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Enhancing Consumer Confidence in Australian Table Olives

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Convenor of the Australian Olive Association's National Table Olive Committee*



Overview

In this presentation we will cover:

- A snap-shot of the Australian table olive industry
- An overview of the role and structure of the National Table Olive Committee
- The proposed Code of Practice for table olives
- Food safety programs and table olive hazards
- FSANZ Standards & Standards Australia Standards
- Key issues for resolution
- Other issues for consideration including accreditation of Olive Oil and Table Olive Shows / Competitions / Judging.



The Australian Table Olive Industry

A snap-shot using 2009 data:

- Australian table olive production 3,200 tonne, with an estimated GVP of \$14.5 million
- Table olive exports of 366 tonne
- Table olive exports of 16,170 tonne (87% of domestic consumption)
- Australian consumption 19,000 tonne or 0.9 kg per person
- Gross Margin sensitivity analysis – table olives are more profitable than olive oil across a wide range of cost and price assumptions.
- Table olive grower numbers are increasing – survey estimates 41% to 48% olive producers are involved with table olives – many micro producers.
- AOA is committed to further developing this sector.



The Australian Table Olive Industry

The National Table Olive Committee (NTOC):

- Established as a sub-committee of the AOA Board in 2007.
- Primary role is to assist in developing a proposed Code of Practice (CoP) for the table olive sector.
- Objective is to enhance consumer confidence in Australian table olives and to distinguish them from imported products, by
- Use of a quality seal guaranteeing the authenticity, product safety and quality of Australian table olives produced by Code Signatories.
- AOA has a responsibility to put in place appropriate arrangements to protect and enhance the good reputation of the Australian olive industry.
- Industry participants have a responsibility to implement GAP and GMP.



The Australian Table Olive Industry

The National Table Olive Committee (NTOC):

The AOA Board recently renewed the NTOC to include:

- Peter McFarlane, McFarlane Strategic Services (SA) - Convenor
- Jim Smyth, olive consultant (retired) (SA)
- Bob Barrett – University of Adelaide (SA)
- Dr. Michelle Wirthensohn, University of Adelaide (SA)
- Helen Wylie, Pendleton Fine Foods (SA)
- Bob Gilliver , Talinga Grove (SA)
- Prof. Stan Kailis, Australian Mediterranean Olive Research Institute (WA)
- Peter Herborn, Laguna Olives(NSW)
- Stephen Mitchell, Lisborne Grove (NSW)
- Samantha Bain, Australian Green & Gold (QLD) – currently on maternity leave.



The Australian Table Olive Industry

The National Table Olive Committee (NTOC):

A special thank you to Jim Smyth and Stan Kailis for their ongoing technical input to the Committee

Thanks also to the following retired Committee members:

- Steve Goodchild, Pukara Estate (NSW)
- Phil Ward, Popina Food Services (Vic)

As well as to the three AOA directors who served on the Committee since 2007:

- Mike Baker, Dwarda Ridge Estate (WA),
- John Wholley, Jackson Grove Pty Ltd (WA)

It is the AOA Board's intention to regularly seek expressions of interest from suitably skilled and qualified industry participants to serve on the Committee.



A Code of Practice for table olives

- There is broad agreement that AOA should move to develop a common CoP for table olives and olive oil.
- This can be achieved by the addition of new technical 'Annexure 3' to the existing code, and by reviewing the rest of the code for consistency.
- AOA plans to undertake a review of the existing CoP in 2011/12, which will facilitate incorporation of table olive requirements (and for other olive products).
- The Committee also proposes to:
 - Adopt the International Standard for Table Olives from the Codex Alimentarius Commission.
 - Incorporate aspects of the 'Code of fair practice for table olives' from the French Condiment Industries, which includes microbiological limits for bulk and packed olive products.
 - Reference relevant International Olive Council (IOC) standards for table olives and olive products, to facilitate international trade.



A Code of Practice for table olives

Australian olive producers are also able to reference the:

- FSANZ - ‘Guideline levels for Determining the Microbiological Quality of Ready-to-Eat- Foods’.
- Report on an RIRDC funded project undertaken in 2004 by Professor Stan Kailis and David Harris on ‘*Establishing Protocols and Guidelines for Table Olives processing in Australia*’, and the
- Companion manual – ‘*Producing Table Olives*’.
- These publications provide Australian olive growers and processors with internationally based guidelines for ensuring the quality and safety of processed table olives.
- The manual covers all aspects essential for the production of safe, nutritious and marketable table olives including site selection, recommended varieties, pest and disease control, primary and secondary processing, and quality and safety testing.



