REGULATION (EEC) No 2599/75 OF THE COMMISSION

of 13 October 1975

providing for the granting of premiums for the private storage of olive oil

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 [1] of 22 September 1966 on the establishment of a common organization of the market in oils and fats, as last amended by Regulation (EEC) No 1707/73 [2], and in particular Article 11 (5) thereof;

Having regard to Council Regulation (EEC) No 1471/68 [3] of 24 September 1968 on storage contracts for olive oil, and in particular Article 1 thereof;

Whereas difficulties have been encountered in marketing certain qualities of olive oil; whereas in the last few weeks the price levels of such oil have dropped considerably; whereas this downward movement is likely to continue bearing in mind the foreseeable trend of demand in the next few months;

Whereas in these circumstances premiums should be granted for the private storage of such oil in accordance with the provisions of Regulation (EEC) No 1471/68; whereas, in view of the foreseeable market trend during the next few months, steps should be taken to ensure that oil from the new harvest is not made the subject of storage contracts; whereas therefore the opportunity to conclude contracts at the end of the present marketing year should be restricted;

Whereas, in order to ensure that the purpose for which premiums are granted is achieved, only those holders of olive oil should be involved who, because of their previous activities and experience in the trade, can ensure that storage will be carried out in a satisfactory manner and who have access to adequate facilities;

Whereas the abovementioned imbalance is likely to continue beyond the start of the new marketing year; whereas in these circumstances provision should be made for contracts to have a validity of 90 days and be renewable for a further 90 days;

Whereas in order to improve the effectiveness of the system of premiums, contracts should be concluded in a form which is sufficiently precise to allow for the identification of the product concerned and for the effective inspection of storage operations;

Whereas storage and interest costs are included both in the premium for private storage and in the amount of the monthly increase which is applied to the intervention price; whereas, in order to avoid a double payment of these costs, provision should be made for holders who present the oil for intervention to repay, up to the amount of the quantity stored, such part of the premium as corresponds to the said costs;

Whereas in order to take into account trade practices, allowance should be made for certain margins of variation in the agreed amount;

Whereas, to ensure that the quality of certain oils in storage does not deteriorate, power should be given to renew the stock during the period of validity of the contract;

Whereas uniform provisions should be laid down for payment of the premium;

Whereas to give the Commission an overall view of the effects of the granting of premiums for private storage Member States should transmit the necessary information;

Whereas the Management Committee for Oils and Fats has not delivered an opinion within the time limit set by its Chairman,

HAS ADOPTED THIS REGULATION:

Article 1

On the basis of applications to be made before 1 November 1975, the intervention agencies of producer Member States shall conclude storage contracts with holders of olive oil in accordance with the following conditions.

Article 2

Contracts shall be concluded with natural or legal persons who:

(a) are engaged in an activity in the olive oil sector and are duly entered in the public register of a producer Member State; however, if the holder of olive oil is an agricultural producer not entered in a public register, he must furnish a document proving that he has submitted a request for aid for the olive oil for the 1974/75 marketing year;

(1) OJ No 172, 30. 9. 1966, p. 3025/66.
(2) OJ No L 175, 29. 6. 1973, p. 5.
(3) OJ No L 234, 25. 9. 1968, p. 1.

(b) have access, with a view to storage, to the qualities of olive oil referred to in Article 3 and to suitable facilities therefor ;

(c) are in possession, at the date of the application for the storage contract, of the quantity of oil in respect of which the application is made.

Article 3

Only extra, fine, and ordinary virgin olive oil which can be shown to have been produced in the Community during the 1974/75 olive oil marketing year shall be the subject of contracts.

Article 4

1. The contract shall be concluded for a period of 90 days.

2. The contract referred to in paragraph 1 shall be automatically renewed for a further period of 90 days if, before the first period has expired, the person concerned does not request the intervention agency to terminate the contract.

Article 5

1. The contract shall in particular contain the following information :

(a) the name and first names or trade name of the holder ;

(b) his full postal address ;

(c) the name and address of the intervention agency ;

(d) the exact address of the place of storage ;

(e) the number of lots, the net weight and the quality of each one covered by the contract ;

(f) the agreement of the owner of the oil placed in storage if the holder of the oil is not himself the owner ;

(g) the date of commencement of the contract ;

(h) the amount of the premium.

2. The terms of the contract shall oblige the holder to :

(a) keep in store during the stipulated period the agreed quantity of the product concerned, any consequent loss to be borne by the holder ;

(b) store oils of different qualities in separate and identifiable tanks ;

(c) allow at all times the intervention agency to check that the obligations laid down in the contract are being observed ;

3. The obligation to respect the quantity indicated in the contract shall be deemed to have been satisfied if at least 98 % of such quantity has been kept in storage.

4. Provision shall be made in the contract for holders, after 1 November 1975, to be able to replace the oil from the 1974/75 marketing year with olive oil of equivalent quantity and quality from the new harvest.

5. For the purpose of this Regulation, a lot shall mean a fixed quantity of olive oil which conforms to one of the qualities referred to in Article 3.

Article 6

1. No storage contract shall be concluded in respect of a quantity to be stored in one place of less than 5 metric tons net for olive oil of all the qualities referred to in Article 3.

2. The date of commencement of the contract shall be that of the receipt by the intervention agency of the application for the storage contract.

Article 7

1. The amount of the premium shall be fixed at 5·5 units of account per 100 kilogrammes for the first 90 days period. If the contract is renewed the premium to be paid for the following 90 days shall be increased to 6·5 units of account per 100 kilogrammes.

2. The amount of the premium shall be calculated on the basis of the net weight on the date of commencement of the contract.

Article 8

Subject to the provisions of Article 9, the premium shall only be paid when all the obligations of the contract have been satisfied.

The premium shall be paid, after inspection to ensure that the said obligations have been satisfied, within eight weeks of the expiry of the contract.

Article 9

1. Save in case of *force majeure*, if the holder does not satisfy the obligations imposed on him by the contract, the premium shall not be paid.

2. In case of *force majeure*, the competent authority of the producer Member State shall determine the measures which it considers necessary in the light of the circumstances invoked. Such measures may include in particular payment of the premium due in proportion to the quantities stored and to the actual duration of the storage.

3. The Member State responsible for the agency referred to in paragraph 2 shall inform the Commission of any application of this article and the Commission shall inform the other Member States thereof.

Article 10

1. The holders of olive oil who :

— have concluded a storage contract, and who

— present, after the expiration of the said contract, the olive oil for intervention during the 1975/76 marketing year,

shall repay to the intervention agency, in respect of a quantity of oil up to a maximum equal to the quantity which was the subject of the contract, an amount equal to the difference between the intervention price valid on the day following the expiry date of the contract and that valid on 1 November 1975.

2. The provisions of paragraph 1 shall not apply to holders of oil who present for intervention qualities of oil which cannot be the subject of private storage contracts.

Article 11

1. The Member States shall take all the measures necessary to ensure the control of the quality and origin of the oil and the fulfilment of the obligations arising from the contract.

2. Member States shall transmit to the Commission a specimen of the contract as provided for in Article 5.

3. Member States shall inform the Commission by telex :

— before 20 November 1975, of the quantity and quality of olive oil for which contracts have been concluded,

— of any variations relating to the quantities of olive oil stored and of any changes concerning the storage contracts, within 15 days of such alterations.

Article 12

This Regulation shall enter into force on the day following 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 Brussels, 13 October 1975.

For the Commission

P. J. LARDINOIS

Member of the Commission