

COMMISSION REGULATION (EC) No 2430/97

of 8 December 1997

adopting for the 1998/99 production cycle the 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 organization of the market in oils and fats⁽¹⁾, as last amended by Regulation (EC) No 1581/96⁽²⁾, and in particular Article 5 (5) thereof,

Whereas, pursuant to Article 5 (4) of Regulation No 136/66/EEC, a percentage of the production aid earmarked for olive oil producers may be allocated to financing action to improve the quality of olive oil production at regional level; whereas, pursuant to Article 4 of Council Regulation (EC) No 1583/96⁽³⁾, 1,4 % of the production aid earmarked for olive oil producers in the relevant Member States has been allocated to financing action to improve the quality of olive oil in those countries;

Whereas rules for the execution and monitoring of the operations in question should be laid down; whereas the tasks that may be assigned to producers' organizations should also be defined;

Whereas the measures laid down for 1997 should be maintained so as to provide for a wide selection on the basis of the requirements and opportunities existing in each Member State;

Whereas, with a view to aligning them more closely with the entire sector's actual production cycle, the quality improvement measures should be carried out over a consecutive period of 12 months, starting on 1 June;

Whereas account must, however, be taken of the producer Member States' plans relating to certain actions in March, April and May 1998, provision should be made to allow the actions to be carried out between 1 March 1998 and 30 April 1999;

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 action to be taken during the period 1 January 1998 to 30 April 1999 to improve the quality of olive oil production.

⁽¹⁾ OJ 172, 30. 9. 1966, p. 3025/66.

⁽²⁾ OJ L 206, 16. 8. 1996, p. 11.

⁽³⁾ OJ L 206, 16. 8. 1996, p. 14.

2. Action shall be taken in the following areas:

- (a) control of the olive fly (*Dacus oleae*) and, where appropriate, other harmful organisms;
- (b) improvement of the treatment of olive trees, of the cropping, storage and processing of olives and of the storage of the oils produced;
- (c) technical assistance during the year to olive growers and to mills with a view to improving the quality, production and processing of olives into oil;
- (d) the installation or the management of tasting rooms to assess the organoleptic characteristics of the virgin olive oils;
- (e) the installation or the management at regional or provincial level of laboratories to analyse the physical and chemical properties of olive oils;
- (f) collaboration with bodies specializing in research programmes to improve the quality of olive oil.

Article 2

Expenditure on action as defined in this Regulation shall be financed in particular by resources arising from the deduction made from the production aid pursuant to Article 4 of Regulation (EC) No 1583/96. The distribution of resources for the financing of that action shall be based on the amount withheld in each Member State concerned.

Article 3

On the basis of the resources available, each producer Member State shall draw up a programme covering part or all of the field of action indicated in Article 1.

Article 4

In the case of action referred to in Article 1 (2) (a), the programme shall comprise:

- (a) a list of the olive oil production zones in which action against the olive fly is to be considered a matter of priority in view in particular of the likely impact of the programme on the quality of the oil produced and of the production volume concerned by the action;

- (b) where regional situations so require, a list of the olive oil production zones in which action against other harmful organisms is to be considered a matter of priority in view of the likely impact of the programme on the quality of the oil produced and of the production volume concerned by the action;
- (c) a plan for establishing or maintaining a monitoring, warning and assessment system in each priority production zone, comprising in particular:
- means of measuring the population of olive fly or of other harmful organisms,
 - a warning and treatment prescription mechanism,
 - means of training and briefing producers,
 - means of assessing the warning mechanism and the effects of treatment;
- (d) a draft plan for effecting the treatment necessary in each production zone.

Article 5

In the case of action referred to in Article 1 (2) (b), the programme shall comprise:

- a plan for a training course for producers covering treatment of olive trees, the optimum cropping period and cropping and processing methods,
- a plan for a training course for mill managers and technical staff on olive storage and processing methods and on the quality and storage of the oils produced.

Article 6

In the case of action as referred to in Article 1 (2) (c), the programme shall comprise a detailed description of the technical assistance contract, the area of the action, the proposed objectives and the means to be used to achieve them.

Article 7

In the case of action referred to in Article 1 (2) (d), the programme shall comprise the specifications proposed for the installation or management of tasting rooms, account being taken of the information set out in Annex XII to Commission Regulation (EEC) No 2568/91⁽¹⁾.

Article 8

In the case of action referred to in Article 1 (2) (e), the programme shall comprise a description of the analyses to be carried out, and of the equipment which is to be acquired.

⁽¹⁾ OJ L 248, 5. 9. 1991, p. 1.

Article 9

In the case of action referred to in Article 1 (2) (f), the programme shall include a detailed description of the scientific research, aims and methods, and an indication of the research organization or organizations which specialize in research.

