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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 1562/78

of 29 June 1978

amending Regulation No 136/66/EEC on the establishment of a common organization of the market in oils and fats

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,

Having regard to the opinion of the European Parliament ⁽¹⁾,

Whereas the purpose of the organization of the market in olive oil is to maintain the level of consumption of that product in the Community, having regard to the competition from other vegetable oils, and to ensure that producers receive a fair income for the quantity of olive oil actually produced;

Whereas experience has shown that the present system of production aid is not consistent with the abovementioned objectives; whereas it provides for several control measures which, by reason of their complexity and the considerable number of producers concerned, are difficult to apply and lead to considerable delays in the payment of aid;

Whereas in recent years consumption of olive oil in the Community has decreased substantially as a result of the difference in price trends between olive oil and competing oils; whereas the present system of aid does not appear to be suitable for encouraging consumption of olive oil; whereas it could, moreover, create other problems at the production stage;

Whereas, therefore, a new system should be introduced, providing for the grant of consumption aid to ensure that olive oil is sold at prices which are competitive with the prices of seed oils;

Whereas, in order to ensure that the system of consumption aid is administered efficiently, provision

should be made to enable the administration of this system of aid to be assigned to a trade organization under the control of the Member State concerned; whereas, in order to ensure the proper functioning of that organization, provision should be made to enable a levy to be imposed on the beneficiaries of the aid;

Whereas, since the abovementioned aid will be restricted to the quantities sold on the Community market, provision must be made for granting production aid at a fixed rate to compensate for restricting consumption aid to the said quantities; whereas, to avoid structural surpluses, this production aid should be granted only in respect of areas planted with olive trees on the date on which the new system enters into force;

Whereas, to assist in achieving a balance between supply and demand, it may be appropriate to take measures to improve the quality of production and to promote sales and consumption; whereas it should be laid down that the costs incurred as a result of such measures should be borne by producers and the other beneficiaries of such measures;

Whereas the production target price and the system of production aid can achieve their aims only if the price at which the producer sells his oil on the market is as close as possible to the production target price minus the abovementioned aid; whereas stabilizing mechanisms should therefore be provided within the Community;

Whereas the desired stability may be obtained by enabling producers or producer groups to offer olive oil to the competent agencies of the Member States; whereas such possibility should be restricted to these categories so as to prevent imported oil and oil in respect of which consumption aid has been paid from being offered for intervention;

⁽¹⁾ OJ No C 108, 8. 5. 1978, p. 49.

Whereas, to promote the orderly marketing of Community production, the system of monthly increases should be relaxed ; whereas, to the same end, provision should be made for the adoption of special intervention measures at the end of the marketing year ;

Whereas Council Regulation No 136/66/EEC of 22 September 1966 on the establishment of a common organization of the market in oils and fats ⁽¹⁾, as last amended by Regulation (EEC) No 1419/78 ⁽²⁾, laid down that a levy was to be charged on imports of olive oil other than untreated, the variable component of which was to be derived from the levy applicable to the quantity of untreated olive oil necessary for its production ; whereas experience has shown that the trend on the world market in oils other than untreated may not be in line with the market trend for untreated oils ; whereas such divergence could lead to disturbances of the Community market ; whereas to remedy this situation provision should be made for the possibility of fixing a levy which takes account of the situation of the market in oil other than untreated ;

Whereas the possibility of fixing a special levy for oil other than untreated renders the system of compensatory amounts in respect of such oil no longer necessary ;

Whereas, as regards trade with third countries, Council Regulation (EEC) No 2843/76 of 23 November 1976 laying down special measures in particular for the determination of the offers of olive oil on the world market ⁽³⁾ derogated from the system of fixing the levy on the basis of the cif price by providing for the levy to be determined by means of a tendering procedure ;

Whereas the difficulties in assessing the true market situation, which were the reason for the adoption of this special system, are liable to recur in the future ; whereas, therefore, provision should be made for the possibility of again having recourse to this system, after suspension of the application of the original system for fixing the levies ;

Whereas the volume of international trade in olives and oil cake and other residues is very small compared with trade in olive oils ; whereas, to simplify administration, the system of tendering for the levy should be restricted to imports of olive oil ;

⁽¹⁾ OJ No 172, 30. 9. 1966, p. 3025/66.

