

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82) 602 final
Brussels, 24 September 1982

Proposal for a
COUNCIL REGULATION (EEC)

laying down special measures in respect of olive oil producer
organizations for the 1982/83 marketing year

Proposal for a
COUNCIL REGULATION (EEC)

laying down general rules in respect of production aid for
olive oil for the 1982/83 marketing year

(submitted to the Council by the Commission)

COM(82) 602 final

EXPLANATORY MEMORANDUM

Council Regulation (EEC) No 1413/82 of 18 May 1982 (OJ No L 162 of 12 June 1982, p. 6) amended Regulation (EEC) No 136/66/EEC by introducing in particular an ad hoc system of organizations of olive oil producers with a view to ensuring better management of the production aid scheme and effective control of the production of producer members. The amendment in question should enter into force at the beginning of the 1982/83 marketing year.

In the light of the above the Commission proposed to the Council general rules concerning organizations of olive oil producers applicable from 1 November 1982 (COM(82) 397 final of 28 June 1982).

On 9 September 1982 the Council's Special Committee on Agriculture noted that two of the countries principally concerned, (Italy and Greece) had said that they were not in a position, because of the late adoption by the Council of the general rules referred to above, to apply the new arrangements for organizations of olive oil producers from 1982/83.

The commission was therefore asked to propose special measures authorizing the granting of production aid on the basis of the quantity of olive oil actually produced.

The attached proposal was drawn up accordingly.

The measures proposed are identical to those introduced in respect of previous marketing years and, like them, are valid for one marketing year only (1982/83), pending the application of general implementing rules pursuant to Regulation (EEC) No 1413/82.

Proposal for a
COUNCIL REGULATION (EEC) No
of

laying down special measures in respect of olive oil producer organizations for
the 1982/83 marketing year

THE COUNCIL OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European
Economic Community, and in particular Article 43
thereof,

Having regard to the proposal from the Commis-
sion⁽¹⁾,

Having regard to the opinion of the European Parlia-
ment⁽²⁾,

Whereas Council Regulation No 136/66/EEC of 22
September 1966 on the establishment of a common
organization of the market in oils and fats⁽³⁾, as last
amended by Regulation (EEC) No 1413/82⁽⁴⁾,
provides, with effect from the 1982/83 mar-

keting year, for the granting of production aid to
growers who are members of a producer group recog-
nized pursuant to that Regulation, on the basis
of the quantity of oil actually produced;

*as amended by Regulation (EEC) No 1413/82;

Whereas because of the delays to implementing the
system laid down in Regulation No 136/66/EEC
producer groups and their associations cannot be
recognized in time for the arrangements in question
to become operational on 1 November 1982,

whereas under these circumstances application of the
system instituted by Regulation (EEC) No 1413/82
should therefore be deferred until the beginning of the
1982/83 marketing year and the temporary measures
applied with regard to olive oil producer organizations
during the past marketing years should be
retained for the 1982/83 marketing year; whereas
(EEC) No 1917/80 need to be repealed;
Whereas, by reason of the existing situation in Greece,
provision should be made, as regard this Member
State, to extend the time limit for setting up producer
organizations,

HAS ADOPTED THIS REGULATION:

Article 1

1. The following paragraph shall be added to
Article 2 of Regulation (EEC) No 1413/82:
"However, Article 1(2), (3), (4) and (5) shall
apply from 1 November 1983."

(1)
(2)

(3) OJ No 172, 30. 9. 1966, p. 3025/66.

(4) OJ No L 162, 12. 6. 1982, p. 6.

