COUNCIL REGULATION (EEC) No 3880/88

of 12 December 1988

amending Regulation (EEC) No 2262/84 laying down special measures in respect of olive oil

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the proposal from the Commission (1),

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

Whereas, pursuant to Article 1 (1) of Regulation (EEC) No 2262/84 (3), as last amended by Regulation (EEC) No 3462/87 (4), producer Member States must set up agencies for the purpose of carrying out certain checks and duties in connection with the olive oil production aid scheme; whereas, in accordance with Article 1 (5) of the said Regulation, the Council must adopt, before 1 January 1989, the method for financing the agencies' expenditure as from the 1989/90 marketing year;

Whereas, taking account of the important role that these bodies can play in ensuring that the production aid arrangements are applied correctly and in a uniform manner, provision should be made for a method of financing their actual expenditure which enables them to operate smoothly and efficiently within the framework of administrative autonomy provided for in the rules concerned; whereas that objective can be achieved via a method which combines Community financing and financing by the Member State;

Whereas the agencies in the four producer Member States concerned are not in an identical situation; whereas administrative and legal difficulties have resulted in delays in the setting-up and/or operation of the agencies in certain Member States; whereas those Member States did not make effective use of the maximum amounts which were earmarked for them during the initial phase when expenditure was fully chargeable to the Community; whereas the period covered by the said phase should therefore be extended by one year without increasing the maximum amounts already allocated under the existing rules,

HAS ADOPTED THIS REGULATION:

Article 1

Article 1 (5) of Regulation (EEC) No 2262/84 is hereby replaced by the following:

'5. Over a period of five years from 1 November 1984, the following percentages of the agency's actual expenditure shall be chargeable to the general budget of the European Communities:

— in the case of Italy, 100 % for the first three years, up to a maximum of Ecu 14 million, and 50 % for the fourth and fifth years,

— in the case of Greece, 100 % up to a maximum of Ecu 7 million.

Over a period of three years from 1 November 1989, 50 % of the actual expenditure of the Italian and the Greek agencies shall be chargeable to the general budget of the European Communities.

In the case of Spain and Portugal, 100 % of the agency's actual expenditure during the period from 1 March 1986 to 31 October 1990 shall be covered by the general budget of the European Communities up to a maximum of Ecu 9 300 000 for Spain and Ecu 4 700 000 for Portugal. During the period from 1 November 1990 to 31 October 1992, 50 % of the expenditure in question shall be covered by the said budget.

Member States may, under conditions to be determined in accordance with the procedure provided for in Article 38 of Regulation No 136/66/EEC, cover part of the expenditure to be borne by them by a deduction from the Community aid granted for olive oil.

The Council, acting by qualified majority on a proposal from the Commission, shall adopt by 1 January 1992 the method for financing the expenditure in question as from the 1992/93 marketing year.'

Article 2

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

(1) OJ No C 258, 5. 10. 1988, p. 5.
(2) Opinion delivered on 18 November 1988 (not yet published in the Official Journal).
(3) OJ No L 208, 3. 8. 1984, p. 11.
(4) OJ No L 329, 20. 11. 1987, p. 2.

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

Done at Brussels, 12 December 1988.

For the Council

The President

Y. POTTAKIS