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(Acts whose publication is obligatory)

REGULATION (EEC) No 3414/73 OF THE COUNCIL
of 11 December 1973
on the formation of a buffer stock of olive oil

THE COUNCIL 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 10 (2) and Article 12 thereof;

Having regard to the proposal from the Commission;

Whereas Article 12 of Regulation No 136/66/EEC provides that, to mitigate the effects of harvest fluctuations on the balance between supply and demand and in this way to stabilize consumer prices, the Council may require intervention agencies to form a buffer stock of olive oil;

Whereas in recent years there have been considerable fluctuations in Community olive harvests; whereas these fluctuations have had an adverse effect on the olive oil market situation and on the stability of consumer prices for this product;

Whereas a good harvest is expected for the 1973/74 marketing year; whereas, in order to counteract the difficulties referred to above, it would seem desirable to set aside part of this year's harvest to form a buffer stock of olive oil in the Community;

Whereas in the interests of sound administration, offers for sale must relate to the total quantity of oil produced by those making an offer;

Whereas, in view of price levels on the Community market, the buying-in price for the buffer stock should be fixed at a level not exceeding that of the market target price;

Whereas, in order to encourage formation of the stock, the subsidy on virgin olive oil bought in for the stock and on olive-residue oil should, by way of derogation from Council Regulation (EEC) No 3209/73 (3) of 27 November 1973 on the subsidy for olive oil, be paid to the producer at the same time as the buying-in price;

Whereas provision should be made for the buffer stock to be disposed of as soon as it becomes apparent, in the light of the market situation and the level of prices obtaining, that this is necessary,

HAS ADOPTED THIS REGULATION:

Article 1

A buffer stock of virgin olive oil shall be formed under the conditions laid down in Articles 2 to 5.

Article 2

1. The formation of the buffer stock shall be entrusted to the Italian intervention agency, which shall act before 1 April 1974.

2. The buffer stock shall consist exclusively of virgin olive oil produced in the Community during the 1973/74 marketing year.

3. The total quantity of virgin olive oil bought in for the buffer stock shall not exceed 75 000 metric tons for the marketing year in question.

Article 3

For the purposes of forming the buffer stock and subject to the maximum tonnage specified in Article 2 (3), the Italian intervention agency shall buy in only virgin olive oil offered to it by producers on the terms set out in Article 4.

(1) OJ No 172, 30. 9. 1966, p. 3025/66.
(2) OJ No L 175, 29. 6. 1973, p. 5.
(3) OJ No L 327, 28. 11. 1973, p. 15.

Article 4

1. A producer offering virgin olive oil to the intervention agency for the buffer stock may offer only virgin olive oil obtained from olives which he has grown himself.

His offer shall relate to the total quantity of virgin olive oil produced.

The producer may however obtain authorization to retain the quantity necessary for his own use.

2. All offers shall be submitted in writing to the Italian intervention agency by 31 March 1974 at the latest.

The written offer shall also be considered as an application for the subsidy provided for in Article 10 of Regulation No 136/66/EEC in respect of the quantities offered.

Article 5

1. The buying-in price for the virgin olive oil delivered shall not exceed the market target price ruling on the day on which the oil is delivered to the intervention agency.

This price shall relate to virgin olive oil of standard quality. For other qualities the price shall be adjusted by means of a scale of price increases and reductions.

2. By way of derogation from the provisions of Regulation (EEC) No 3209/73 and subject to compliance with the conditions set out in Article 4, the Italian intervention agency shall, when paying the buying-in price, also pay to each seller the subsidy payable on the total quantity of virgin olive oil produced and on the quantity of olive-residue oil calculated in accordance with Article 13 of Regulation (EEC) No 3423/73, the amount of the subsidy being reduced by 1 %.

Article 6

The Italian intervention agency shall take all measures necessary to ensure that the olive oil constituting the buffer stock remains in good condition.

It shall inform the Commission of the measures taken to that end.

Article 7

When the market situation and the level of prices so require, a decision shall be taken in accordance with the procedure laid down in Article 38 of Regulation No 136/66/EEC requiring the Italian intervention agency to offer the oil constituting the buffer stock for sale and laying down the terms of such sale.

Article 8

All other rules for the implementation of this Regulation shall be adopted in accordance with the procedure laid down in Article 38 of Regulation No 136/66/EEC.

Article 9

This Regulation shall enter into force on the third 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, 11 December 1973.

For the Council

The President

Ib FREDERIKSEN