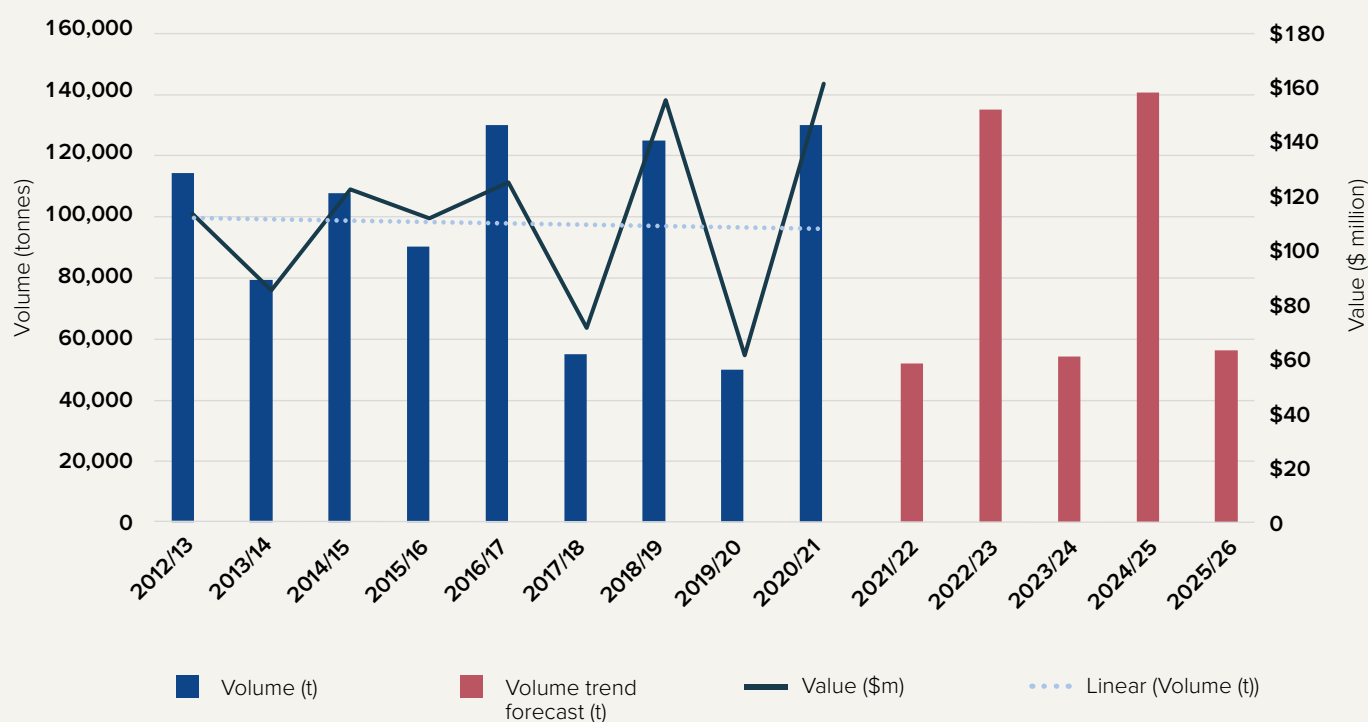
Further background on the olive industry and its priorities can be found in the [olive Strategic Investment Plan \(SIP\) 2022-2026](#). Further information on olive industry statistics can be found in the [Australian Horticulture Statistics Handbook](#).

The key challenges for the olive industry are: driving demand; export; and improving production efficiencies.

Olive production

Olive production volume and value from 2012/13 to 2025/26, showing the predicted production trend for the next five years, can be seen in **Figure 1**. Future performance has been projected based on the five-year levy income forecast.