⁽²⁾ OJ No L 171, 28. 6. 1978, p. 8.

⁽³⁾ OJ No L 327, 26. 11. 1976, p. 4.

whereas, to the same end, provision should be made for the possibility of exempting from the application of the said system imports of olive oil having no effect on international trade in that product ;

Whereas the formation of producer groups in the olive oil sector may contribute to the proper functioning of the system of production aid, in particular by the involvement of producers in certain aspects of administering the said system ; whereas, to enable recognized groups to achieve that objective, one of the conditions for recognition should be the obligation for the group to undertake certain operations connected with the application of the system ; whereas, having regard to the tasks assigned to the groups recognized under Council Regulation (EEC) No 1360/78 of 19 June 1978 on producer groups and associations thereof ⁽⁴⁾, aid should be granted to their members in proportion to the quantity of oil actually produced by them ;

Whereas, having regard to the characteristics of the market in olive oil and the special tasks assigned to the groups, additional measures should be laid down to facilitate the formulation and operation of such groups ;

Whereas, to ensure greater market stability, provision should be made for the possibility of producer groups concluding storage contracts under certain conditions ;

Whereas, in order to ensure the proper application of the abovementioned systems of aid, Member States should be required to take sanctions in the event of breaches,

HAS ADOPTED THIS REGULATION :

Article 1

Articles 1 to 20 of Regulation No 136/66/EEC shall be replaced by the following Articles :

Article 1

1. A common organization of the market in oil seeds, oleaginous fruit, vegetable oils and fats, and oils and fats of fish or marine mammals shall be established.

2. This Regulation shall cover the following products :

⁽⁴⁾ OJ No L 166, 23. 6. 1978, p. 1.

CCT heading No	Description
(a) 12.01 B	Oil seeds and oleaginous fruit, whole or broken other than for sowing
(b) 12.02	Flours or meals of oil seeds or oleaginous fruit, non-defatted (excluding mustard flour)
15.04	Fats and oils, of fish and marine mammals, whether or not refined
15.07 B, C, D	Fixed vegetable oils, fluid or solid, refined or purified, excluding olive oil
15.12	Animal or vegetable oils and fats, wholly or partly hydrogenated, or solidified or hardened by any other process, whether or not refined, but not further prepared
15.13	Margarine, imitation lard and other prepared edible fats
15.17 B II	Residues resulting from the treatment of fatty substances or animal or vegetable waxes, excluding those containing oil having the characteristics of olive oil
23.04 B	Oil cake and other residues (except dregs) resulting from the extraction of vegetable oils, excluding oil cake and other residues resulting from the extraction of olive oil
(c) 15.07 A	Olive oil
(d) 07.01 N	Olives, fresh or chilled
07.02 A	Olives (whether or not cooked), preserved by freezing
07.03 A	Olives provisionally preserved in brine, in sulphur water or in other preservative solutions, but not specially prepared for immediate consumption
ex 07.04 B	Dried, dehydrated or evaporated olives, whole, cut, sliced, broken or in powder, but not further prepared
(e) 15.17 B I	Residues resulting from the treatment of fatty substances or animal or vegetable waxes, containing oil having the characteristics of olive oil
23.04 A	Oil cake and other residues resulting from the extraction of olive oil

TITLE I

Trade

Article 2

1. For the products referred to in Article 1 (2) (a), (b) and (d), with the exception of those falling within subheadings 07.01 N II and 07.03 A II of the Common Customs Tariff, and for the products falling within subheading 23.04 A I, the Common Customs Tariff shall be applied.

