

COUNCIL REGULATION (EEC) No 1915/87

of 2 July 1987

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 Article 43 thereof,

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

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

Having regard to the opinion of the Economic and Social Committee ⁽³⁾,

Whereas aid for production of olive oil is designed to provide a fair income for producers; whereas, however, in view of the prospects for the disposal of olive oil produced in the Community, there should be a disincentive to produce whenever production exceeds a quantity which is determined in the light of the market situation; whereas the unit amount of aid payable should therefore be reduced when production exceeds the maximum quantity laid down; whereas the provision which, to the same end, limits olive-growing areas, whose production is eligible for production aid, should therefore be deleted;

Whereas the reduction in the aid should not apply in the case of small producers since these do not normally market their olive oil and do not, therefore, contribute to market surpluses; whereas such a measure is also called for on grounds of sound management; whereas it should also be made possible to set a higher level of aid for these producers;

Whereas experience has shown that, given the situation on the olive oil market, instead of encouraging the marketing of olive oil in the light of market requirements, the system of monthly increases hinders the normal disposal of production; whereas monthly increases should therefore be discontinued;

Whereas intervention should provide a means of underpinning producers' incomes when market mechanisms cannot operate effectively; whereas allowing intervention to operate for the entire marketing year hinders the normal disposal of the product on the market; whereas intervention should therefore be limited to a certain part of the marketing year;

Whereas, pursuant to Article 12 (2) of Regulation No 136/66/EEC ⁽⁴⁾, as last amended by Regulation (EEC) No 1454/86 ⁽⁵⁾, olive oil bought in by intervention agencies must be offered for sale on the Community market; whereas experience has shown that provision should be made for allowing the oil to be disposed of by way of gift as part of specific emergency food-aid operations;

Whereas in order to be effective such operations must be implemented rapidly; whereas provision should therefore be made for applying the most suitable procedure in such cases;

Whereas, under present market conditions, the rape and sunflower seed produced should only exceptionally be sold into intervention; whereas, in the interests of sound market management, it is advisable to encourage the selling of that production to processors and to avoid the costs incurred by the Community as a result of speculative transactions; whereas buying in should therefore be restricted to the last few months of the marketing year;

Whereas, under the system of maximum guaranteed quantities for rape and sunflower seed referred to in Article 27a of Regulation No 136/66/EEC, exceeding the said quantities only slightly may substantially reduce the amount of aid payable; whereas placing a ceiling on the reduction may run counter to the system's objectives and serve to increase production; whereas in order to improve the system's effectiveness it is advisable to increase this reduction for the 1987/88 marketing year;

Whereas, in order to facilitate the marketing of olive oil in practice, it is advisable to adjust the descriptions and definitions given in the Annex to Regulation No 136/66/EEC; whereas, however, there should be a transitional period for the introduction of the new provisions;

Whereas in order to improve the marketing of oils and fats and increase their profitability, provision should be made for introducing marketing standards; whereas Member States should introduce control measures with a view to ensuring that those standards are complied with,

⁽¹⁾ OJ No C 89, 3. 4. 1987, p. 19.

⁽²⁾ OJ No C 156, 15. 6. 1987.

⁽³⁾ OJ No C 150, 9. 6. 1987, p. 8.

⁽⁴⁾ OJ No 172, 30. 8. 1966, p. 3025/66.

⁽⁵⁾ OJ No L 133, 21. 5. 1986, p. 8.

HAS ADOPTED THIS REGULATION:

Article 1

Regulation No 136/66/EEC is hereby amended as follows:

1. Article 5 (1) and (2) is replaced by the following:

'1. Aid for the production of olive oil shall be introduced. The aid is designed to contribute towards the establishment of a fair income for producers.

Before 1 August each year the Council shall, in respect of the marketing year which begins in the following calendar year, fix the unit amount of production aid in accordance with the procedure laid down in Article 43 (2) of the Treaty. A separate unit amount may be fixed for producers whose average production does not exceed 200 kilograms of oil per year.

In accordance with that procedure the Council shall, in respect of a specified period, the first such period being that covered by the marketing years from 1987/88 to 1990/91, fix the maximum quantity of olive oil for which the aid shall be payable. The maximum quantity shall be fixed at the same time as the aid for the first marketing year of the period concerned.

