

# COMMISSION OF THE EUROPEAN COMMUNITIES

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Brussels, 24 October 1980

Proposal for a  
COUNCIL REGULATION (EEC)

fixing for the 1980/81 marketing year the representative market price and the threshold price for olive oil and the percentage of the consumption aid to be retained in accordance with Article 11(5) and (6) of Regulation No 136/66/EEC

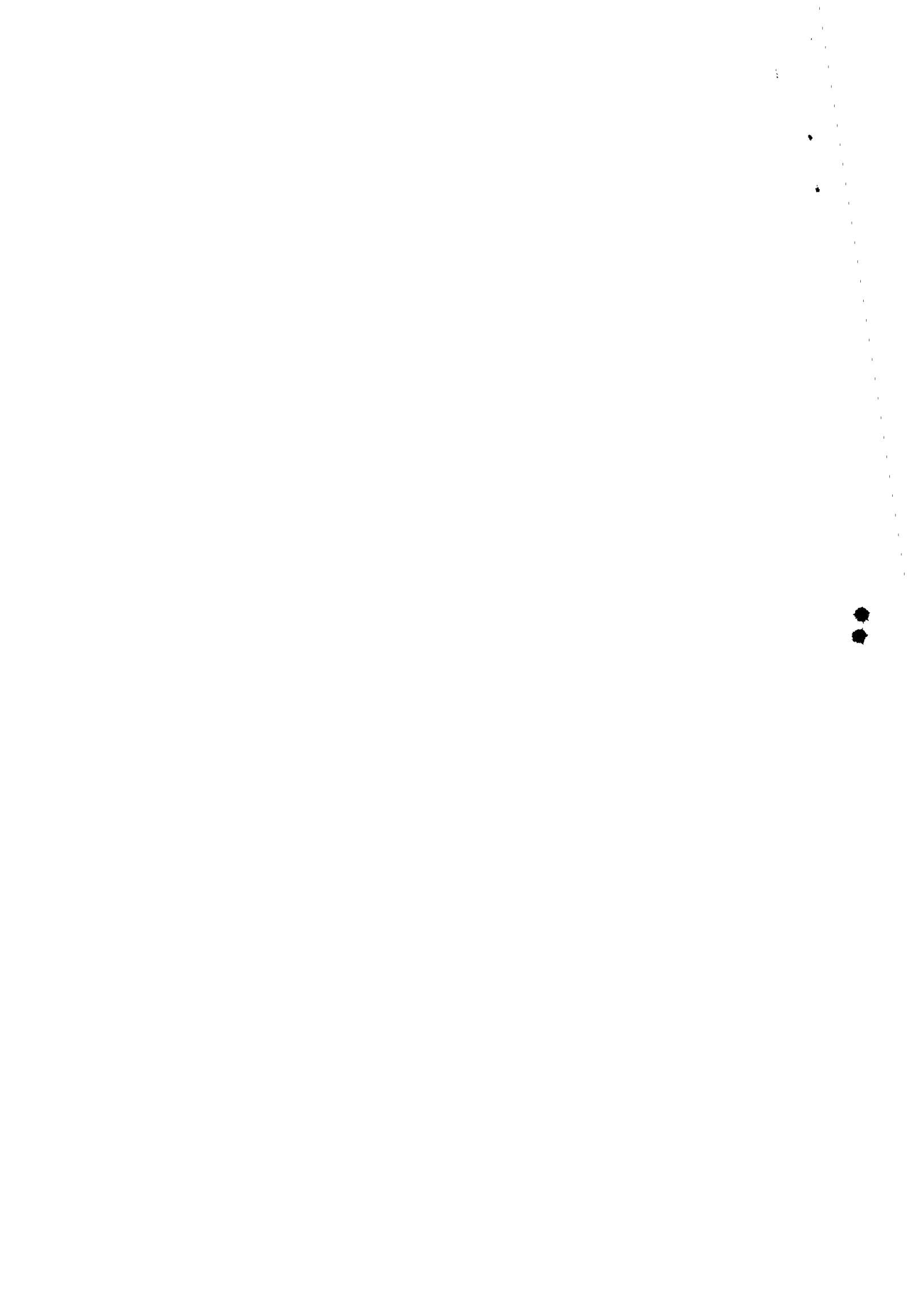
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Proposal for a  
COUNCIL REGULATION (EEC)

extending the 1979/80 marketing year for  
olive oil

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(submitted to the Council by the Commission)



