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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 593/92

of 3 March 1992

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, in order better to ensure the correct and effective application of Community rules in the olive oil sector, it is advisable to entrust agencies with the task of carrying out the checks for all the Community aid paid in this sector, with the exception of export refunds;

Whereas, in order to improve the monitoring by the Commission of the agency's operation and activities, provision should be made for the Commission to be represented within agencies;

Whereas, in order to improve the follow-up given to the findings of the checks conducted by agencies, communication needs to be established between the Member State and the Commission;

Whereas, under Article 1 (5) of Regulation (EEC) No 2262/84 (3), as last amended by Regulation (EEC) No 200/90, the Council, acting by a qualified majority on a proposal from the Commission, is to adopt before 1 January 1992 the method for financing the agencies' actual expenditure as from the 1992/1993 marketing year; whereas, in view of the extent of the tasks entrusted to agencies and of their importance for the correct and uniform application of Community rules in the sector, provision should be made, for a new period of five years, for a Community contribution to the agencies' expenditure enabling them to function effectively and regularly while maintaining the administrative autonomy envisaged by the rules,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No 2262/84 is hereby amended as follows:

1. the first subparagraph of Article 1 (1) shall be replaced by the following:

   '1. Each producer Member State shall, in accordance with its legal structure, set up a specific agency for the purpose of carrying out certain activities and checks in connection with Community aid for olive oil, except for export refunds.';

2. Article 1 (2) shall be replaced by the following:

   '2. In order to ensure that Community rules in respect of olive oil are correctly applied, an agency as referred to in paragraph 1 shall, in accordance with the work schedule referred to in paragraph 4:

   — check that the work of the producer organizations and associations complies with Council Regulation (EEC) No 2261/84 of 17 July 1984 laying down general rules on the granting of aid for the production of olive oil and of aid to olive oil producer organizations (1);

   — verify the accuracy of the data set out in the crop declarations and aid applications, without prejudice to the checks carried out by the Member State pursuant to Article 14 of Regulation (EEC) No 2261/84;

   — conduct checks of approved mills;

   — carry out checks on the end-use of olive oil and olive-residue oil and on the end-use of their by-products;

(1) OJ No C 206, 7. 8. 1991, p. 6.
(2) Opinion delivered on 14 February 1992 (not yet published in the Official Journal).
(3) OJ No L 208, 3. 8. 1984, p. 11.

— monitor the approved packaging plants, in accordance with Article 7 of Council Regulation (EEC) No 3089/78 of 19 December 1978 laying down general rules in respect of aid for the consumption of olive oil [2] and, where necessary, the professional bodies recognized under Article 11 (3) of Regulation No 136/66/EEC;

— collect, verify and process, at national level, the data required for ascertaining the yields mentioned in Article 18 of Regulation (EEC) No 2261/84;

— carry out checks, if need be, on the origin of imported olive oil and olive-residue oil.

On its own initiative or at the Commission's request, the Member State may instruct the agency, in accordance with the work schedule referred to in paragraph 4, to:

— conduct statistical surveys into the production, processing and consumption of olive oil and olive-residue oil;

— monitor the buying-in, storage and sale of olive oil by the intervention agencies referred to in Articles 12 and 13 of Regulation No 136/66/EEC;

— monitor the storage operations carried out under Article 20 d (3) of Regulation No 136/66/EEC;

— monitor the firms manufacturing preserved products in accordance with Article 8 of Council Regulation No 591/79 of 26 March 1979 laying down general rules concerning the production refund for olive oils used in the manufacture of certain preserved foods [3];

— conduct specific surveys in the olive oil sector.

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[1] OJ No L 208, 3. 8. 1984, p. 3. Regulation last amended by Regulation (EEC) No 3500/90 (OJ No L 338, 5. 12. 1990, p. 3).

[2] OJ No L 369, 29. 12. 1978, p. 12. Regulation last amended by Regulation (EEC) No 3461/87 (OJ No L 329, 20. 11. 1987, p. 1).

[3] OJ No L 78, 30. 3. 1979, p. 2. Regulation last amended by Regulation (EEC) No 2903/89 (OJ No L 280, 29. 9. 1989, p. 3).';

3. the following subparagraph shall be added to Article 1 (3):

'The Commission may take part in the discussions held by the agency's management. Its representative shall not vote.';

4. in the first subparagraph of Article 1 (4), the words 'the production aid scheme' shall be replaced by 'the Community rules in respect of olive oil are';

5. the following subparagraphs shall be added to Article 1 (4):

'Member States shall act upon the agency's findings as promptly as possible.

They shall regularly communicate to the Commission details of the action taken and the sanctions applied as a result of the agency's findings on the basis of its checks.

The communication shall not affect the application of Article 3 of Council Regulation (EEC) No 595/91 of 4 March 1991 concerning irregularities and the recovery of sums wrongly paid in connection with the financing of the common agricultural policy and the organization of an information system in this field and repealing Regulation (EEC) No 283/72 [1].

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[1] OJ No L 67, 14. 3. 1991, p. 11.';

6. the last two subparagraphs of Article 1 (5) shall be replaced by the following:

'Over a period of five years from 1 November 1992, 50 % of the agency's actual expenditure shall be chargeable to the general budget of the European Communities.

The Council, acting by a qualified majority on a proposal from the Commission, shall adopt by 1 January 1997 the method for financing the expenditure as from the 1997/98 marketing year.

Member States shall be entitled, under conditions to be determined according to the procedure laid down in Article 38 of Regulation No 136/66/EEC, to meet part or all of their financial burden by making deductions from the Community aid granted in respect of olive oil.';

7. in the first subparagraph of Article 1 (6), the words 'has been set up and' shall be deleted. In the second subparagraph, the words 'setting up and' shall be deleted;

8. the words 'belonging to a producer organization' shall be deleted from Article 2 (b);

9. in Article 2 (d), the words 'this Regulation' shall be replaced by 'Regulation (EEC) No 2261/84';

10. the following Article shall be inserted :

'Article 2a

Under Article 11a of Regulation No 136/66/EEC, Member States shall take specific and appropriate measures to apply sanctions in the event of any breaches of the consumption aid arrangements, particularly where it is noted that :

— an approved packaging plant has not fulfilled the obligations arising under Regulation (EEC) No 3089/78, in particular in the cases provided for in Article 3 ;

— a recognized professional organization has not fulfilled the obligations arising under the said Regulation.

Member States, where they are concerned, shall take specific and appropriate measures to apply sanctions in the event of any breaches of the arrangements set out in Articles 12, 13, 20 a and 20 d of Regulation No 136/66/EEC.'

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 1992.

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

Done at Brussels, 3 March 1992.

For the Council

The President

Arlindo MARQUES CUNHA