FIGURE 1. OLIVE PRODUCTION 2012/13 TO 2025/26



*Note: the estimated production volume is not an accurate indicator for the value of statutory levies to be received by Hort Innovation.
Source: Australian Horticulture Statistics Handbook for the year ending 30 June 2021 and Hort Innovation levy income forecasts.*

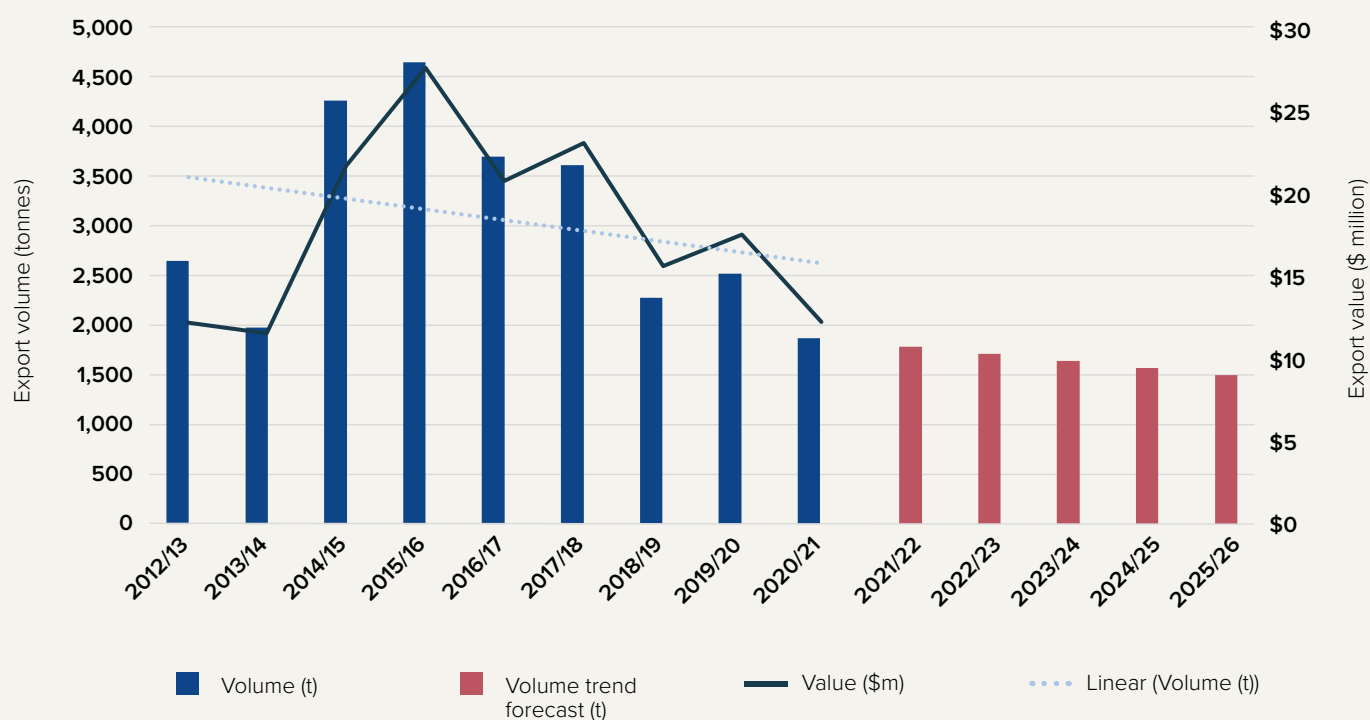
Production trends:

- The Australian olive industry is a small but growing horticultural industry. The industry produces Extra Virgin Olive Oil (EVOO) and table olives
- 130,000 tonnes of olives were produced in 2020/21, with a farmgate production value of \$161.2 million
- It is important to note that olive trees have a strong tendency to be biennial bearing. As can be seen in **Figure 1** above, alternate bearing severely affects fruit yield from year to year, with trees producing an above average crop in one year followed by a much lower than average crop the following year. Therefore, the production volume forecast in **Figure 1** is more reflective of long-term industry production based off recent performance as opposed to a year-on-year projection.

Olive exports

Olive (olive oil and table olives) export volume and export value from 2012/13 to 2025/26, showing expected exports over the next three years is 5,132 tonnes, can be seen in **Figure 2**.

FIGURE 2. OLIVE EXPORTS 2012/13 TO 2025/26



Source: Australian Horticulture Statistics Handbook for the year ending 30 June 2021, with predicted exports based on the eight-year compound annual growth rate.

Investment advice and consultation

The olive Annual Investment Plan (AIP) 2022/23 was presented to the olive Strategic Investment Advisory Panel (SIAP) (**Table 1**) in February 2022.