For the products referred to in Article 1 (2) (c) and (e), with the exception of those falling within subheading 23.04 A I, and for the products falling within subheadings 07.01 N II and 07.03 A II of the Common Customs Tariff, a system of levies on imports from third countries shall be applied.

2. The general rules for the interpretation of the Common Customs Tariff and the special rules for its application shall apply to the tariff classification of the products covered by this Regulation; the tariff nomenclature resulting from the application of this Regulation shall be incorporated in the Common Customs Tariff.

Article 3

1. Save as otherwise provided in this Regulation or by the Council acting by a qualified majority on a proposal from the Commission, the following shall be prohibited in trade with third countries:

- the levying of any charge having an effect equivalent to customs duty;
- the application of any quantitative restriction or measure having equivalent effect.

The restriction of the import or export licences provided for in Article 19 to a specific category of those entitled to receive them shall be one of the measures considered as having effect equivalent to a quantitative restriction.

2. Where the products listed in Article 1 (2) (a) and (b) are imported from third countries in such quantities and under such conditions as might prejudice or threaten to prejudice seriously the interests of Community producers of the products listed in Article 1, a compensatory amount may be charged on imports.

A compensatory amount may also be charged on imports of the products listed in Article 1 (2) (a) and (b) where, as a result of direct or indirect subsidies or premiums granted in respect of those products by one or more third countries, or as a

result of equivalent measures, actual offers of those products do not correspond to the prices which would prevail in the absence of such measures or practices and where such situation is causing or threatening to cause serious prejudice to Community production of the products concerned.

The introduction of such compensatory amounts shall respect the international commitments entered into by the Member States and the Community. The amounts shall be fixed in accordance with rules adopted by the Council, acting by a qualified majority on a proposal from the Commission.

TITLE II

Olive oil

Article 4

1. The following shall be fixed each year for the Community:

- (a) before 1 August for the marketing year beginning the following year: a production target price and an intervention price for olive oil;
- (b) before 1 October for the following marketing year: a representative market price and a threshold price for olive oil.

However, when there is a marked change during the marketing year in the factors which were used to determine the representative market price for olive oil, it may be decided, in accordance with the procedure laid down in Article 38, to change the representative market price and the threshold price during the marketing year.

2. These prices shall be fixed at the wholesale stage for a standard quality of oil answering one of the descriptions in the Annex.

3. The olive oil marketing year shall begin on 1 November and shall end on 31 October of the following year.

4. The prices referred to in paragraph 1 (a) and the standard quality referred to in paragraph 2 shall be adopted in accordance with the procedure laid down in Article 43 (2) of the Treaty.

The prices referred to in paragraph 1 (b) shall be adopted by the Council acting by a qualified majority on a proposal from the Commission. The same procedure shall be used for adopting the general rules of application of the second subparagraph of paragraph 1.

Article 5

1. Aid for the production of olive oil shall be introduced. This aid, uniform in amount throughout the Community, shall be fixed annually before 1 August for the marketing year beginning the following year, in accordance with the procedure laid down in Article 43 (2) of the Treaty. The aid, which is designed to contribute towards the establishment of a fair income for producers, shall be fixed taking account of the effect of the consumption aid referred to in Article 11 on a part of the production only.

2. The aid shall be granted:

- to growers who are members of a producer group recognized under Regulation (EEC) No 1360/78, on the basis of the quantity of oil actually produced by them,
- to other growers, on the basis of the number and production potential of the olive trees which they grow and of yields of those trees as fixed according to a flat rate, and provided the olives produced have been actually harvested.

The aid shall however be granted only in respect of areas planted with olive trees at 31 October 1978.

3. Recognized producer groups may assist in establishing the production potential and yields referred to in paragraph 2.

4. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt the general rules of application of this Article. In accordance with the same procedure the Council may decide to allocate a percentage to be determined of the production aid earmarked for all or some producers to the financing of regional measures to improve the quality of olive production.

5. Detailed rules of application of this Article shall be adopted in accordance with the procedure laid down in Article 38 and where appropriate in accordance with the procedure laid down in Article 13 of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy⁽¹⁾, as last amended by Regulation (EEC) No 2788/72⁽²⁾.