The aid shall be fixed taking account of the effect of the consumption aid referred to in Article 11 on a part of production only. The maximum quantity of olive oil for which the aid is payable shall take account in particular of average production during a reference period and the quantitative level which, it is felt, production should achieve.

If the actual quantity produced during the marketing year:

- (a) is less than the maximum quantity laid down for that marketing year plus any quantity carried over as described below, the difference shall be carried over and added to the maximum quantity for which the unit amount of aid shall be payable the following marketing year;
- (b) exceeds the maximum quantity laid down for that marketing year plus any quantity carried over, the unit amount of aid payable per 100 kilograms of oil actually produced shall be multiplied by a coefficient obtained by dividing the maximum quantity, plus any quantity carried over as described above, by the actual quantity eligible for aid.

However, the unit amount of aid payable to producers whose average production of olive oil is 200 kilograms or less per marketing year shall not be multiplied by that coefficient.

2. The aid shall be granted:

- to growers who are members of a producer group recognized pursuant to this Regulation, and who have an average production of at least 200 kilograms of olive oil per marketing year, on the basis of the quantity of olive oil actually produced by them,
- to other growers, on the basis of the number and production potential of the olive trees cultivated by them and of the yields of such trees, as determined according to a standard method, and provided that the olives produced have actually been harvested.'

2. Article 10 is deleted.

3. In Article 12 (1) the first sentence is replaced by the following:

'The intervention agencies designated by the producer Member States shall, in July, August, September and October of each marketing year, buy in, in accordance with the rules adopted under paragraph 4, olive oil of Community origin which is offered to them by producers or producers' groups and associations thereof recognized pursuant to Regulation (EEC) No 1360/78 at intervention centres in production areas.'

4. The following paragraph is inserted in Article 12:

'2a. Notwithstanding the provisions of paragraph 2 it may be decided that certain quantities of olive oil in intervention storage should be disposed of by way of gift, as part of specific emergency relief operations. The decision concerned may also specify the conditions applicable with regard to processing and supply to the beneficiaries.'

5. Article 12 (4) is replaced by the following:

'4. The detailed rules for the application of this Article in particular those regarding the decision referred to in paragraph 2a and the designation of the intervention centres shall be laid down in accordance with the procedure provided for in Article 38.'

6. The first paragraph of Article 25 is replaced by the following:

'To enable sales to be staggered, the target price and the intervention price shall be increased each month, for a period of at least five months beginning with the fifth month of the marketing year for colza and rape seed and with the fourth month for sunflower seed, by an amount which shall be the same for both prices.'

7. The first subparagraph of Article 26 (1) is replaced by the following:

'1. Where the Community market price for the seeds in question is less than the intervention price, or, where appropriate, reduced pursuant to Article

27a, an intervention agency shall, from 1 October and until 31 May and under conditions to be laid down in accordance with paragraphs 2 and 3, buy in seeds of Community origin offered to it at intervention centres. The intervention agency shall, without prejudice to the provisions of Article 27a, buy in at 94 % of the intervention price.'

8. Article 27a is replaced by the following:

'Article 27a

1. The Council shall, acting in accordance with the procedure laid down in Article 43 (2) of the Treaty, fix, for each marketing year beginning with 1986/87, maximum guaranteed quantities for rape seed produced in the Community and for sunflower seed produced in the Community.

2. The maximum guaranteed quantities for rape and sunflower seed shall be determined in the light of the quantities produced during a reference period and the anticipated level of demand.

3. Where the estimate of rape or sunflower seed production made before the start of the marketing year exceeds, in respect of the marketing year in question, the maximum guaranteed quantity for the seed concerned, the aid shall be reduced by an amount equal to the effect on the target price of a coefficient reflecting the extent of the difference.

However, for the 1987/88 marketing year, this reduction in the amount of production aid may not be greater than 10 % of the target price.

Whereas the provisions of the first subparagraph would not reduce the aid by the same amount, if they were applied to the quantity actually produced instead of to the estimate made at the start of the marketing year, the maximum guaranteed quantity for the following marketing year shall be adjusted accordingly.

4. Where the provisions of paragraph 3 are applied, the buying-in price shall be reduced by the same amount as the aid.

5. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt the rules for determining the coefficient referred to in the first subparagraph of paragraph 3.