## EXPLANATORY MEMORANDUM

1. The proposal for a Regulation in question provides for the fixing of the representative market price and of the threshold price for olive oil for the 1980/81 marketing year as well as the percentage of consumption aid to be devoted to recognised trade organisations and to certain measures to promote the consumption of olive oil.
2. Article 7 of Council Regulation No 136/66/EEC provides that the representative market price for olive oil shall be fixed at a level permitting the normal disposal of production, having regard, among other things, to the prices of competing products, and in particular of prospects for their development over the marketing year.
3. Recent experience shows that periods of sharp decline in olive oil consumption occur when the relationship of olive oil prices to seed oil prices is equal to, or greater than, 2.50 : 1. Thus the Commission is aware of the need to ensure a more favourable relationship in order to enable olive oil consumption to pick up again.
4. In view of the quantities available on the world market, there should be no significant rise in the prices of the oils which compete with olive oil.  
However, the international situation might be such as to require revision of this forecast. Furthermore, the effect of inflation on costs and the possible movements on the exchange markets are further matters which suggest that it is not only possible, but even probable that the prices of the oils in question, expressed in national currencies, will increase somewhat in 1981, in Italy in particular.  
In view of the price levels recorded at present for seed oils in Italy and of the aspects discussed above, the Commission feels that fixing the representative market price for 1980/81 at 143.00 ECU/100 kg should bring about an olive oil/seed oil price ratio of about 2.3 : 1, which should make it possible to achieve the desired objective.
5. With regard to the percentage to be deducted from the consumption aid to finance the tasks to be carried out by the trade organisations involved in running the consumption aid system, in view of the experience gained in Italy in this respect, the new tasks arising from the recently-adopted Community rules and the probable increase in the costs of services, the Commission feels that the appropriate percentage is 2 %.
6. As regards the percentage to be deducted from the consumption aid for certain information measures, the Commission considers that it should be 2.5 %. In view of the sums deducted under previous marketing years and which are still available, and of measures undertaken and yet to come, a deduction of 2.5 % from the consumption aid is sufficient.

If this percentage were to be deducted, the funds released would be of the order of 4 Mio ECU.

7. The threshold price is derived from the representative market price, with account taken of a certain difference representing in particular unloading costs and the costs of forwarding the product imported as well as of the effect of the deduction from the consumption aid referred to at point 6.

Since the elements taken into consideration for the purpose of deciding on the difference from the representative market price have not varied, the difference in question may be maintained at 3,62 ECU.

Given the deduction from the consumption aid and the difference to be taken into consideration, the Commission proposes that the threshold price be fixed at 140,61 ECU/100 kg.

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5.

proposal for a  
COUNCIL REGULATION (EEC)

fixing for the 1980/81 marketing year the representative market price and the threshold price for olive oil and the percentage of the consumption aid to be retained in accordance with Article 11(5) and (6) of Regulation No 136/66/EEC

THE COMMISSION 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 organisation of the market in oils and fats<sup>(1)</sup>, as last amended by Regulation (EEC) No 1917/80<sup>(2)</sup>, and in particular the second subparagraph of Article 4(4) and Article 11(6) thereof,

Having regard to the proposal from the Commission,

Whereas the representative market price must be fixed in accordance with the criteria laid down in Articles 7 and 10 of Regulation No 136/66/EEC;

Whereas the threshold price must be fixed in such a way that the selling price for the imported product at the frontier crossing point fixed in accordance with Article 9 of Regulation No 136/66/EEC is the same as the representative market price, account being taken of the effect of the measures referred to in Article 11 (6) of the said Regulation;