Article 6

The production target price shall be fixed at a level which is fair to producers, account being taken of the need to keep Community production at the required level.

Article 7

The representative market price shall be fixed at a level which will permit normal marketing of olive

oil produced, account being taken of prices for competing products, and in particular of the probable trend of such prices during the marketing year, and the incidence of the monthly increases referred to in Article 10 on the price of olive oil.

Article 8

The intervention price shall be equal to the production target price less the production aid referred to in Article 5 and an amount allowing for market fluctuations and for the cost of transporting olive oil from production areas to consumption areas.

Article 9

The threshold price shall be fixed in such a way that the selling price for the imported product at a Community frontier crossing point shall be the same as the representative market price, account being taken of the effect of the measures referred to in Article 11 (3). The frontier crossing point shall be determined in accordance with the procedure laid down in Article 38.

Article 10

To enable sales to be staggered, the representative market price, the intervention price and the threshold price shall be increased each month for at least five months, beginning on 1 January, by an amount which shall be the same for all three prices.

The monthly increases, which shall be the same for each month, shall be fixed each year by the Council acting by a qualified majority on a proposal from the Commission, account being taken of average storage costs and interest charges in the Community.

Article 11

1. Where the production target price less the production aid exceeds the representative market price for olive oil, a 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.

2. When a trade organization under the control of the Member State concerned is entrusted with the management of the consumption aid arrangements, the Member State in question may authorize such body to levy from the recipients of the aid a fee to cover the expenses incurred in managing such arrangements.

⁽¹⁾ OJ L 94, 28. 4. 1970, p. 13.

⁽²⁾ OJ L 295, 30. 12. 1972, p. 1.

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 consumption aid which is to be allocated to publicity campaigns and possibly to other projects for the promotion of the consumption of olive oil in the Community.

4. 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 those 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 third countries.

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

Article 11a

Member States shall, in so far as they are concerned, take the necessary measures to provide for sanctions in the event of breaches of the aid arrangements laid down in Articles 5 and 11.

Member States shall communicate to the Commission the measures provided for in the first paragraph as soon as they are adopted.

Article 12

1. The intervention agencies designated by the producer Member States shall buy in, in accordance with the rules adopted under paragraph 4, olive oil of Community origin which is offered to them by producers or producer groups and associations thereof recognized pursuant to Regulation (EEC) No 1360/78 at intervention centres in production areas. The intervention agencies shall buy in at the intervention price. The buying-in price shall be adjusted by means of a scale of price increases and reductions where the description or quality of the oil offered to the intervention agency does not correspond to that for which the intervention price was fixed.

If, at the request of the intervention agency, oil is delivered to a place other than the centre indicated by the seller when the offer is made, the resulting change in transport costs to the seller shall be taken into account when payment is effected.

2. The intervention agencies shall sell within the Community the olive oil bought in by them,

under conditions such that the market at the production stage is not disturbed.

3. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt:

- (a) the conditions on which intervention may take place during the last three months of the marketing year;
- (b) the conditions on which the intervention agencies may put the oil bought in up for sale;
- (c) the criteria applicable to the determination of the intervention centres.

4. Detailed rules for the application of this Article and the determination of the intervention centres shall be adopted in accordance with the procedure laid down in Article 38.

Article 13

To mitigate the effects of harvest fluctuations on the balance between supply and demand and in this way to stabilize consumer prices, the Council, acting by a qualified majority on a proposal from the Commission, may require intervention agencies to form a buffer stock of olive oil; it shall, in accordance with the same procedure, lay down the conditions governing the formation, management and disposal of the buffer stock.

Article 14

1. Where untreated olive oil falling within subheading 15.07 A I of the Common Customs Tariff is imported from third countries and where the threshold price is higher than the cif price, a levy equal to the difference between these two prices shall be charged.

