

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82) 68 final

Brussels, 22 February 1982

COMMISSION COMMUNICATION TO THE COUNCIL

Programme for the Commission's planned measures to promote olive oil consumption
in the Community during the 1981/82 marketing year

COM(82) 68 final

Com 68

EXPLANATORY MEMORANDUM

Article 2 of Council Regulation (EEC) No 1790/80 (1) laying down general implementing rules for campaigns aimed at promoting the consumption of olive oil in the Community lays down that the Commission is to communicate to the Council the programme of measures which it anticipates undertaking in the course of the following marketing year.

This Communication contains the programme of measures for the 1981/82 marketing year.

The Commission considers that the measures undertaken in the 1980/81 marketing year must be pursued and some of them extended to other Member States.

(1) OJ No L 192, 26. 7.1980

PROGRAMME FOR THE COMMISSION'S PLANNED MEASURES TO PROMOTE OLIVE OIL
CONSUMPTION IN THE COMMUNITY DURING THE 1981/82 MARKETING YEAR

1. Article 11(6) of Regulation No 136/66/EEC (1) on the establishment of a common organization of the market in oils and fats lays down that a percentage of the consumption aid is to be employed for information campaigns and other measures to promote olive oil consumption in the Community.

For the marketing years 1978/79, 1979/80, 1980/81 and 1981/82 the percentages fixed by the Council were 6%, 4.5%, 3% and 4% respectively; the funds available from these percentages of the total aid figure amounted to 7.5 million ECU for the first three marketing years. The total is likely to reach 14.7 million ECU at the end of the 1981/82 marketing year.

Out of this amount the following sums have already been spent:

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| - film on the olive tree, made in 1980, | 106 938 ECU |
| - Community contribution to the International Olive Oil Council's Propaganda Fund (1980) | 68 891 ECU |
| - Other measures (medical symposium held on 24 October 1980) | 10 224 ECU |
| - Community contribution to the International Olive Oil Council's Propaganda Fund (1981) | 97 925 ECU |

In addition, the following financial commitments have been made:

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| - contract with the ITALPUBLIC Agency (assistance for the Commission with the drawing up and execution of the promotion programme for 1980/81 in France and Italy) | 201 398 ECU |
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Lastly, the Commission decided on the following commitment on 13 July 1981:

- programme of scientific research and promotion of olive oil
consumption for the 1980/81 marketing year 3 050 000 ECU
(maximum provisional amount)

If the total amount already spent, committed or to be committed (3.54 mio ECU) is subtracted from the 14.7 million ECU, about 11 million ECU remains available.

(1) OJ No 172, 30. 9.1966

2. By Regulation (EEC) No 1970/80 (1) the Council laid down the measures which could be taken to promote olive oil consumption in the Community. Pursuant to Article 2 of the Regulation the Commission transmitted a communication to the Council on 27 November 1980 (COM(80)779 final) containing the programme of promotion measures envisaged for the 1980/81 marketing year.

Pursuant to Article 4 of the Regulation detailed implementing rules were laid down by Commission Regulation (EEC) No 1348/81(2) which

- provides for a detailed programme of the measures envisaged to be drawn up;
- adopts the procedures for their detailed implementation, and
- lays down the criteria for selecting the proposals put forward in response to invitations to tender.

The detailed programme, which was adopted by the Commission on 13 July 1981, gives further details of the various measures envisaged for the 1980/81 marketing year (also indicating the maximum amount which may be allocated to them) and the provisions for the implementation of the programme and the issue of invitations to tender relating thereto.

There was a restricted invitation to tender for scientists in respect of research work issued on 22 July 1981.

A public invitation to tender in respect of the other measures (dissemination of existing scientific knowledge, market surveys, advertising and promotion measures) was published in the Official Journal of the European Communities (C 183 of 25 July 1981).

Some contracts have now been concluded - and others will very soon be - on the basis of the tenders received; it is, however impossible at this stage to express an opinion on the results of the 1980/81 programme.

3. The purpose of this Communication is to forward to the Council the programme of measures to promote consumption envisaged by the Commission for the 1981/82 marketing year.

(1) OJ No L 192, 26. 7.1980

(2) OJ No L 134, 21. 5.1981

These measures can be classified as follows:

- scientific research work into the nutritional value of olive oil;
- market surveys motivational research;
- promotional measures, i.e.:
 - dissemination of existing scientific knowledge;
 - public relations exercises and advertising, other promotional measures.

A. Research into the nutritional value of olive oil

In view of the importance of this work, the results of which are to form the scientific basis for any serious consumer information measure, it is proposed that assistance for the research be continued in the 1981/82 marketing year at the same rate as the previous year (800 000 ECU) plus a percentage to cover inflation.

It has emerged from discussions with the scientists involved in the studies in question that some of the research can only reasonably be undertaken on a multiannual basis; it is therefore planned to conclude research contracts in some cases covering several years, on the understanding, however, that the financial commitment involved will be divided between the marketing years during which the research is to be carried out.

B. Market surveys - motivational research

For the 1980/81 marketing year it was decided to undertake market surveys in Belgium (40 000 ECU), Germany (60 000 ECU) and the United Kingdom (50 000 ECU), which, apart from the producer Member States, which are also the traditional consumers, seem to offer the best consumption potential.

For the 1981/82 marketing year the following measures are proposed:
Greece: consumer motivational research as background information for a promotion campaign planned for 1981/82.

