This document is meant purely as documentation tool and the institutions do not assume any liability for its contents

►**B**

COMMISSION REGULATION (EC) No 528/1999
of 10 March 1999
laying down measures to improve the quality of olive oil production

(OJ L 62, 11.3.1999, p. 8)

Amended by:

		Official Journal		
		No	page	date
►**M1**	Commission Regulation (EC) No 593/2001 of 27 March 2001	L 88	6	28.3.2001

▼B

COMMISSION REGULATION (EC) No 528/1999

of 10 March 1999

laying down measures to improve the quality of olive oil production

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation No 136/66/EEC of 22 September 1966 on the establishment of a common organisation of the market in oils and fats [1], as last amended by Regulation (EC) No 1638/98 [2], and in particular Article 5(11) thereof,

Whereas pursuant to Article 5 of Regulation No 136/66/EEC 1,4 % of the production aid to olive growers is assigned to finance regional measures in the Member States to improve the quality of olive oil production and its environmental impact; whereas these measures should be specified and also the tasks that can be entrusted to producer organisations;

Whereas, by virtue of the origin of their funding, the measures to be undertaken should directly involve olive growers or oil mills; whereas the purpose of these measures is to produce quality virgin olive oil under conditions that preserve or improve the environment; whereas, as a result, these measures must help to supply the mills with olives with prized characteristics and improve the conditions under which the virgin oils are extracted and stored;

Whereas the way in which the sector operates dictates that quality improvement measures should be implemented over 12-month periods beginning on 1 May of each year; whereas the measures for each period must be included in national programmes; whereas Member States must draw up and execute their national programmes;

Whereas the expenditure in each period must be based on the deduction from the production aid for the marketing year preceding that in which the programme begins; whereas production is estimated by the Commission in accordance with Article 17a(1) of 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 organisations [3], as last amended by Regulation (EC) No 1639/98 [4]; whereas expenditure on the execution of programmes must be managed and checked nationally in accordance with Community rules;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Oils and Fats,

HAS ADOPTED THIS REGULATION:

Article 1

1. This Regulation specifies the measures to be undertaken and procedures to be followed to improve the quality of olive oil production at regional level and its impact on the environment.

2. The measures relate to 12-month production cycles beginning on 1 May each year and involve:

(a) action against the olive fly and possibly other harmful organisms, including control, warning and evaluation arrangements;

(b) improvement of the conditions under which olive trees are grown and treated, olives are harvested, stored and processed and the resulting oils are stored;

(c) technical assistance to growers and mills to help improve the environment, the quality of the olives produced and their conversion into oil;

---

[1] OJ 172, 30. 9. 1966, p. 3025/66.
[2] OJ L 210, 28. 7. 1998, p. 32.
[3] OJ L 208, 3. 8. 1984, p. 3.
[4] OJ L 210, 28. 7. 1998, p. 38.

▼B

(d) improvement of the disposal of crushing residues so that the environment is not harmed;

(e) training, information provision and demonstrations for farmers and mills on oil quality and the environmental impact of the oil production chain;

(f) creation and operation, at regional, provincial or producer-organisation level, of laboratories for virgin oil analysis;

(g) collaboration with specialist agencies on research programmes to improve the quality of virgin olive oil and at the same time help improve the environment.

3. Action under points (a) and (b) of paragraph 2 shall place special emphasis on integrated biological control methods.

Insecticides against olive fly must be used in conjunction with protein baits. However in special circumstances the use of insecticides without protein baits may be authorised under the direction of the agency responsible for prescribing treatments. Insecticides and their mode of application must be such that no residue in olives from the zones in question or in the oil produced from them exceeds the maximum doses authorised by Community legislation.

Article 2

1. Member States shall establish by 31 March of each year an action programme for the next production cycle.

The programme shall include:

(a) a detailed description of the measures envisaged, with duration and cost;

(b) a list of the products and materials needed, with unit costs;

(c) a list of the centres, agencies or producer organisations responsible for execution of the measures.

Contracts and agreements with centres, agencies or producer organisations charged with execution of the measures, and administrative provisions made by the Member State in regard to these bodies, shall be concluded or adopted so as to take effect at the beginning of the production cycle concerned. Such contracts or agreements may be multiannual in duration subject to adjustments stemming from the successive programmes. They shall be drawn up using standard contract terms made available by the Commission.

The programme shall be approved by and executed on the responsibility of the Member State.

2. Before 1 May each year producer Member States shall notify to the Commission the measures planned for the next production cycle, listed by category as indicated in Article 1(2), and their estimated expenditure on them.

Article 3

1. Expenditure on the measures specified in this Regulation shall be financed from the production aid deduction made pursuant to Article 5 of Regulation No 136/66/EEC.

2. The Commission shall determine under the procedure laid down in Article 38 of Regulation No 136/66/EEC, for each production cycle referred to in Article 1(2) and each producer Member State, the financing ceilings for measures eligible for reimbursement by the EAGGF Guarantee Section.

The ceilings shall be determined on the basis of the production aid deduction, estimated in accordance with Article 17a(1) of Regulation (EEC) No 2261/84, for the marketing year finishing in the year preceding that in which the production cycle begins.

▼M1

The ceilings shall be adjusted on the basis of the difference between the calculation of the deduction from the aid based on estimated production and that based on actual production for the marketing year preceding that on the basis of which the ceilings are fixed under the second subparagraph.

