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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 1917/80

of 15 July 1980

amending Regulation No 136/66/EEC on the establishment of a common organization of the market in oils and fats and supplementing Regulation (EEC) No 1360/78 on producer groups and associations thereof

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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 (1),

Having regard to the opinion of the European Parliament (2),

Having regard to the opinion of the Economic and Social Committee (3),

Whereas Article 5 of Council Regulation No 136/66/EEC of 22 September 1966 on the establishment of a common organization of the market in oils and fats (4), as last amended by Regulation (EEC) No 1585/80 (5), introduced a system of aid for the production of olive oil in the Community ; whereas such aid is granted, on the basis of the quantity of oil actually produced, to growers who are members of a producer group recognized pursuant to Regulation (EEC) No 1360/78 (6) ; whereas these groups may assist with certain of the tasks entailed in the management of the production aid system ;

Whereas experience has shown that, because of the main role assigned to them, namely marketing their members' produce, and because they are small in size and many in number, producer groups are not best qualified to assist with the management of the production aid system ; whereas this problem can be overcome by providing for the associations of producer groups recognized pursuant to Regulation (EEC) No 1360/78 to assist with the management of production aid, since such associations pursue the same objectives as the groups but on a larger scale and since they fulfil the supplementary conditions for recognition laid down in this Regulation ;

Whereas assistance with the management of production aid constitutes for associations a special task not provided for in Regulation (EEC) No 1360/78 ; whereas it is necessary, therefore, to provide for that task to be financed ; whereas in view of the potential benefits afforded to those concerned by the participation of the associations in the management of production aid, it is fair that the work should be financed by a deduction from production aid ;

Whereas, furthermore, in the olive oil sector, some producers whose production is in principle intended for their own consumption do not belong to a producer group within the meaning of Regulation (EEC) No 1360/78 ; whereas, therefore, these producers are barred from receiving production aid on the basis of the quantity of olive oil actually produced ; whereas to remedy this situation it must be provided that these producers can receive the aid in question if they subject themselves to the checks of a producer group association ;

Whereas Article 11 of Regulation No 136/66/EEC introduced a system of aid for the consumption of olive oil produced and marketed in the Community and provided that the management of these arrangements be entrusted to a trade organization under the supervision of the Member State concerned ; whereas experience has shown that the operation of this system of aid management gives rise to practical difficulties ;

Whereas, in view of the large number of beneficiaries of the system of consumption aid in the main olive oil-producing Member State and in view of the complexity of this system, it is advisable, for ease of administration and to facilitate the granting of aid, to secure a degree of cooperation between the benefici-

(1) OJ No C 58, 8. 3. 1980, p. 9.
(2) Opinion delivered on 19 June 1980 (not yet published in the Official Journal).
(3) Opinion delivered on 3 July 1980 (not yet published in the Official Journal).
(4) OJ No 172, 30. 9. 1966, p. 3025/66.
(5) OJ No L 160, 26. 6. 1980, p. 2.
(6) OJ No L 166, 23. 6. 1978, p. 1.

aries of the aid and the administrative authorities of the Member State in question ; whereas to this end the Member State concerned should have the power to recognize the trade organizations representing the beneficiaries of the system of consumption aid ; whereas certain preparatory tasks should therefore be entrusted to those organizations ; whereas minimum conditions should be laid down for the recognition of those organizations ;

Whereas the necessary funds must be provided to enable the trade organizations to carry out the special tasks entrusted to them ; whereas in view of the advantages afforded to those concerned by the proposed procedure it is appropriate that the financing be carried out by means of a deduction from consumption aid ;

Whereas the ultimate responsibility for supervising the management of production aid and consumption aid lies with the Member State concerned ;

Whereas to remedy certain structural defects in the organization of agricultural production in certain regions of the Community, Regulation (EEC) No 1360/78 provided for farmers to be grouped in producer groups and associations of producer groups ;

Whereas these defects have been observed in the olive oil sector in the southern regions of France ; whereas, however, the olive oil sector does not at present come within the scope of the Regulation in question ;

Whereas, in the matter of production aid, Regulation No 136/66/EEC gives certain prerogatives to associations of groups of olive oil producers ; whereas the scope of Regulation (EEC) No 1360/78 should therefore be extended to include the olive oil sector in France ;

Whereas Regulation (EEC) No 1360/78 should be implemented during the marketing year 1979/80 ; whereas in order to facilitate the transition between the present system for the organization of production in the olive oil sector and the new system, the latter should be applied from the marketing year 1981/82,

HAS ADOPTED THIS REGULATION :

Article 1

Regulation No 136/66/EEC is hereby amended as follows :

1. the first indent of Article 5 (2) is replaced by the following :

'— to growers who are members of a producer group belonging to an association recognized pursuant to Regulation (EEC) No 1360/78 and this Regulation, and to the individual growers specified in Article 20c, who subject themselves to the checks of that association, on the basis of the quantity of oil actually produced by them.' ;

2. Article 5 (3) is replaced by the following :

'3. Recognized associations may assist in determining the actual production referred to in the first indent of paragraph 2 and in establishing the production potential and yield referred to in the second indent of paragraph 2.' ;

3. Article 11 is replaced by the following :

'*Article 11*

1. Where the production target price less the production aid exceeds the representative market price for olive oil, consumption aid shall be granted for olive oil produced and marketed in the Community. The aid shall be equal to the difference between these two amounts. In calculating the aid monthly increases in the representative market price shall not be taken into account.

