

**ARCHIVES HISTORIQUES
DE LA COMMISSION**

**COLLECTION RELIEE DES
DOCUMENTS "COM"**

COM (81)601

Vol. 1981/0182

Historical Archives of the European Commission

Disclaimer

Conformément au règlement (CEE, Euratom) n° 354/83 du Conseil du 1er février 1983 concernant l'ouverture au public des archives historiques de la Communauté économique européenne et de la Communauté européenne de l'énergie atomique (JO L 43 du 15.2.1983, p. 1), tel que modifié par le règlement (CE, Euratom) n° 1700/2003 du 22 septembre 2003 (JO L 243 du 27.9.2003, p. 1), ce dossier est ouvert au public. Le cas échéant, les documents classifiés présents dans ce dossier ont été déclassifiés conformément à l'article 5 dudit règlement.

In accordance with Council Regulation (EEC, Euratom) No 354/83 of 1 February 1983 concerning the opening to the public of the historical archives of the European Economic Community and the European Atomic Energy Community (OJ L 43, 15.2.1983, p. 1), as amended by Regulation (EC, Euratom) No 1700/2003 of 22 September 2003 (OJ L 243, 27.9.2003, p. 1), this file is open to the public. Where necessary, classified documents in this file have been declassified in conformity with Article 5 of the aforementioned regulation.

In Übereinstimmung mit der Verordnung (EWG, Euratom) Nr. 354/83 des Rates vom 1. Februar 1983 über die Freigabe der historischen Archive der Europäischen Wirtschaftsgemeinschaft und der Europäischen Atomgemeinschaft (ABl. L 43 vom 15.2.1983, S. 1), geändert durch die Verordnung (EG, Euratom) Nr. 1700/2003 vom 22. September 2003 (ABl. L 243 vom 27.9.2003, S. 1), ist diese Datei der Öffentlichkeit zugänglich. Soweit erforderlich, wurden die Verschlussachen in dieser Datei in Übereinstimmung mit Artikel 5 der genannten Verordnung freigegeben.

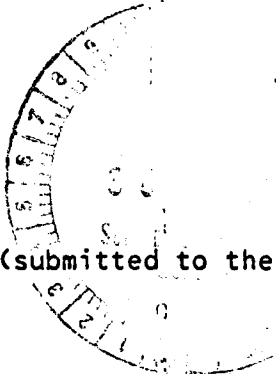
COMMISSION OF THE EUROPEAN COMMUNITIES

COM(81) 601 final

Brussels, 20 October 1981

Proposal for a
COUNCIL REGULATION (EEC)

fixing for the 1981/82 marketing year the representative market price and the threshold price for olive oil and the percentages of the consumption aid to be retained in accordance with Article 11(5) and (6) of Regulation No 136/66/EEC



(submitted to the Council by the Commission)

COM(81) 601 final

EXPLANATORY MEMORANDUM

1. This proposal for a Regulation provides for the fixing of the representative market price, and the threshold price for olive oil for the 1981/82 marketing year and of the percentage of the consumption aid to be assigned to recognised trade organizations and for a number of measures to promote the consumption of olive oil.
2. Article 7 of Council Regulation No 136/66/EEC provides that the representative market price for olive oil shall be fixed at a level permitting normal disposal of production, account being taken among other things of the prices of competing products and in particular of the outlook for such prices during the marketing year.
3. Experience has shown that too high a ratio of olive oil prices to seed oil prices causes a drop in olive oil consumption.
In past years, particularly last year, the Commission considered that the ratio should not exceed 2.3:1 and proposed accordingly to fix a representative market price for the 1980/81 marketing year of 143 ECU/100 kg. Although most of the Member States' delegations were agreed about the ratio the Council decided to fix a representative market price of 145 ECU/100 kg for the marketing year. During 1981 the ratio of the olive oil price to the seed oil price has been on average 2.7:1.
As a result the Italian intervention agency has purchased in 61 000 t to the month of August during the present marketing year. Since 1 January 1981 82 000 t have been bought in in Greece. The cost to the Community of storing 100 000 t of olive oil for a year is 21.7 mio ECU.
4. Prices for seed oils at present being fetched in Italy and the outlook for oil seeds for 1982 indicate that the size of the world soya harvest and in particular of the USA harvest will stop oil prices rising in the Community throughout the year. However, as has happened this year, monetary factors, particularly the lira-US dollar exchange rate, could have a contrary effect. The Commission cannot therefore rule out an upward trend in seed oil prices in 1982. It is therefore proposed to respect the desirable price ratio and to fix a representative market price for the 1981/82 marketing year of 145 ECU/100 kg which is the same as for the 1980/81 marketing year. This is based on a estimated lira price level for seed oil during 1982 roughly 10 % higher than the average of the quotations available in 1981, which in present circumstances seems to be the maximum that could occur.