France and Italy: an opinion poll to measure the effects of the promotional campaign in these Member States in 1980/81, assess the relative consumer awareness arising from the various categories of measures under this campaign and gauge the extent to which they have effected consumer behaviour.

in Denmark, in Ireland, Luxembourg and the Netherlands: market surveys to assess the chances of a future promotion campaign.

C. Dissemination of existing scientific knowledge

For the 1980/81 marketing year it was decided that priority should be given to the dissemination of information by doctors and the mass media in Italy (300 000 ECU) and France (100 000 ECU), where olive oil is a familiar product with a wide distribution.

From 1981/82 the following is proposed:

France and Italy:

The information campaign should be continued; however, the amounts allocated could be less than for the previous year, the requisite structures having now been established.

Greece:

A promotional programme will be launched this marketing year in this Member State, which is a traditional producer and consumer of olive oil; the dissemination of scientific knowledge cannot be neglected in Greece because it forms the basis of any serious consumer information campaign.

Germany, Belgium, United Kingdom:

These Member States, where little olive oil is consumed because the product is unfamiliar, are suitable areas for the dissemination of knowledge: information about the nutritional qualities of olive oil are likely to arouse interest in the product and make the potential consumer more receptive to public relations exercises and advertising during this marketing year and future ones.

D. Public relations and advertising; other promotional measures

In 1980/81 the promotional campaign was confined to Italy (1 540 000 ECU) and France (160 000 ECU), where the public, already familiar with olive oil, is more receptive to arguments stressing the nutritional or gastronomic qualities of the product, which is widely available.

As the main objective was also, in the initial stage, to create a favourable climate for such a campaign, it was thought appropriate to attach particular importance to public relations as a basis for maximizing the effects of any advertising campaign.

For the 1981/82 marketing year, the following measures are envisaged:

Italy, France:

Continuity being an essential factor in the success of the campaign, the promotional measures should continue in the two Member States, actual advertising playing a greater part than in the previous marketing year.

Greece:

A promotional campaign of an informative nature based largely, in the initial phase, on public relations measures should be launched in this Member State.

Germany, Belgium, United Kingdom

A promotional campaign could be launched in one or more of these Member States, it being understood that the decision to do so and the choice of Member State or Member States would be subject to the following:

- the result of preliminary market surveys in those Member States which would show whether there was a potential market;
- the effort which the industry and trade concerned in each of these countries would be willing to make in conjunction with the Community campaigns.

4. In the light of the foregoing, it is envisaged allocating a total of 4 million ECU to the proposed measures for the 1981/82 marketing year.

The final breakdown of this amount by individual measure and Member State in which the measures are to be implemented cannot be given as it is difficult at this stage to assess exactly how much should be allocated to each. This is why tentative figures have been fixed for the various measures: the Commission may wish to review the breakdown of the total amount available when it comes to draw up the detailed programme and select the measures to be implemented from among the drafts submitted by those concerned. It goes without saying that the Council would be informed forthwith of any major adjustment of the amounts allocated to the various categories.

The tentative maximum figures for each of the categories are as follows:

Scientific research	880 000 ECU
Market surveys plus opinion polls following the promotional campaign	200 000 ECU
Dissemination of scientific knowledge	650 000 ECU
Public relations, advertising, promotional campaigns	2 270 000 ECU

5. To the above amount should be added the Community contribution to the International Olive Oil Council's Propaganda Fund for 1982 (± 120 000 ECU). In that connection the Commission intends to ensure that there is proper coordination between the measures undertaken by the Propaganda Fund and those under the programme referred to in this document.
- Also, since the International Olive Oil Council intends to participate in the International Food Exhibition in Paris in November 1982, and since the Council Chairman has requested a financial contribution from the Community to this, it is suggested to place a supplementary amount of 50 000 at the Council's disposal. Participation in such an exhibition taking place in a Member State can be considered as a worthwhile initiative falling fully within the framework of the promotion campaign for olive oil in the Community.
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FINANCIAL STATEMENT

Date : 28.1.1982

1. BUDGET HEADING : B 1221

APPROBIATIONS : 9 Mio ECU

2. TITLE : Project of communication from the Commission to the Council concerning the actions for the promotion of consumption of olive oil in the Community, which the Commission envisages to undertake within the framework of the 1981/82 marketing year.

3. LEGAL BASIS : Regulation No 136/66/EEC

4. AIMS OF PROJECT : To continue the actions of promotion, and also to extend some of these to other Member States.

5. FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTHS	CURRENT FINANCIAL YEAR (82)	FOLLOWING FINANCIAL YEAR (83)
5.0 EXPENDITURE			
- CHARGED TO THE EC BUDGET (REVENUE INTERVENTIONS)	4,17 Mio ECU	4,17 Mio ECU	-
- NATIONAL ADMINISTRATION			
- OTHER			
5.1 RECEIPTS			
- OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)			
- NATIONAL			
5.0.1 ESTIMATED EXPENDITURE			
5.1.1 ESTIMATED RECEIPTS			

5.2 METHOD OF CALCULATION

See report on the programme of actions.

6.0 CAN THE PROJECT BE FINANCED FROM APPROBIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET ?

YES/NO

6.1 YES NO

YES NO

6.2 IS A SUPPLEMENTARY BUDGET BE NECESSARY ?

YES NO

6.3 WILL FUTURE BUDGET APPROBIATIONS BE NECESSARY ?

YES/NO

OBSERVATIONS :