(5) OJ No L 186, 31. 10. 1980, p. 1

(6) OJ No L 166, 23. 6. 1978, p. 1

2. Article 1 (1), (2), (4) and (5) of
Regulation (EEC) No 1917/80, is deleted.

Article 2

1. By way of derogation from the first indent of the
first subparagraph of Article 5(2) of Regulation No
136/66/EEC, during the 1982/83 marketing year,
production aid shall also be granted, on the basis of
the quantity of olive oil produced, to growers who are
members of a producer organization set up before 10
October 1981, or as regards the Hellenic Republic,
having complied, before that date, with the formalities
necessary for its setting up, which meets the following
conditions:

its composition meets the requirements of Article
5(4) and (2) of Regulation (EEC) No 1360/78,⁽⁶⁾

— it is capable of verifying the olive and olive oil
production of its members,

— it is empowered to submit an application for
production aid for all its member growers,

— it is empowered to receive the aid and allocate to
each member the share due to him,

— it has a minimum number of members or obtains
a minimum volume of oil production,

— it exercises no discrimination, with regard to any
aspect of its activities, between producers who are
potential members, and in particular on grounds
of nationality or location of establishment.

certain provisions of Reg.

2. Producer organizations referred to in paragraph 1
shall, not later than 10 Nov. 1982, submit an appli-
cation to the competent authorities of the Member
State concerned for verification that the conditions set
out in paragraph 1 have been met.

The Member State shall:

— take a decision on the application within 45 days
of the date of its submission,

— then notify the Commission and the producer
organizations concerned of its decision within 15
days.

*and 1981/82

**and (EEC) No 2989/81(4) 3. Producer organizations set up during the 1978/79, 1979/80, 1980/81 marketing years under Council Regulations (EEC) No 2752/78 (1), (EEC) No 2377/79 (2), (EEC) No 2528/80 (3) shall continue to benefit from the aid arrangements provided for in paragraph 1.

Such producer organizations shall, by 10 November 1982, at the latest, inform the Member State concerned of any amendment to their structure which may have taken place since they were recognized.

The Member State concerned shall:

- on the basis of this information, verify whether the conditions set out in paragraph 1 continue to be met,
- notify, no later than 25 November 1982, the Commission and the producer organizations concerned of the outcome of these verifications.

4. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 38 of Regulation No 136/66/EEC.

Article 3

1. The producer organizations referred to in Article 2 may retain a percentage, to be determined, of the amount of the production aid paid to them. This percentage is intended to cover the costs of activities of producer organizations arising under Article 2 (1).

2. Detailed rules for the application of paragraph 1 shall be adopted in accordance with the procedure laid down in Article 38 of Regulation No 136/66/EEC.

Article 4

Articles 5 (3), 12 (1) and 20d (2) of Regulation No 136/66/EEC shall apply to the producer organizations specified in Article 2 of this Regulation.

Article 5

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Luxembourg,

For the Council

(1) OJ No L 331, 28. 11. 1978, p. 8.

(2) OJ No L 274, 31. 10. 1979, p. 1.

(3) OJ No L 254, 2. 10. 1980, p. 1.

(4) OJ No L 299, 20. 10. 1981, p. 15

FINANCIAL STATEMENT

Date : 14.9.82

1. BUDGET HEADING : B 1210

APPROPRIATIONS : 390 mio ECU
Proposal 1983: 387 mio ECU

2. TITLE : Proposal Council Regulation laying down special measures in respect of olive oil producer organizations for the 1982/83 marketing year.

3. LEGAL BASIS : Article 43 of the Treaty

4. AIMS OF PROJECT : Prolonging special rules relating to olive oil producer organizations in order to administer the sytem of production aid for olive oil for the 1982/83 MARKETING YEAR.

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

5.2 METHOD OF CALCULATION

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

6.1 YES

6.2 YES

6.3 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY ? YES/NO

OBSERVATIONS : Concerns the prolongation of special rules actually in force for the preceding marketing year, following a delay in their adoption by the Council of general rules on the subject in the Commission's proposal (COM(82)49 final of 28.6.82)

EXPLANATORY MEMORANDUM

1. The attached draft Regulation lays down general rules concerning production aid for olive oil for 1982/83 and replaces, in respect of that marketing year, the Commission proposal of 28 June 1982.

It is made necessary by the fact that the amendments under Regulation No 1413/82 to the arrangements concerning organizations of olive oil producers cannot be applied in Italy and Greece.

2. The draft is based mostly on the general rules for 1981/82; however, there are some adjustments concerning the application of the system of advance payment of the aid, and provisions for sanctions in the case of growers and associations thereof who do not comply with the requirements laid down in Community rules.