5. Article 11(3) of Regulation NO 136/66/EEC allows the Member States to associate one or more recognized trade organizations in management of the consumption aid scheme. Further Article 11(6) of the Regulation provides for the Council to fix the percentage that the recognized trade associations may retain from the consumption aid to finance their work. Experience in Italy indicates that 2% is both necessary and sufficient. This is slightly more than for the last marketing year (1.3%) but the organizations in question will from the next marketing year have more managerial work to do than in the past. In accordance with the Community provisions they must receive the aid for their members and distribute it to them after making both formal and stock record checks. These do not replace the verifications of the national administration, with whom final responsibility lies.
 6. Account taken of the sums available that were held back in previous marketing years, of the quantities marketed to which the consumption aid applies, which are lower than initially expected, and of the measures undertaken and to be undertaken, it is proposed to retain 4 % of the consumption aid for measures to promote the consumption of olive oil.
On the basis of a quantity marketed in the Member States other than Greece of between 200 000 t and 300 000 t this will make roughly 5.4 to 8.1 mio ECU available.
 7. The threshold price must be fixed to differ as normally from the market representative price, the difference representing landing and warehousing costs of the imported product and the percentage of the consumption aid to be retained.
Application of this rule gives a price of 144.09 ECU/100 kg.
 8. In Greece, under the Treaty of Accession, one-fifth of the consumer aid applicable in the Community of Nine is to be given from the 1981/82 marketing year onwards. This works out at 13.55 ECU/100 kg. The quantity marketed in Greece will be 150 000 t at most, giving consumer aid expenditure in Greece of approximately 20.3 mio ECU. Retention of 4% of the aid for promotion measures as in the rest of the Community gives an available sum in Greece of 810 000 ECU.
-

**PROPOSAL FOR A
COUNCIL REGULATION (EEC)**

fixing for the 1981/82 marketing year the representative market price and the threshold price for olive oil and the percentages of the consumption aid to be retained in accordance with Article 11 (5) and (6) of Regulation No 136/66/EEC

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 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 3454/80⁽²⁾, and in particular the second subparagraph of Article 4 (4) and Article 11 (6) thereof,

Having regard to the proposal from the Commission,

Whereas the representative market price should be fixed in accordance with the criteria laid down in Articles 7 and 10 of Regulation No 136/66/EEC;

Whereas the threshold price should be fixed in such a way that the selling price for the imported product at the frontier crossing point fixed in application of Article 9 of Regulation No 136/66/EEC is the same as the representative market price, account being taken of the effect of the measures referred to in Article 11 (6) of the above Regulation;

Whereas it follows from the application of these criteria that the representative market price and the threshold price should be fixed at the levels given in Article 1 of this Regulation;

Whereas, under Article 11 (5) and (6) of Regulation No 136/66/EEC, a certain percentage of the consumption aid should be used during each olive marketing

year firstly for financing the recognized trade organizations referred to in paragraph 3 of the said Article and, secondly, for financing measures to promote the consumption of olive oil in the Community; whereas the said percentages should be fixed for the 1981/1982 marketing year,

HAS ADOPTED THIS REGULATION:

Article 1

For the 1981/82 marketing year, the representative market price and the threshold price for olive oil shall be fixed as follows:

- representative market price: 145.00 ECU per 100 kilograms;
- threshold price: 144.09 ECU per 100 kilograms.