TABLE 1. OLIVE SIAP

Name	Organisation
Harrison Rowntree	Longridge Olives
Leandro Ravetti	Boundary Bend
Fiona Makowski	Fresh Field Grove
Paul Miller	Australian Olive Association
Robert Spooner-Hart	University of Western Sydney
Rod Mailer	Australian Oils Research

The investment process

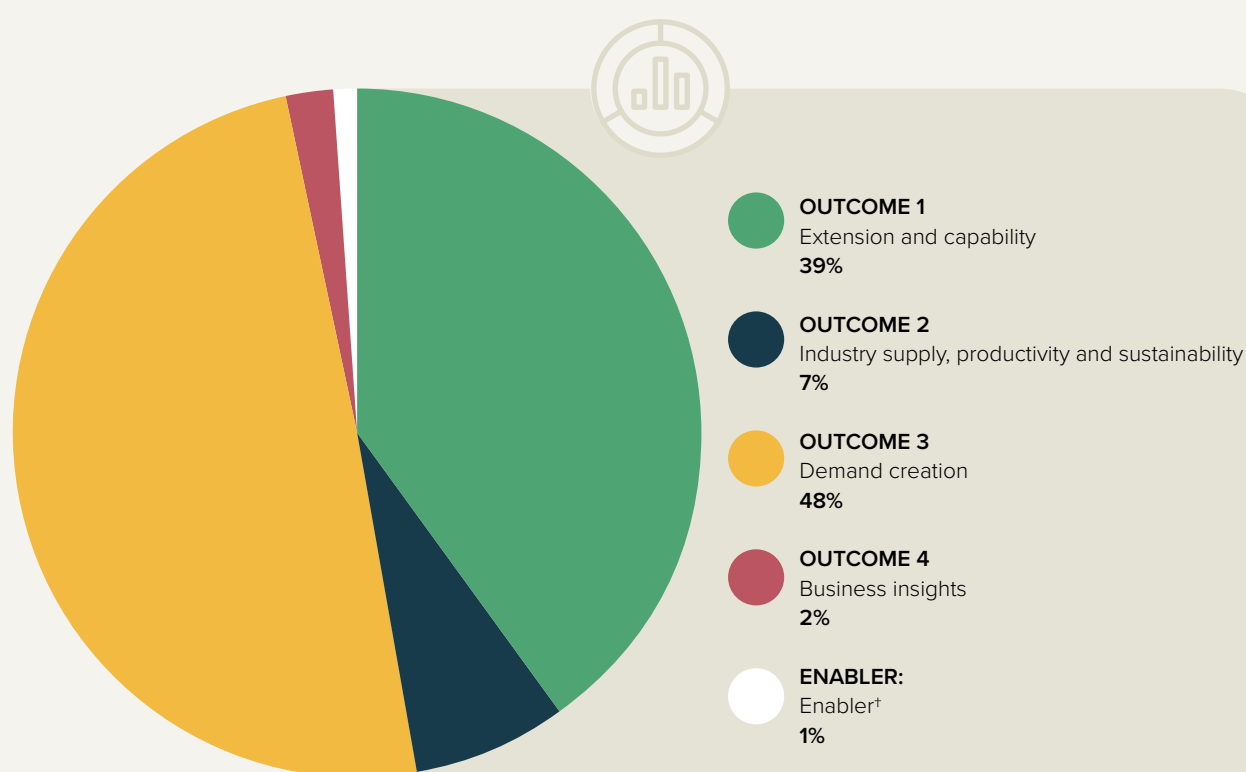
Investments specific to the Olive Fund are guided by the industry's SIP and AIP. The SIP provides an overarching roadmap for industry to follow, and the AIP details how levy dollars will be spent each year to achieve industry goals.

Learn about how Hort Innovation makes investment decisions, and the process for making investments on our website [here](#), or watch a video about how investment decisions are made at the olive 'fund management' page on our website [here](#).

Current investments

The olive SIP details the industry's strategic goals centred around four outcome areas: extension and capability; industry supply, productivity and sustainability; demand creation; and business insights. Under each of those outcomes, there are industry-specific strategies and key performance indicators (KPIs) that provide guidance on how the olive industry will work towards achieving the outcomes. **Figure 3** below identifies committed investment expenditure in each of the SIP outcome areas for 2022/23.

FIGURE 3. COMMITTED EXPENDITURE FOR OLIVE SIP INVESTMENTS 2022/23



* Enabler: projects that support the broader delivery of the industry's project investments. Examples of enabler projects include annual reporting and monitoring and evaluation capacity.