Article 10

1. Each Member State concerned shall transmit its action programme to the Commission by 31 December 1997 at the latest.

The programme shall include in particular:

- (a) a detailed description of the action planned, giving duration and costs;
- (b) a list of all products and equipment required, with unit costs;
- (c) a list of the centres, bodies or producers' organizations responsible for execution of the various actions.

2. Within 30 days after receipt of the programme, the Commission may ask the Member State concerned to make any changes the Commission considers desirable. The Member State shall adjust the programme in accordance with the Commission's requests.

3. The programme shall be adopted definitively by the Member State concerned by 15 February 1998 at the latest and transmitted immediately to the Commission.

The contracts or agreements with the centres, bodies or producers' organizations responsible for implementing the action or the administrative provisions adopted by the Member State concerned with regard to the said centres, bodies or producers' organizations shall be concluded or adopted to take effect on 1 March 1998.

Those contracts or agreements may be multiannual, subject to adjustments resulting from the subsequent programmes approved by the Commission.

The Member States shall use the standard contract provided by the Commission.

The programme shall be executed under the responsibility of the Member State concerned.

4. Expenditure arising from the programme adopted by the Member State, as adjusted in accordance with any requests made by the Commission, shall be eligible pursuant to this Regulation.

However, a maximum of 75 % of expenditure shall be chargeable for:

- carrying out treatment referred to in Article 4,
- testers' allowances and the salaries of laboratory personnel.

5. The contractor's general costs, including any subcontracting costs, shall be limited to a maximum of 2 % of the overall eligible expenditure.

Article 11

Treatments may be carried out by olive oil producer groups or associations thereof recognized pursuant to Article 20c of Regulation No 136/66/EEC.

When insecticides are used in anti-olive-fly treatment, such treatment must be carried out in conjunction with protein traps. However, in special circumstances and under the direction of the bodies responsible for prescribing treatment, different procedures for insecticide use may be authorized. Those insecticides and their application methods must be such that no residue can be detected in oil produced from olives from treated zones.

Integrated biological pest control methods may also be used.

Article 12

Payments in connection with the following shall be made upon presentation of documentary proof of the expenditure incurred and after the competent authorities have checked those documents and have verified that the prescribed obligations have been observed:

- contracts and agreements concluded or adopted by the Member State with the centres, bodies or organizations referred to in Article 10 (1) (c), or
- the administrative arrangements made by the Member State with regard to such centres, bodies or organizations.

At the time of signing of the contract or agreement, the contractor shall lodge a security equal to at least 4 % of the value of the contract or the agreement to guarantee its performance. Where contracts or agreements cover a period of more than one year, the security shall be calculated on the basis of the value of each annual part of the contract.

The security shall be released subject to verification by the Member State of performance of the action provided for in the contract or agreement within the time limits laid down therein or during the annual period applicable.

Advances of up to 30 % may be paid as from the signing of the contract or agreement or the adoption of the administrative provisions, against the lodging of a security for an equivalent amount.

Further advances may be decided, against the lodging of an equal amount as security, in so far as the Member State concerned has been provided with supporting documents for expenditure effected using funds advanced previously.

Release of the security shall be subject to:

- (a) transmission to the Member State concerned of the documentary evidence in support of the expenditure effected;
- (b) verification of such documentation and the finding that the prescribed obligations have been observed.

However, the Member State concerned may stand surety for the centres and bodies referred to in Article 10 (1) (c) which have the status of public establishments.

Where securities are forfeited, they shall be deducted from the expenditure incurred by the European Agricultural Guidance and Guarantee Fund, Guarantee Section.

All centres, bodies or producer organizations responsible for executing actions shall forward to the Member State within two months after the final date set in the contract for execution of the action, a detailed report on use of the Community funds allocated and the results of the actions concerned. If the report is forwarded after the time limit of two months, 10 % of the Community funding per action shall be deducted for each month or part thereof after the expiry of the time limit. The penalty shall be deducted from the expenditure incurred by the European Agricultural Guidance and Guarantee Fund, Guarantee Section.

Article 13

The producer Member States concerned by the programme shall apply a system of controls to ensure that the action provided for in the programme and for which financing is granted is executed correctly. To this end, the Member States concerned shall carry out:

- administrative and accounting checks to verify the costs for which assistance was given,
- checks, in particular on-the-spot checks, to verify that the action has been executed in conformity with the provisions of the contract, the agreement or the administrative arrangements.

They shall inform the Commission of the control measures provided for when transmitting the programme referred to in Article 3.

The Commission may also ask the Member States to make any amendment to the system of controls which it considers appropriate.

A report on the execution of the programme and the control measures carried out with reference to the forecasts shall be drawn up by the Member States concerned and transmitted to the Commission before 1 October 1999.

Article 14

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.

Done at Brussels, 8 December 1997.

For the Commission

Franz FISCHLER

Member of the Commission