A Code of Practice for table olives

Food Safety programs:

- The NTOC is proposing that for table olives the CoP should include industry standards for production that will cover planting, growing, harvesting, transport, processing, packing and storage,
- These Standards are to be backed by a 3rd party accredited Quality Assurance (QA) system built on Hazard Analysis Critical Control Point (HACCP) principles,
- In the existing AOA CoP for olive oil, under Responsibilities of Signatories 4 (c) the Code states: *(iii) in the case of food products, adopt a food safety program consistent with HACCP principles.*
- Whilst the actual food safety program is not specified, Code Signatories are provided with a 'HACCP-style' Food Safety Plan covering on-farm, processing, bottling - to adapt to their individual enterprise – but without any requirement for 'third party' certification.
- Compliance with the AOA CoP requirements is ultimately monitored through independent testing of products (both signatory submitted and random market samples).



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Food Safety programs:

- Some Code Signatories have already implemented third party certified HACCP-based food safety program, such as:
 - Freshcare Food Safety & Quality CoP (with an optional Freshcare Environmental Code), or
 - SQF (Safe Quality Food Standard) SQF1000
- These systems are essentially ‘approved supplier’ programs suitable for growers supplying processors under a documented and monitored arrangement.
- The NTOC has had preliminary discussions with Freshcare regarding its potential application to the production elements in the proposed CoP for table olives.
- However, as ‘food businesses’ olive grower- processors and olive processors are already require to have a full HACCP accredited food safety plan designed to meet the food safety and quality system requirements of food manufacturers, processors, distributors and traders, such as:
 - The HACCP Food Safety Program, or SQF2000, or
 - ISO9000 series, or the higher level FSSC 22000,Depending on the size and sophistication of the individual food business, and their market requirements.



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Identified hazards in table olive production;

- Hazard and Critical Control Point (HACCP) analysis is a voluntary system used to identify and manage potential hazards during production.
- Identified critical control points for table olive production are:
 - **Use of potable water** only in the production of table olive production
 - **Implement good hygiene practices** to prevent the introduction of spoilage organisms from an external source
 - **Manage physical hazards** - avoid inclusion of solid materials in olive products – stones, pips glass fragments etc
 - **Manage chemical hazards** – only apply chemicals according to label / permit instructions, and use only food grade processing aids
 - **Manage microbiological hazards** – control by GMP and monitoring of production processes.
 - Spoilage bacteria: coliform bacteria, propionibacteria, Zapatera spoilage (*Clostridium butyricum*), *Cryptosporidium*.
 - Food poisoning risks include: *Salmonella*, *E.coli*, *Listeria*.
 - Toxin producing: *Clostridium botulinum*, *Staphylococcus*.
 - **Avoid organic contaminants** – avoid fuel spills and lubricant leaks from on farm and processing machinery.



A Code of Practice for table olives

Some important considerations for the table olive sector:

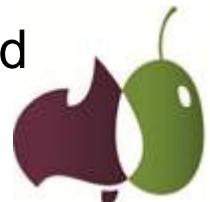
- *Q? How much of a food safety risk are table olives and other olive products in Australia?*
- *Q? Should table olives adopt the existing food safety system requirements using a provided HACCP template as under the CoP for olive oil, or is time to lift the bar and mandate a formal food safety system with 'third party' certification for all olive producers?*
- *Q? Will this approach present a major cost disincentive to becoming a Code Signatory?*



A Code of Practice for table olives

FSANZ standards:

- The NTOC has also met with *Food Standards Australia & New Zealand (FSANZ)* to discuss the possible application of FSANZ Food Standards for table olives to ensure food safety and high product quality.
- Any business that processes or packs olive products in Australia is deemed to be a 'food business'.
- All food businesses in Australia are already required to comply with:
 - *Food Safety Standard 3.1.1: Interpretation and Application,*
 - *Food Safety Standard 3.2.2: Food Safety Requirements and General Practices,* and
 - *Food Safety Standard 3.2.3: Food Premises and Equipment.*
- Whereas *Food Safety Standard 3.2.1: Food Safety Programs,* that sets out the requirements for the control of food safety hazards during the production, manufacture and handling of food, is not mandatory for all food businesses.
- It only applies to certain industry sectors that have been identified as being high risk eg food service, catering, seafood and manufactured meat products sectors.