2. The cif price, calculated for the frontier crossing point referred to in Article 9, shall be determined on the basis of the most favourable purchasing possibilities on the world market, the prices being adjusted by reference to any differences from the description or quality for which the threshold price was fixed.

3. Where free quotations on the world market are not a determining factor for the offer price and where that price is lower than world market prices, a price determined on the offer price shall be substituted for the cif price in respect of the imports in question only.

4. The levy shall be fixed by the Commission. The criteria for determining the cif price and the price referred to in paragraph 3 and the detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 38.

Article 15

1. A levy shall be charged on imports from third countries of olive oil falling within subheading 15.07 A II of the Common Customs Tariff; this levy shall be composed of a variable component corresponding to the levy applicable to the quantity of olive oil needed for production of the imported oil, which may be fixed at a standard rate, and a fixed component to protect the processing industry.
2. Where, for one or more origins, the offer prices on the world market for olive oil falling within subheading 15.07 A II of the Common Customs Tariff are not in line with the cif price referred to in Article 14, the latter shall be replaced for the calculation of the variable component of the levy by a price determined on the basis of the abovementioned offer prices.
3. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 38.

Article 16

1. Where the real trend on the world market in untreated olive oil cannot be determined from the offers on that market, the import levy on the products referred to in Articles 14 and 15 shall be fixed by tendering procedure.
2. The Commission shall periodically fix the rate of the minimum levy, having regard among other things to the rates of levy indicated by the tenderers. Any tenderer having indicated a rate of levy equal to or higher than the minimum rate shall be declared a successful tenderer and shall be obliged to import the quantity of the product specified in his application at the rate of levy indicated by him.
3. However, imports involving quantities which have no effect on the market situation shall not be subject to the abovementioned tendering procedure. In that case, the levy to be charged shall be the latest minimum levy fixed before importation.
4. Where the trend on the world market in untreated olive oil varies according to the presentation of the oil, different minimum levies may be fixed for the presentations concerned.
5. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules for the application of this Article.
6. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 38.

Article 17

1. On imports from third countries of olives falling within subheadings 07.01 N II and 07.03 A

II of the Common Customs Tariff, a levy derived from the levy applicable to olive oil pursuant to Article 14 and based on the oil content of the imported product shall be charged.

However, the levy charged may not be less than an amount equal to 8 % of the value of the imported product, such amount to be fixed at a standard rate.

2. On imports from third countries of products falling within subheadings 23.04 A II and 15.17 B I of the Common Customs Tariff, a levy derived from the levy applicable to olive oil and based on the oil content of the imported product shall be charged.
3. Where Article 16 is applied, a levy shall be charged on imports of the products referred to in the preceding paragraphs, taking account of the minimum levy applicable to the quantity of olive oil contained in those products. However, as regards the products referred to in paragraph 1, the second subparagraph of that paragraph shall apply.
4. The Commission shall periodically fix the levies referred to in this Article.
5. Detailed rules for the application of this Article, and in particular those concerning the determination of the oil content, which may be fixed at a standard rate, shall be adopted in accordance with the procedure laid down in Article 38.

Article 18

1. Where Articles 14, 15 and 17 (1) and (2) are applied, the levy applicable to an import shall be that in force on the day of importation.

However, as regards importation of the products listed in Article 1 (2) (c), the levy may be fixed in advance, at the request of the party concerned, in accordance with the conditions adopted by the Council acting by a qualified majority on a proposal from the Commission.

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

Article 19

1. Imports into the Community of the products referred to in Article 1 (2) (c) and Article 17 shall be subject to the presentation of an import licence.

Exports of olive oil from the Community shall be subject to the presentation of an export licence.

Where the levy or refund is fixed in advance, the advance fixing shall be noted on the licence which serves as a supporting document for such advance fixing.

2. A licence shall be issued by Member States to any applicant, irrespective of his place of establishment in the Community.

However, where Article 16 (1) and (2) is applied, Member States shall issue import licences in respect of olive oil only to tenderers who have indicated a rate of levy equal to or higher than the minimum levy. The import or export licence shall be valid throughout the Community.

