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press release

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Agricultural Forecasts
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OLIVE OIL RECORD PRODUCTION IN 2021 CONTRASTS WITH DROUGHT AND INCREASING INPUT PRICES IN AGRICULTURE

Early estimates, on January 31, point to a record production of olive oil in 2021 campaign (2.25 million hectolitres), as a result of the excellent agro-meteorological conditions observed throughout the campaign and the thoughtful restructuring of the sector, namely the raising importance of intensive olive groves.

On the other hand, the negative effects of the severe and extreme meteorological drought can already be observed, affecting, at the end of January, 45% of the mainland. One of the most penalized sectors has been livestock production, particularly extensive livestock production, due to poor grazing conditions and, consequently, the need of extraordinary food supplying. In winter cereals there are also impacts, either in the reduction of sown areas (predictably, the lowest in the last hundred years), or in the poor vegetative development of rainfed crops. This drought scenario, combined with the increase of input prices, has generated uncertainty and growing concern in the sector.