Article 2

1. For the 1981/82 marketing year, the percentage of the consumption aid, referred to in Article 11 (5) of Regulation No 136/66/EEC, is hereby fixed at 2.
2. For the 1981/82 marketing year, the percentage of the consumption aid to be allocated for the campaigns and projects referred to in Article 11 (6) of Regulation No 136/66/EEC is hereby fixed at 4.

Article 3

This Regulation shall enter into force on 1 November 1981.

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

Done at

For the Council

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

⁽²⁾ OJ No L 360, 31. 12. 1980, p. 16.

FINANCIAL STATEMENT

Date : 6.10.1981

1. BUDGET HEADING : 6312 - 6313 - 6314

APPROBIATIONS : 154.84 M EUA

2. TITLE : Draft Council Regulation fixing, for the 1981/82 marketing year, the representative market price and the threshold price for olive oil and the percentages of the consumption aid to be retained.

3. LEGAL BASIS : Articles 4 and 11 of Regulation No 136/66/EEC.

4. AIMS OF PROJECT : Fixing the representative market price and the threshold price for olive oil and the percentages of the consumption aid to be retained :
 - for financing any tasks entrusted to trade organisations;
 - for financing some promotional campaigns.

5. FINANCIAL IMPLICATIONS

| | PERIOD OF 12 MONTHS | CURRENT FINANCIAL YEAR (81) | FOLLOWING FINANCIAL YEAR (82) |
|--|---------------------|----------------------------------|------------------------------------|
|--|---------------------|----------------------------------|------------------------------------|

5.0 EXPENDITURE

- CHARGED TO THE EC BUDGET
 (~~COMMUNITY~~ INTERVENTIONS)
- NATIONAL ADMINISTRATION
- OTHER

213 m. EUA

-

213 m. EUA

5.1 RECEIPTS

- OWN RESOURCES OF THE EC
 (LEVIES/CUSTOMS DUTIES)
- NATIONAL

| 1983 | 1983 | 1984 |
|------|------|------|
|------|------|------|

measure limited to the marketing year

5.0.1 ESTIMATED EXPENDITURE

5.1.1 ESTIMATED RECEIPTS

5.2 METHOD OF CALCULATION

Supposed quantity : 300 000 t in the Community of 9
150 000 t in Greece (2)

Consumption aid (based on the proposed representative market price) : 677.7 ECU/t in the Community of 9
135.5 ECU/t in Greece (3)

expenditure : 223.6 m ECU (agriculture), say
213 MECU (budget)

6.0 ~~REVENUE FROM THE SALE OF THE PRODUCTS OF THE CURRENT BUDGET~~

YES/NO

6.1 ~~REVENUE FROM THE SALE OF THE PRODUCTS OF THE BUDGET~~

YES/NO

6.2 ~~REVENUE FROM THE SALE OF THE PRODUCTS OF THE BUDGET~~

YES/NO

6.3 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY ? 1982 (1)

for the total of these measures

YES/NO

OBSERVATIONS : (1) The 1982 budget appropriation amounts to 216 m. EUA
 (2) On the basis of the latest information in respect of earlier marketing years, the quantity qualifying for aid could be lower than that given in this statement. Moreover, the mount charged to the budget is the amount benefitting from consumption aid reduced by the amount for which an import security is obtained during the same period, in pursuance of Article 14(4) of Regulation 3172/80.
 (3) Based on Article 68 of the Treaty of Accession the aid application to Greece during the 1981/82 marketing year is 1/5th of Community aid.