The issue of such licences shall be subject to the provision of a security guaranteeing the undertaking to import or export during the period of validity of the licence; such security shall be forfeit in whole or in part if the operation is not effected within that time limit or is effected only partially.

3. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 38. They shall lay down the duration of validity of the licences and may specify a time limit for their issue.

Article 20

1. Where olive oil is exported to third countries :

- the difference between the Community price and the world price may be covered by a refund where the former is higher than the latter ;
- a levy to cover the difference between the world price and the Community price may be charged where the former is higher than the latter.

2. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules governing the measures provided for in this Article and in particular those concerning the grant of the refund, the charging of the export levy, the fixing of their amounts and, where appropriate, the advance fixing of the refund.

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

Article 20a

Olive oil used in the manufacture of preserved fish and vegetables shall benefit from a system of production refunds or from full or partial suspension of the import levy.

The general rules for the application of this Article shall be adopted by the Council acting by a qualified majority on a proposal from the Commission.

Article 20b

1. If by reason of imports or exports the Community market in one or more of the products listed in Article 1 (2) (c), (d) and (e) experiences or is threatened with serious disturbances which may endanger the objectives set out in Article 39 of the Treaty, appropriate measures may be applied in trade with third countries until such disturbance or threat of disturbance has ceased.

The Council, acting by a qualified majority on a proposal from the Commission, shall adopt rules for the application of this paragraph and define the cases in which and the limits within which Member States may take protective measures.

2. If the situation mentioned in paragraph 1 arises, the Commission shall, at the request of a Member State or on its own initiative, decide upon the necessary measures; the measures shall be communicated to the Member States and shall be immediately applicable. If the Commission receives a request from a Member State, it shall take a decision thereon within 24 hours following receipt of the request.

3. Measures decided upon by the Commission may be referred to the Council by any Member State within three working days following the day on which they were communicated. The Council shall meet without delay. It may, acting by a qualified majority, amend or repeal the measures in question.

Article 20c

In the olive oil sector, the producer groups provided for by Regulation (EEC) No 1360/78 shall, in order to be recognized, satisfy the conditions laid down by the said Regulation and also :

- be able to verify the actual production of their members ;
- be authorized to submit a single application for all their producer members ;
- be authorized to receive the aid and pay to each member his share.

Without prejudice to Article 8 of Regulation (EEC) No 1360/78, recognition of a producer group shall be withdrawn if the conditions for recognition laid down in the first subparagraph were not or are no longer fulfilled.

Article 20d

1. By way of derogation from Article 10 (1) and (2) of Regulation (EEC) No 1360/78, Member States shall, for a period of five years from 1 November 1978, grant aid to recognized producer groups to encourage their formation and facilitate their administration, subject to the following conditions:

- (a) aid shall be granted for five years from the date of their recognition, and
- (b) the amounts shall be as follows for the first, second, third, fourth and fifth years respectively:
- not more than 5 %, 4 %, 3 %, 2 % and 1 % of the value of the production to which recognition and marketing relate;
 - under no circumstances in excess of 80 %, 60 %, 40 %, 20 % and 10 % of the actual costs of forming and administering the group.

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 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

Article 42a of Regulation No 136/66/EEC shall be replaced by the following:

Article 42a

The Common Customs Tariff annexed to Regulation (EEC) No 950/68 is hereby amended as follows:

CCT heading No	Description	Rate of duty	
		Autonomous % or levy (L)	Conventional %
1	2	3	4
07.01	N. Olives : II. Other	7 (L)	—
07.03	A. Olives : II. Other	8 (L)	—
23.04	A. Oil cake and other residues resulting from the extraction of olive oil : I. Containing 3 % or less by weight of olive oil II. Containing more than 3 % by weight of olive oil	Free Free (L)	— —

Article 3

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

It shall apply from 1 November 1978.

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

Done at Luxembourg, 29 June 1978.

For the Council

The President

S. AUKEN