

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(79) 19 final.

Brussels, 1 February 1979

## Proposal for a Council Regulation (EEC)

amending Regulation No 136/66/EEC on the establishment  
of a common organization of the market in oils and fats

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(submitted to the Council by the Commission)

COM(79) 19 final.

## EXPLANATORY MEMORANDUM

Regulation No 136/66/EEC, as last amended by Regulation (EEC) No 1562/78, provides inter alia for the introduction of an aid for the consumption of olive oil produced and sold on the Community market.

In Article 11 of this regulation this aid is defined as being equal to the difference between the production target price less the production aid, and the representative market price.

However, in Article 10 of the aforesaid regulation it is laid down that the representative market price shall be increased during the marketing year by the monthly increases. But such monthly increases to the representative market price would affect the level of the consumption aid negatively, which is unjustified in view of the objective pursued. In order that the consumption aid should achieve the desired end, its amount should not vary during the marketing year except where a change in the level of the representative market price is justified by a variation in the prices of competing oils. This result may be reached by providing that for the calculation of the consumer aid, the monthly increases to the representative market price shall not be applied.

Since the amendment of Regulation No 136/66/EEC corrects a material error, this proposal involves no additional financial incidence compared to that taken into account when the proposal to amend Regulation No 136/66/EEC was presented.

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Article 1

The following subparagraph is added to paragraph 1 of Article 11 :

"When calculating the aid referred to in the preceding subparagraph, no account shall be taken of the monthly increases in the representative market price."

Article 2

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

It shall apply from 1 January 1979.

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)

amending Regulation No 136/66/EEC on the establishment of a common organization of the market in oils and fats

THE COUNCIL OF THE EUROPEAN COMMUNITITES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 42 and 43 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Whereas Article 11 of Council Regulation No 136/66/EEC<sup>(1)</sup>, as last amended by Regulation (EEC) No 1562/78<sup>(2)</sup>, introduced a system of consumption aid for olive oil produced and marketed in the Community; whereas this aid, which is equal to the difference between the production target price less the production aid and the representative market price for olive oil, is adjusted during the marketing year when the representative market price is altered in accordance with the provisions of the second subparagraph of Article 4(1) of Regulation No 136/66/EEC;

Whereas, pursuant to Article 10 of the above Regulation, monthly increases shall be applied to the representative market price; whereas, in consequence, the level of consumption aid is affected negatively and in an unwarranted manner;

Whereas, in order for the system of consumption aid to fulfil its purpose, the level of the said aid should be altered only in line with the market situation; whereas this aim may be attained by providing for the monthly increases to the representative market price not to be applied when calculating the aid in question; whereas Article 11 of Regulation No 136/66/EEC should therefore be amended;

HAS ADOPTED THIS REGULATION :

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

(2) OJ No L 185, 7.7.1978, p. 1

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