

Brussels, 14 October 1966  
IP (66) 110PRESS RELEASEOlive oil

The Commission has just submitted to the Council four draft regulations on olive oil. The single market is to come into effect on 1 November next, so that the Council should adopt these measures before that date.

The first draft concerns prices. Last July the Council approved a target price to the producer of 115 u.a. per 100 kg. (all prices are given in u.a. per 100 kg. for pure semi-fine olive oil having a free fatty acid content of 3%, expressed as oleic acid).

The Commission now suggests an indicator market price of 78 u.a., an intervention price of 71 u.a. and a threshold price of 77.30 u.a.

To calculate the cif prices, the proposed entry point into the Community is Imperia.

The Commission gave the following reasons for these proposals:

- (i) The prices must allow normal sales of production.
- (ii) To this end it seems desirable, at least for the 1966-67 marketing year, to fix the price low enough to maintain consumption at its present level.
- (iii) Consequently the indicator market price should be fixed to put olive and seed oils on the same competitive terms as in the past.
- (iv) Allowance must be made for the fact that increased incomes and a general drop in prices of oils in Italy, which consumes around 95% of the Community's olive-oil supplies, are creating conditions favourable to increased consumption of oils.
- (v) Allowance must be made for the monthly increases in olive oil prices throughout the marketing year.

Two other proposals concern import levies on refined or semi-refined oil, and products containing olive-oil as well as refunds and levies in case of exports.

A last regulation is on the system of aids. To prevent fraud and simplify control, it is proposed that, during the 1966-67 season, tracer substance be introduced into olive oil which has benefitted from aid or is not eligible for it. When the target price to the producer is higher than the indicator price on the market at the beginning of the marketing year, a subsidy equal to the difference is payable to Community producers.