Whereas it follows from the application of these criteria that the representative market price and the threshold price should be fixed at the levels given in Article 1 of this Regulation;

Whereas, pursuant to Article 11(5) and (6) of Regulation No 136/66/EEC, a certain percentage of the consumption aid must be used during each olive marketing year firstly for financing the recognised trade organisations referred to in paragraph 3 of the said Article and secondly for financing measures to promote the consumption of olive oil in the Community; whereas the said percentages should be fixed for the 1980/81 marketing year,

HAS ADOPTED THIS REGULATION :

(1) OJ No 172, 30.9.1966, p. 3025/66

(2) OJ No L 186, 19.7.1980, p. 1

Article 1

For the 1980/81 marketing year, the representative market price and the threshold price for olive oil shall be fixed as follows :

- representative market price : 143,00 ECU per 100 kilogrammes
- threshold price : 140,61 ECU per 100 kilogrammes.

Article 2

1. For the 1980/81 marketing year, the percentage of the consumption aid referred to in Article 11(5) of Regulation No 136/66/EEC is hereby fixed at 2.
2. For the 1980/81 marketing year, the percentage of the consumption aid to be allocated for the campaigns and projects referred to in Article 11 (6) of Regulation No 136/66/EEC is hereby fixed at 2.5.

Article 3

This Regulation shall enter into force on 1 November 1980.

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

Done at .....

For the Council

**Proposal for a  
COUNCIL REGULATION (EEC)**

extending the 1979/80 marketing year for olive oil

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to Council Regulation N° 136/66/EEC (1) of 22 September 1966 on the establishment of a common organization of the market in oils and fats<sup>1</sup>, as last amended by Regulation (EEC) N° 1917/80 (2), and in particular Article 36 thereof;

Having regard to the proposal from the Commission;

Whereas, pursuant to Article 4 (3) of Regulation No 136/66/EEC, the marketing year for olive oil commences on 1 November; whereas it has not proved possible to lay down in due time all prices for this product for the 1980/81 marketing year;

Whereas to avoid any discontinuity it is necessary to prolong the 1979/80 marketing year for a period such as to allow these prices to be fixed;

Whereas for the period of prolongation it is advisable to maintain the situation existing in October 1980; whereas, in order to avoid any difficulties in interpretation as regards production aid, it is desirable to specify that such aid may not be granted during the period of prolongation of the marketing year in respect of oil produced from olives harvested during 1980/81;

Whereas, in the event of an alteration in the consumption aid, there is a risk that operators will gain an undue benefit from the application of the security system under Article 9 of Council Regulation (EEC) No 3089/78<sup>3</sup>, as last amended by Regulation (EEC) No .../80<sup>4</sup>; whereas, in order to avoid this difficulty, it should be possible to adjust the amount of the security during the period of extension of the 1979/80 marketing year to take account of that alteration,

HAS ADOPTED THIS REGULATION :

(1) OJ No 172, 30.9.1966, p. 3025/66

(2) OJ No L 186, 19.7.1980, p. 5

(3) OJ No L 369, 29.12.1978, p. 12

(4) OJ No L ...

Article 1

Notwithstanding Article 4 (3) of Regulation No 136/66/EEC, the 1979/80 marketing year for olive oil shall end on 30 November 1980 and the 1980/81 marketing year shall commence on 1 December 1980.

Article 2

For the purposes of granting production aid, olive oil produced from olives harvested during the period of extension of the 1979/80 marketing year shall be considered as having been produced during 1980/81.

Article 3

The monthly increases valid for October 1980 shall remain applicable during the period by which the 1979/80 marketing year is extended. However, the intervention price applicable during the period of extension shall be that in force during October 1980.

Article 4

Notwithstanding Article 9 of Regulation (EEC) No 3089/78 the Commission may adjust, during the period of extension of the 1979/80 marketing year, the amount of the security under the said Article to take account of the foreseeable alteration in the consumption aid for the 1980/81 marketing year.

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 .....

For the Council