A Code of Practice for table olives

FSANZ Primary Production & Processing Standards:

- FSANZ is also developing other standards for the primary production sector. Within these standards primary production businesses may be required to implement a documented food safety program as defined in *Standard 3.2.1* or other arrangements.
- To date PPP Standards have been developed for the:
 - Egg Industry, Seafood Industry, Dairy industry & Poultry meat industry
- Primary production and processing requirements are currently being assessed for:
 - Dairy - raw milk products, Seed Sprouts & Meat and meat products
- FSANZ says PPP Standards will also follow for the horticultural sectors.
- **Note:** Table olives as a fermented product is regarded as a medium food safety risk.
- **Note: All food businesses in Victoria** (including olive processors) must have a food safety program.



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Some important considerations for the table olive sector:

- *Q? Is the FSANZ mandatory food safety standard pathway best for the Australian table olive sector, or is a voluntary standard more appropriate / acceptable to industry?*



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Standards Australia Standards:

- As of July 2011, all olive oil products (imported and Australian) must now conform to the new Australian Standard for Olive Oils AS 5264-2011, including displaying a best before date. The Standard has a strong focus on trade issues, and applies to all olive oil products (imported and Australian).
- Regulatory authorities including Australian Customs and the ACCC will use the new Standard as their reference. This standard has a strong trade focus, with mis-leading and false labelling of olive oil being a major issue in Australia.

Some important considerations for the table olive sector:

- *Q? Is it trade issues or food safety that is paramount for table olives?*
- *Q? Would a voluntary Australian Standard linked to the CoP be a better option for the table olive sector?*



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Discussion: Key Issues for Resolution:

- **1. High bar or low bar?**
- Is it time to lift the bar for olive producers, by requiring a Food Safety Plan with a third party certified Quality Assurance system such as FreshCare?
- **2. Self-regulation or Regulated?**
- Is it to be self-regulation (voluntary standards) or regulation (mandatory standards) ?
- **3. Evolution or revolution?**
- Do we apply transition arrangements?
 - **Step 1** – For consistency (given most producers of table olives are also producers of olives for processing into olive oil), to incorporate table olives to the CoP for olive oil as part of the forthcoming Code review process, and consistent with the current Code requirements. The CoP only applies to Code Signatories.

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Discussion: Key Issues for Resolution:

- **Step 2** – Include a requirement for a certified HACCP based Quality Assurance system for all Signatories to the Code, to assure high quality olive fruit is available to olive processors.
- **Step 3** -
 - **Option 1** - implement a voluntary Australian Standard for table olives and other olive products that will apply to all olive products (Australian and imported), or
 - **Option 2** – implement a mandatory FZANZ Primary Production and Processing Standard for table olives that will apply to all olive products (Australian and imported)



A Code of Practice for table olives

Accreditation of Olive Oil and Table Olive Shows / Competitions / Judging:

- Competition medals, certificates and other awards for olive products are an important marketing tool, yet there appears to be little oversight by AOA of these events.
- In the context of enhancing consumer confidence in olive products, it would seem to be sensible for AOA to have greater input through the following strategies:
 - National accreditation of all olive product shows, competition and awards - where possible linked to the Code of Practice and use of the Australian Extra Virgin™ certification (and a table olive equivalent).
 - Accredited training and registration of all competition judges / tasting panels under the AOA Code of Practice.
 - Standardisation of competition classes, judging procedures including required chemical analysis for the purpose of consistency.
 - Approved use of medals, certificates and awards on olive product labels.
- *Q? Should AOA include accreditation of olive oil and table olive shows and of judges including training provisions in the revised CoP?*



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Table Olive Research, Development & Extension Needs

- Identified RD&E needs for the table olive sector include:
 - Base-line microbiological and chemical residue surveys are needed to quantify the current risk profiles for table olives, and to provide a reference for improvement – the extent of the chemical and microbiological contamination problem for both Australian and imported olive products that may present a health risk to Australian consumers and undermine consumer confidence in olive products
 - Improved Australian production statistics for table olives
 - Harvesting options for small producers has been raised as an issue for table olive producers.
 - Disposal of brine – environmental and regulatory considerations
- *Q? Are there other needs to be referred to the RD&E Advisory Committee*



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Other Table Olive Issues for Consideration:

- Some other issues that need to be considered include:
 - Representation of the table olive sector on the AOA Board and other Committees, including RIRDC Olive RD&E Advisory Committee.
 - Funding and support for the NTOC activities.
- *Q? Any other issues for consideration?*



Thank you



McFARLANE
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