Proposal for a
COUNCIL REGULATION (EEC) No
of

laying down general rules in respect of production aid for olive oil for the
1982/83 marketing year

THE COUNCIL OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European
Economic Community,

Having regard to Council Regulation No 136/66/EEC
of 22 September 1966 on the establishment of a
common organization of the market in oils and
fats⁽¹⁾, as last amended by Regulation (EEC) No
1443/82⁽²⁾, and in particular Article 5 (4) and Article
36 thereof,

Having regard to the proposal from the Commission,

Whereas Article 5 of Regulation No 136/66/EEC
introduced a system of production aid for olive oil;
whereas, for the 1982/83 marketing year, this aid is
granted, on the basis of the quantity of oil actually
produced, to growers who are members of the organ-
izations specified by Council Regulation (EEC) No
laying down special
measures in respect of olive oil producer organizations
for the 1982/83 marketing year⁽³⁾ while, for other
growers, it is granted on the basis of the number and
production potential of olive trees and of the yields of
such trees, as determined according to a standard
method, and provided that the olives produced have
actually been harvested;

Whereas, since there exists no register of olive cultiva-
tion, it is not possible to define the production poten-
tial of olive trees; whereas, therefore, pending the
compilation of such a register, it is appropriate to
calculate aid for growers who are not members of a
producer organization on the basis of the average
yields of olive trees;

Whereas, in order to ensure the proper functioning of
the system of aid, it is necessary to determine the
types of olive oil in respect of which aid is granted;
whereas, in order to simplify the application of the
system of aid with regard to olive residue oil, provi-
sion should be made that the quantity of oil eligible
for aid will be determined as a general rule on the
basis of the production of pressed oil;

Whereas, in order to ensure the proper functioning of
the system of production aid for growers who belong
to producer organizations, provision should be made

for paying aid only for the quantity obtained in
approved mills; whereas, for the purposes of approved
mills, the mills concerned should fulfil a number of
conditions; whereas, in order to do this, provision
should be made for allowing the producer Member
State to seek the cooperation of millers' professional
associations;

Whereas the aid in question is of considerable advan-
tage to oil producers and represents a financial burden
on the Community; whereas, in order to guarantee
that the aid will be granted only in respect of oil
which may qualify therefor, it is necessary to provide
for a system of appropriate administrative checks;

Whereas the carrying out of such checks should
initially be based on a system of crop declarations;

Whereas, in order to facilitate checks on entitlement
to production aid on the part of members of producer
organizations, provision should be made that such
organizations should submit a single crop declaration
for all their members, verify the date relating to the
holdings of a percentage, to be determined, of their
members and, for the same purpose, submit a single
application for aid in respect of those of their
members who have produced oil over a given period;
whereas, in order to ensure the proper functioning of
the system of aid, it should be made possible to pay
such organizations advances on the aid as soon as the
application for aid has been submitted; whereas, to
the same end, provision should be made for the
Member States concerned to determine the system for
distributing aid amongst associated producers;

Whereas, in order that the entitlement to aid of
members of producer organizations may be checked,
it is necessary that the latter should verify the quanti-
ties of oil in respect of which aid is applied for by
each of their members, taking as a basis both their
crop declarations and the stock records of approved
mills;

Whereas, in order to ensure that the checks are effec-
tive, provision should be made that the stock records
of approved mills should be kept in a uniform
manner; whereas, to the same end, it is necessary to
subject a representative number of such mills to the
checks on producer organizations,

(1) OJ No 172, 30. 9. 1966, p. 3025/66.

(2) OJ No L102, 10. 6. 1982, p. 6.

(3) OJ No L

Whereas, in the interests of proper administration of the aid scheme, provision should be made for Member States to determine themselves the quantity of olive oil eligible for aid in cases of doubt about the actual production of an olive grower;

Whereas, to help ensure proper application of the aid scheme, it should be provided that whenever the information contained in applications by organized producers or in their crop declarations is not accurate, such producers should, without prejudice to sanctions that may be applied by Member States, lose their entitlement to aid based on the quantity of oil actually produced, for a period to be determined; whereas, to that end, organizations which have not carried out the checks specified should be liable in respect of the amounts of aid wrongly paid to associated growers;

HAS ADOPTED THIS REGULATION :

Article 1

For the 1982/83 marketing year, the general rules laid down in the following Articles shall apply for the granting of olive oil production aid referred to in Article 5 of Regulation No 136/66/EEC.