▼B

3. If the resources referred to in paragraph 1 do not suffice to cover expenditure on some of the measures included in the programme for a production cycle, the Member State may make an additional financial contribution equal at most to 50 % of the Community financing for each of the measures in question. This contribution must not be funded through a deduction from the production aid.

Article 4

1. Expenditure under the programme adopted by the Member State shall be eligible under this Regulation only if the measures in question are not covered by any other Community financing.

Only a maximum of 75 % shall be eligible in the case of expenditure on:

— execution of the treatments required for the purposes of action as referred to in Article 1(2)(a),

— remuneration of the personnel of the laboratories referred to in Article 1(2)(f).

2. The general costs of contractors, including those of any subcontractors, shall be limited to 2 % of total eligible expenditure.

Article 5

1. Payments in connection with:

— contracts and agreements concluded or adopted by a Member State with centres, agencies or producer organisations responsible for the execution of measures,

— administrative provisions of the Member State in connection with such centres, agencies or organisations,

shall be made on presentation of supporting documents for the expenditure and following verification by the competent authorities of these documents and of fulfilment of the specified obligations.

The competent body shall make the payments referred to above within 60 calendar days of receipt of the application. However, this deadline may be suspended at any time in the 60-day period after the payment application is first registered, by informing the creditor contractor that his application is not admissible, either because the sum is not payable, because the application is not supported by the requisite evidence for all the additional applications, or if the competent body deems it necessary to have further information or to make checks. The deadline shall start to run again from the date the requested information — which must be sent within 30 calendar days — is received. Except in cases of *force majeure*, any delay in making the above payments shall give rise to a reduction in the refund to the Member State, in accordance with the rules laid down in Article 4 of Commission Regulation (EC) No 296/96 ([1]).

2. Contracts or agreements cannot be concluded until a security equal to 15 % of the maximum amount of Community funding has been lodged, in order to guarantee their proper performance. The security shall be lodged in accordance with Title III of Commission Regulation (EEC) No 2220/85 ([2]).

However, if the contractor is a public body or a quasi-public body, a written guarantee from its supervisory authority covering an amount equal to the percentage referred to in the preceding subparagraph may be accepted by the competent body, provided that the supervisory authority undertakes to verify that:

— the obligations entered into have been properly discharged, and

— the sums received were correctly used to discharge the obligations entered into.

([1]) OJ L 39, 17. 2. 1996, p. 5.
([2]) OJ L 205, 3. 8. 1985, p. 5.

▼B

Proof of lodgement of the security must reach the competent body before the time limit referred to in the second subparagraph of paragraph 1 expires.

3. The primary requirement within the meaning of Article 20 of Regulation (EEC) No 2220/85 shall be the implementation of the measures in the contract.

4. In the case of multiannual contracts or agreements, the security shall be calculated on the basis of the value of each of their annual parts.

5. Release of the security shall be conditional on verification by the Member State of execution within the indicated time limits of the measures specified in the contract or agreement, or during the annual period applicable.

6. All centres, agencies and producer organisations charged with the execution of measures shall submit to the Member State within two months of the final date set for execution a detailed report on the use of the Community funds assigned and the outcome of the measures in question. If the report is presented after the two-month time limit 3 % of the Community contribution for the measures in question shall be retained for each month or part thereof by which the report is late.

Article 6

1. Within 30 calendar days of the signing of the contract, the contractor may submit an application for an advance to the competent body, accompanied by the security referred to in paragraph 3 below. No applications for an advance can be made after the 30-day limit.

Advances may cover at most 30 % of the amount of Community funding.

2. The competent body must pay the advance within 30 calendar days of the submission of the application for an advance. Article 4 of Regulation (EC) No 296/96 shall apply where payment is made late.

3. The advance shall be paid subject to the lodging by the contractor of a security equal to 110 % of the advance, in favour of the competent body, in accordance with Title III of Regulation (EEC) No 2220/85.

However, if the contractor is a public body or a quasi-public body, a written guarantee from its supervisory authority covering an amount equal to the percentage referred to in the preceding subparagraph may be accepted by the competent body, provided that the supervisory authority undertakes to pay the amount covered by the security should entitlement to the amount advanced not be established.

4. Release of securities shall be conditional on:

— transmission to the Member State of the supporting documents for the expenditure effected,

— verification of the documents and establishment that the specified obligations have been met.

Article 7

If a security as referred to in Articles 5 or 6 is forfeited or a deduction made as referred to in Article 5(6), the amount in question shall be deducted from EAGGF Guarantee Section expenditure.

Article 8

1. Member States shall apply a checking system to ensure that measures included in programmes for which financing is granted are correctly executed. This shall involve:

— administrative and accounting checks on the costs borne,

— checks, in particular on the spot, on verification of conformity of execution of the measures with the provisions of the contract or agreement or the administrative provisions.

2. Member States shall inform the Commission of their planned checking system when they transmit the information referred to in Article 2(2).

The Commission may request Member States to make any change in the checking system it deems necessary.

▼B

3. A short report on execution of the programme and the checks made shall be transmitted by Member States to the Commission by 1 October following each production cycle.

It shall summarise the measures planned and carried out, by category as referred to in Article 2(2), and for each measure state the costs allocated and checks made and assess the results achieved, the environmental impact and the difficulties encountered.

Article 9

This Regulation shall enter into force on the seventh 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.