

HILLMAN
COMMISSION OF THE EUROPEAN COMMUNITIES

COM(80) 511 final

Brussels, 11th September 1980

UNIVERSITY OF PITTSBURGH
LIBRARIES

DEC 10 1980

SERIALS UNIT

UNIVERSITY OF PITTSBURGH
LIBRARIES

DEC 10 1980

GIFT & EXCHANGE

PROPOSAL FOR A COUNCIL REGULATION (EEC)
LAYING DOWN GENERAL RULES IN RESPECT OF PRODUCTION AID
FOR OLIVE OIL FOR THE 1980/81 MARKETING YEAR

(presented by the Commission to the Council)

COM(80) 511 final

EXPLANATORY MEMORANDUM

1. This draft Regulation lays down general rules in respect of production aid for olive oil for the 1980/81 marketing year.

2. For the greater part, this draft Regulation re-states the general rules applicable in this area for the 1979/80 marketing year, although it specifies the checks which must be carried out by producer organizations and by Member States. Thus it is envisaged that the checks will relate more particularly to the stock records of mills.

It is also envisaged that, as from the 1981/82 marketing year, mills will be subject to a system of approval.

Special Act
COUNCIL REGULATION (EEC)

laying down general rules in respect of production aid for
olive oil for the 1980/81 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 1917/80⁽²⁾, and in particular Articles 5(4) and 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 1980/81 marketing year, this aid is granted on the basis of the quantity of oil actually produced to growers who are members of the organizations specified by Council Regulation (EEC) No /80 of (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 cultivation, it is not possible to define the production potential 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, it should be provided 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 the aid in question is of considerable advantage 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;

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

(2) OJ No L 166, 19.7.1980, p. 1.

(3) OJ No L

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

Whereas, in order to facilitate checks on the entitlement to aid on the part of members of producer organizations, it should be provided that such organizations should submit a single crop declaration for all their members, after verification of the data relating to the holdings of a percentage to be determined of their members; whereas, for the same purpose, they should 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, in order that the entitlement to aid of members of producer organizations may be checked, it is necessary that the latter should verify the quantities of oil in respect of which aid is applied for by each of their members, taking as a basis both their crop declaration and the stock records of mills;

Whereas, in order to ensure that the checks are effective, it should be provided that the stock records of mills should be kept in a uniform manner; whereas, for the same purpose, it is necessary to subject a representative number of mills to the checks on producer organizations;

Whereas, in order to ensure the proper functioning of the system of production aid, it is planned to set up a system of approval for mills as from the 1981/82 marketing year; whereas, for the purposes of approving mills at the beginning of the aforementioned marketing year, the mills concerned should fulfil a number of conditions during the 1980/81 marketing year,

HAS ADOPTED THIS REGULATION:

Article 1

For the 1980/81 marketing year, the general rules laid down in the following Articles shall apply for the granting of olive oil production aid, as 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 appearing in points 1 and 4 of the Annex to Regulation No 136/66/EEC.

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 1 of Regulation No /80, that organization shall submit a single crop declaration for all its members, after checking 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 corresponds with the particulars given on his crop declaration;
 - that the particulars supplied by growers 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 mills.
2. Where the particulars referred to in the first indent of paragraph 1 appear not to tally, the producer organization shall require, where appropriate, all necessary supporting documents.
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 growers file to the Member State.

Article 6

The producer Member State shall be authorized to pay to producer organizations, as soon as the application for aid has been submitted, an advance not exceeding 70% of the amount of aid applied for.

Article 7

1. Each producer organization shall regularly check the activity and stock records of the mills indicated to them 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.
The mills to be checked shall be divided up among producer organizations with account being taken of the extent to which their members are representative of the total number of growers who have had their olive production pressed in the mills chosen.
2. Each producer organization shall inform the Member State concerned of the results of the checks referred to in the first paragraph.

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 activity of each producer organization and, in particular, the checking operations carried out pursuant to Articles 5 and 7.
3. With regard to the olive oil referred to at 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 the 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 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 the provisions of Article 5(2).

For this purpose, it shall take account of the olive and oil yields fixed in accordance with the provisions of Article 11.
3. Where the checks referred to in Articles 7 and 9 do not enable the figures appearing in the stock records of a 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 at 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 at point 1 of the said Annex.

Article 11

The olive and oil yields referred to in the second indent 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 by at the latest.

Article 12

Without prejudice to other criteria for approval to be laid down for the 1981/82 marketing year, each mill which has carried out operations during the 1980/81 marketing year must, in the course of that marketing year:

- have kept stock records conforming to the criteria to be specified pursuant to Article 9,
- have forwarded to the Member State by 31 December 1980 all such information as will enable its pressing capacity to be determined,
- have undergone the checks provided for in this Regulation.

Article 13

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

Article 14

This Regulation shall enter into force on the third day following that 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 : 18.8.1980

1. BUDGET HEADING : 6310 APPROPRIATIONS : 323 m EUA

2. TITLE : Draft Council Regulation laying down general rules in respect of production aid for olive oil for the 1980/81 marketing year.

3. LEGAL BASIS : Article 36 of Council Regulation No 136/66/EEC.

4. AIMS OF PROJECT : General rules governing the administration of production aid for olive oil for the 1980/81 marketing year.

5. FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTHS	CURRENT FINANCIAL YEAR	FOLLOWING FINANCIAL YEAR
	()	()	()
5.0 EXPENDITURE	taken entry	taken entry	taken entry
- CHARGED TO THE EC BUDGET (INTERVENTIONS)			
- 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 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET ?

YES/NO

YES/NO

YES/NO

OBSERVATIONS : This draft Regulation re-states the rules applicable in this matter during the previous marketing year by making certain clarifications with regard to the checks to be carried out.