Article 2

Production aid shall be granted in respect of olive oil meeting the specifications laid down in points 1 and 4 of the Annex to Regulation No 136/66/EEC.

In the case of growers who belong to a producer organization, production aid shall be paid for the quantity actually produced, provided that it was obtained at an approved mill.

Article 3

1. Each grower shall submit, by a date to be specified, a crop declaration showing :

- particulars relating to olive trees grown and their location,
- a declaration stating that he has harvested the olives in the current marketing year,
- details of the purpose for which the olives are intended.

Where growers are members of a producer organization as referred to in Article 2 of Regulation (EEC) No 2989/81, that organization shall submit a single crop declaration for all its members, and shall check the crop declaration of a percentage to be determined of growers who are members of the organization.

2. For the purposes of this Regulation, 'grower' shall mean any producer of olives intended for the production of oil.

Article 4

Production aid shall be granted on application by each party concerned in the Member State in which the oil has been produced.

In the case of growers who are not members of a producer organization, the crop declaration submitted by each one of them shall be deemed to be equivalent to an application for aid.

In the case of growers who are members of a producer organization, that organization shall submit every month a single application for aid for all members who have completed their oil production, provided that the checks referred to in Article 5 have been carried out.

In the case of growers who are members of a producer organization who have sold their production of olives,

the application for production aid may not relate to the quantity of oil produced unless that quantity can actually be determined.

Article 5

1. Before making out the application for aid, each producer organization shall verify the quantity of olive oil in respect of which aid is applied for by each of its members. For the purposes of such verification, the organization shall check in particular :

- that the production of olives declared by each grower as having been pressed in an approved mill tallies with the particulars given on his crop declaration ;
- that the particulars supplied by each grower relating to the quantities of olives pressed and the quantities of oil obtained tallies with the quantities of olives and oil stated in the stock records of approved mills.

2. Where the particulars referred to in the first indent of paragraph 1 appear not to tally, the producer organization shall require all necessary supporting documents to be provided.

If an examination of such documents does not enable the producer organization to establish the quantity of olives produced, the file relating to the grower concerned shall be forwarded to the Member State.

Where the particulars referred to in the second indent of paragraph 1 appear not to tally, the producer organization shall forward the grower's file to the Member State.

Article 6

1. Producer Member States are hereby authorised to pay to associations, upon application, an advance on the amount of aid arising from applications submitted by the olive-growers who are members of the producer organizations belonging to the association. The advance to each olive grower shall not exceed the amount resulting from applying the olive yields and oil yields fixed in accordance with Article 11 to the number of olive trees in production

2. The Member States concerned shall determine, in so far as necessary, the procedure for payment of aid by producer organizations to their members.

The Member States shall communicate to the Commission the measures laid down for that purpose, as soon as they are adopted.

Article 7

1. Each producer organization shall check the activities and stock records of the approved mills indicated to it by the Member State concerned. The mills shall be chosen by the Member State concerned and must be representative of the pressing capacity of a given production zone.

2. Each producer organization shall inform the Member State concerned of the results of the checks referred to in paragraph 1.

Article 8

1. Each producer Member State shall set up a system of administrative checks ensuring that the product in respect of which aid is applied for is eligible for such aid.

2. Producer Member States shall verify the activities of each producer organization and, in particular, that the checking operations have been carried out by these organizations.

3. With regard to the olive oil referred to in point 1 of the Annex to Regulation No 136/66/EEC and produced by growers who are not members of a producer organization, the check shall be carried out by random sampling on the spot, and must make it possible to verify:

- that crop declarations are accurate,
- that the olive harvest has been completed,
- that the olives harvested are to be used for the production of oil and, if possible, that such olives have actually been processed into oil.