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

9. Article 35 is replaced by the following:

'Article 35

1. The use of the descriptions and definitions of olive oil and olive-pomace oil set out in the Annex shall be compulsory as regards the marketing of the products concerned within each Member State, in intra-Community trade and in trade with third countries.

2. Only oil as referred to in points 1 (a) and (b), 3 and 6 of the Annex may be marketed at the retail stage.

3. Until 31 December 1989, Member States may authorize:

— for the purposes of the marketing of olive oil and olive-pomace oil within their territory, the use of definitions and descriptions which are practised within each Member State at 31 October 1987,

— in the case of the oil referred to in point 3 of the Annex, intended for export, the use of 'pure olive oil'.

4. The Council, acting by a qualified majority on a proposal from the Commission, may amend the descriptions and definitions set out in the Annex.

5. If difficulties arise for the marketing within the Community of the products referred to in the Annex, a decision may be taken in accordance with the procedure laid down in Article 38 to extend for one or several of the products in question the date of 31 December 1989 laid down in paragraph 3. Such extension may not exceed two years.

10. The following Article is inserted:

'Article 35a

1. Marketing standards covering in particular quality grading, packaging and presentation may be laid down in respect of the products referred to in Article 1.

Where such standards are laid down, the products to which they apply may be marketed only in accordance with those standards.

2. Member States shall, in the case of products which are the subject of marketing standards, check whether those products conform to the said standards. They shall notify the Commission of the arrangements they have introduced for the purpose of applying this paragraph.

3. The marketing standards shall be adopted in accordance with the procedure laid down in Article 38. They shall take into account technical

production and marketing requirements and changes in the methods used for determining the physical, chemical and organoleptic characteristics of the products referred to in Article 1. Detailed rules for the application of this Article and, where applicable, the methods of analysis to be used, shall be adopted in accordance with the same procedure.'

11. The Annex is hereby replaced by the Annex to this Regulation.

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

Done at Brussels, 2 July 1987.

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 July 1987 in the case of rape seed,
- 1 August 1987 in the case of sunflower seed,
- 1 November 1987 in the case of olive oil.

For the Council

The President

K. E. TYGESEN

ANNEX

Descriptions and definitions of olive oils and olive-pomace oils referred to in Article 35

1. *Virgin olive oils*: oils which are obtained from the fruit of the olive tree solely by mechanical or other physical means under conditions, particularly thermal conditions, that do not lead to deterioration of the oil, and which have undergone no treatment other than washing, decantation, centrifugation and filtration, excluding oils obtained by means of solvents or re-esterification and mixtures of olive oil with other oils.

Their classification and description are as follows:

- (a) extra virgin olive oil: virgin olive oil of absolutely perfect flavour, with an acid content, expressed as oleic acid, of not more than 1 g per 100 g;
 - (b) virgin olive oil (the expression 'fine' may be used at the production and wholesale stage): virgin olive oil of perfect flavour, with an acid content, expressed as oleic acid, of not more than 2 g per 100 g;
 - (c) ordinary virgin olive oil: virgin olive oil of good flavour, with an acid content, expressed as oleic acid, of not more than 3,3 g per 100 g;
 - (d) lampante virgin olive oil: virgin olive oil with an off-flavour or with an acid content expressed as oleic acid, of more than 3,3 per 100 g.
2. *Refined olive oil*: olive oil obtained by refining virgin olive oils, with an acid content, expressed as oleic acid, of not more than 0,5 g per 100 g.
 3. *Olive oil*: oil consisting of a blend of refined olive oil and virgin olive oils, other than lampante virgin olive oil, with an acid content, expressed as oleic acid, of not more than 1,5 g per 100 g.
 4. *Crude olive-pomace oil*: oil obtained by treating olive residue with solvents, but excluding oils obtained by re-esterification and mixtures of crude olive-pomace oil and other oils.
 5. *Refined olive-pomace oil*: oil obtained by refining crude olive-pomace oil with an acid content, expressed as oleic acid, of not more than 0,5 g per 100 g.
 6. *Olive-pomace oil*: oil consisting of a blend of refined olive-pomace oil and virgin olive oils other than lampante virgin olive oil, with an acid content expressed as oleic acid, of not more than 1,5 g per 100 g.
-