Table 2 indicates the current invested projects for 2022/23 that are aligned to the respective outcomes and strategies for the Olive Fund. More information is available on the Hort Innovation website about the projects that have a hyperlink. A full report on the Olive Fund can be found in the [olive Fund Annual Report 2020/21](#), and the Annual Report 2021/22 will be published in October this year [here](#).

TABLE 2. CURRENT INVESTED PROJECTS IN THE OLIVE FUND

Outcome	Strategy	Project Code	Project Title	Delivery Partner	Start Date	End Date	Life of Project Value
1. Extension and capability	1. Extension capability	OL18000	Australian olive industry communications and extension program	Australian Olive Association	10/10/18	15/7/22	\$580,950
2. Industry supply, production and sustainability	1. Biosecurity preparedness	MT17006	Improving preparedness of the Australian horticultural sector to the threat potentially posed by <i>Xylella fastidiosa</i> (a severe biosecurity risk)	State of Victoria through the Department of Jobs, Precincts and Regions	11/2/19	30/1/23	\$88,022
2. Industry supply, production and sustainability	5. Regulatory support	MT20007	Regulatory support and response co-ordination (pesticides)	AKC Consultancy	2/8/21	1/7/24	\$3,605
2. Industry supply, production and sustainability	5. Regulatory support	OL16000	Olive industry minor use program	Hort Innovation	1/7/22	30/6/23	\$2,900
3. Demand creation	1. Market niches	OL19001	Educating health professionals about Australian olive products	Modern Olives	20/5/20	30/4/23	\$360,300
3. Demand creation	1. Market niches	ST21007	Australian Horticulture International Demand Creation	Kantar Insights Australia	3/6/22	31/3/23	\$9,750
4. Business insights	1. Consumer insights	MT21003	Consumer demand spaces for horticulture	Kantar Insights Australia	17/1/22	15/7/22	\$4,277
4. Business insights	1. Consumer insights	MT21004	Consumer behavioural data program	Nielsen Connect Australia	29/3/22	20/11/26	\$20,586
4. Business insights	1. Consumer insights	MT21201	Pilot program – Consumer usage, attitude and brand tracking	Fifty-Five 5	22/4/22	31/7/22	\$681
4. Business insights	1. Consumer insights	MT21202	Consumer usage and attitude tracking – 2022/23	Fifty-Five 5	30/6/22	31/7/23	\$3,534

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CURRENT INVESTED PROJECTS (continued)

Outcome	Strategy	Project Code	Project Title	Delivery Partner	Start Date	End Date	Life of Project Value
Enabler [†]	Enabler [†]	MT21015	Horticulture Impact Assessment Program 2020/21 to 2022/23	Ag Econ	6/5/22	30/11/24	\$5,579
Enabler [†]	Enabler [†]	OL22910	Grower advice and consultation	Hort Innovation	1/7/22	30/6/23	\$10,000

[†] Enabler: projects that support the broader delivery of the industry's project investments. Examples of enabler projects include annual reporting and monitoring and evaluation capacity.

Key for project codes:

Projects starting with OL are funded by the olive levy only

Projects starting with MT are funded by multiple industries, including with olive levy contribution

Projects starting with ST are strategic co-investment, with olive levy contribution

Financial statements

View the Olive Fund's most up-to-date financial operating statement [here](#) and the annual project summary [here](#) on the Hort Innovation website.

Recommended investments in 2022/23

The olive SIAP met on 17 February 2022 to discuss, provide advice on, and prioritise recommendations on R&D investment for 2022/23. Links to the meeting summaries can be found below and the investment recommendation is listed in **Table 3**.

SIAP meeting summaries:

Olive SIAP meeting on 17 February 2022: [Download summary](#)

TABLE 3. OLIVE SIAP INVESTMENT RECOMMENDATIONS FOR 2022/23

Priority	Investment	Outcome	Strategy
1	Olive industry communications and extension program	1: Capacity	1: Extension capability

Note: Wherever possible, investments will be aligned to form multi-industry projects, and all investments are subject to funding availability. If investments do not occur in this financial year, then they will be reconsidered and reprioritised for the olive AIP 2023/24.

Find out more information on the Olive Fund at www.horticulture.com.au/olive

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