4. The checks referred to in paragraph 3 shall relate to a percentage of growers to be determined, account being taken in particular of the size of holdings.

Article 9

Producer Member States shall require approved mills to keep standardized stock records meeting criteria to be laid down.

The Member States concerned shall verify that the stock records are kept in conformity with the criteria in question.

Article 10

1. The producer Member State shall determine the quantity of olive oil eligible for aid on the basis of the applications submitted in accordance with the provisions of Article 4.

2. The Member State shall determine the quantity of olive oil eligible for aid in the case of associated producers whose files have been forwarded to it by producer organizations in accordance with Article 5 (2).

For this purpose, it shall take account of the olive and oil yields fixed in accordance with Article 11.

3. Where the checks referred to in Articles 7, 8 and 9 do not enable the figures appearing in the stock

records of an approved mill to be confirmed, the Member State concerned, without prejudice to any sanctions applicable to the mill in question, shall determine the quantity of oil eligible for aid in the case of each producer who is a member of an organization which has had its olive production pressed in the mill in question.

4. Moreover, with regard to the olive oil referred to in point 4 of the Annex to Regulation No 136/66/EEC, the quantity eligible for aid shall be determined on the basis of the oil production referred to in point 1 of the said Annex.

Article 11

The olive and oil yields referred to in the second indent of the first subparagraph of Article 5 (2) of Regulation No 136/66/EEC shall be fixed in respect of each homogeneous production zone on the basis of the figures supplied by producer Member States not later than 31 May 1987.

Article 12

1. Member States shall only approve mills which:

- (a) have not been subject to proceedings for irregularities found during checks made pursuant to Article 9 of Regulation (EEC) No 3187/81⁽¹⁾;
- (b) keep a stock record pursuant to Article 9;
- (c) agree to undergo any check provided for under the aid procedure.

For the purposes of implementing the system of approval the Member State in question may seek the cooperation of the professional association to which those mills belong.

2. Approval shall be withdrawn where, except in cases of *force majeure*, one of the conditions for approval set out in paragraph 1 (b) and (c) is no longer fulfilled.

(1) OJ No L 318, 31.10.1981, p. 64

Article 13

Without prejudice to penalties that may be imposed by Member States under Article 11a of Regulation No 136/66/EEC, olive-growers who are members of a producer organization shall not be entitled, for a period to be determined, to aid based on the quantity of oil actually produced, if checks show that:

- (a) there are significant discrepancies between the data in their crop declarations and the actual position on the holdings concerned;
- (b) there are discrepancies between the information supplied in aid applications regarding quantities of olives pressed and oil produced and the quantities of olives and oil shown in the stock records of approved mills.

Without prejudice to the sanctions to be applied by the Member States pursuant to Article 11a of Regulation No 136/66/EEC, if an organization has failed to carry out the checks specified in Articles 5 and 7 it shall reimburse the Member State concerned in respect of any sums wrongly paid as aid to grower members.

Article 14

Member States shall communicate to the Commission the measures which they envisage taking for the purpose of applying this Regulation.

Article 15

This Regulation shall enter into force on the day of its publication in the Official Journal of the European Communities.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at

For the Council

FINANCIAL STATEMENT

Date :

1. BUDGET HEADING : B 1210

APPROPRIATIONS : 390 mio ECU
Proposal 1983 : 387 mio ECU

2. TITLE : Proposal Council Regulation laying down special rules in respect of production aid for olive oil for the 1982/83 marketing year

3. LEGAL BASIS : Article 5 of Regulation No 136/66/EEC

4. AIMS OF PROJECT : Prolonging general rules in applying the system of production aid for olive oil for the 1982/83 marketing year

5. FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTHS	CURRENT FINANCIAL YEAR (82)	FOLLOWING FINANCIAL YEAR (83)
5.0 EXPENDITURE			
~ CHARGED TO THE EC BUDGET (INTERVENTIONS)	Nil	Nil	Nil
~ 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

6.0 []

6.1 []

6.2 []

6.3 []

OBSERVATIONS : Concerns the prolongation of general rules which were in application for the previous marketing year. Consequently, the proposal has no financial incidence.