2. Save where paragraph 3 applies, the aid shall be granted to olive oil canneries at their request.

3. For the purpose of applying the consumption aid system a Member State may recognize one or more trade organizations. Recognized organizations shall assist in determining the quantities of canned or bottled olive oil eligible for aid. These organizations shall carry out the work in question and apply for aid on behalf of their members.

Where the first subparagraph applies, the Member State concerned shall coordinate and monitor the activities of the various recognized trade organizations. Canneries not belonging to a trade organization shall have the work done by an organization of their own choice. In such cases, the organizations in question shall have the power to apply for and receive aid for those undertakings.

4. In order to be granted recognition a trade organization must fulfil the following conditions :

— be capable of checking the quantity of oil canned or bottled by the canneries they represent,

— be authorized to submit a single application for aid for all the canneries they represent,

— be authorized to receive the aid and share it out between the canneries they represent,

— have the legal personality or sufficient legal capacity to exercise rights and be subject to obligations in accordance with national law.

Recognition shall be withdrawn where the conditions for recognition laid down in the first subparagraph are no longer fulfilled.

5. By way of a fee, the recognized trade organizations shall receive a percentage, to be determined, of the amount of consumption aid paid to them. The purpose of this fee shall be to cover the expenditure incurred in the work done pursuant to paragraph 3.

6. The Council, acting by a qualified majority on a proposal from the Commission, shall decide each year before 1 October for the following marketing year the percentage of the consumption aid specified in paragaph 5 and the percentage of the consumption aid which is to be allocated to publicity campaigns or to any other projects for the promotion of the consumption of olive oil in the Community.

However, for the period between the date of entry into force of this Regulation and 31 October 1980, the percentage referred to in paragraph 5 shall be 2.

7. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt the general rules for the application of this Article, and in particular the rules relating to the verification of eligibility for aid ; such verification shall in principle relate both to olive oil produced in the Community and to olive oil imported from non-member countries.

8. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 38 of this Regulation and, where appropriate, in accordance with the procedure laid down in Article 13 of Regulation (EEC) No 729/70.' ;

4. Article 20c is replaced by the following :

'*Article 20c*

The associations recognized within the meaning of Regulation (EEC) No 1360/78 must fulfil the conditions laid down by that Regulation and also :

— be capable of verifying the actual production of the growers who are members of the groups which make up the associations and, at their request, of the individual growers whose production is in principle intended for their own consumption and provided that the latter may not become members of any of the recognized groups making up the association,

— be authorized to submit a single application for all the producers referred to in the first indent,

— be authorized to receive the aid and share it out to each of the producers referred to in the first indent,

— have provisions in their statutes which enable them to verify the production of the individual growers referred to in the first indent.

Without prejudice to the application of Article 8 of Regulation (EEC) No 1360/78, recognition of an association shall be withdrawn if the conditions for recognition were not or are no longer fulfilled.

Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 38.' ;

5. Article 20d is replaced by the following :

'*Article 20d*

1. Where a Member State applies the provisions of Article 5 (3), in that Member State the recognized associations referred to in Articles 5 and 20c shall receive, by way of a fee, a percentage to be determined, of the amount of production aid paid to them. The purpose of this fee shall be to cover the expenditure incurred in the work done pursuant to Article 5 (3).

The Council, acting by a qualified majority on a proposal from the Commission, shall decide each year before 1 October for the following marketing year the percentage of the production aid to be deducted as a fee by the recognized associations.

2. Where prices on the Community market are close to the intervention price during a period to be determined, it may be decided in accordance with the procedure laid down in Article 38 that recognized producer groups within the meaning of Regulation (EEC) No 1360/78 may conclude storage contracts in respect of the olive oil which they market.

3. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 38.'

Article 2

The following indent is added to Article 3 (2) of Regulation (EEC) No 1360/78 :

'— olive oil (subheading 15.07 A of the Common Customs Tariff) in the metropolitan regions listed in the second indent of Article 2.'

Article 3

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

However, Article 1 (1), (2), (4) and (5) shall apply with effect from 1 November 1981.

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

Done at Brussels, 15 July 1980.

For the Council

The President

J. SANTER