

COUNCIL REGULATION (EC) No 1513/2001

of 23 July 2001

amending Regulations No 136/66/EEC and (EC) No 1638/98 as regards the extension of the period of validity of the aid scheme and the quality strategy for olive oil

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 37 thereof,

Having regard to the proposal from the Commission,

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

Having regard to the opinion of the Economic and Social Committee ⁽²⁾,

Whereas:

(1) Council Regulation (EC) No 1638/98 of 20 July 1998 amending Regulation No 136/66/EEC on the establishment of a common market organisation in oils and fats ⁽³⁾ introduced measures applicable for three marketing years, namely 1998/99, 1999/2000 and 2000/01. This three-year period was intended to give the Commission time to gather and analyse the information required with a view to elaborate, in 2000, a proposal to the Council for a reform of the above-mentioned common market organisation. While the measures introduced by this Regulation have permitted a number of improvements to the common organisation of the market, the information gathered and the experience gained during those first two marketing years are neither complete nor sufficient to enable the Commission to draw substantial and definitive conclusions regarding the common market organisation in oils and fats to be implemented from 1 November 2001.

(2) It is necessary to assess the results of the transitional period envisaged in 1998 by Council Regulation (EC) No 1638/98 and Council Regulation (EC) No 1639/98 of 20 July 1998 amending Regulation (EEC) No 2261/84 laying down general rules on the granting of aid for the production of olive oil and of aid to olive oil producer organisations ⁽⁴⁾. In order to obtain all the results of the measures implemented from the 1998/99 marketing year onwards and to permit more detailed information to be gathered on the sector and more detailed analyses to be carried out, it is necessary to extend until the end of the 2003/04 marketing year the period of validity of the provisions currently in force, in particular those laid down in Regulation No 136/66/EEC of 22 September 1966 on the establishment of a common organisation of the market in oils and fats ⁽⁵⁾.

(3) The arrangements for checks on the aid paid to producers depend to a great extent on the existence and smooth operation of the geographic information system (GIS) referred to in Regulation (EC) No 1638/98. The GIS is essential for some of the options to be examined for the future and, at the very least, useful for the others. It should therefore be stipulated now that from 1 November 2003 the aid scheme covers only olive trees included in a GIS verified as being complete.

(4) Developments on the olive oil market indicate the need for a concerted strategy aimed at improving the quality of the product, including environmental impacts, and comprising, *inter alia*, incentives to promote the structuring of the sector and adjustments to the classification of olive oils and olive-pomace oils.

(5) For the sector to operate smoothly, a scheme should be introduced to encourage approved operators' organisations to implement quality improvement and certification programmes and to improve the olive oil sector and market management. Around one year would appear necessary for the establishment of the detailed rules concerning certain items of the future scheme, for instance the creation of the organisations concerned and the drafting, and evaluation of programmes and their approval by the Member States. In order to permit the implementation of concrete measures as soon as possible, the bases of the scheme that will be decided to be introduced from 1 November 2002 should be laid down now.

(6) The descriptions and definitions of olive oils and olive-pomace oils are in certain cases unsatisfactory and could lead to confusion among both consumers and operators. Such problems cause disruption on the market and, in order to avoid them, new descriptions and definitions should replace those laid down in the Annex to Regulation No 136/66/EEC.

(7) In order to preserve the natural characteristics of virgin olive oils, the use of oil-extraction adjuvants having a chemical or biochemical action should be excluded.

(8) The progress achieved by producers and millers has led to an increase in the production of virgin and extra virgin olive oils and a reduction in that of ordinary oils and lampante oils. To enable this market development to be taken into account in the classification of virgin olive oils and to permit consumers to benefit from it, the maximum acidity of extra virgin olive oil should be reduced and 'ordinary virgin olive oil' should be removed from the list of types of olive oil, the oils concerned being included under lampante olive oil.

⁽¹⁾ Opinion delivered on 17 May 2001 (not yet published in the Official Journal).

⁽²⁾ Opinion delivered on 30 May 2001 (not yet published in the Official Journal).

⁽³⁾ OJ L 210, 28.7.1998, p. 32.

⁽⁴⁾ OJ L 210, 28.7.1998, p. 38.

⁽⁵⁾ OJ 172, 30.9.1966, p. 3025/66. Regulation as last amended by Regulation (EC) No 2826/2000 (OJ L 328, 23.12.2000, p. 2).

- (9) The generic name 'olive oil' is currently used to designate the type referred to at point 3 of the Annex to Regulation No 136/66/EEC, namely a blend of refined olive oil and virgin olive oil other than lampante oil. This combination gives rise to confusion that could mislead consumers who are not sufficiently aware and could disrupt the market. Blends should therefore be identified in a specific way without, however, detracting from the qualities of the type of oil concerned, which are appreciated by a large sector of the market.
- (10) Thanks to the progress achieved by refiners it is possible to adapt the definition of refined olive oil by reducing the percentage of maximal acidity.
- (11) The definition of crude olive pomace oil should include oils obtained by mechanical means and correspond, with the exception of certain specific characteristics, to those for lampante olive oils, since some of them have characteristics that are typical of traditional crude olive pomace oils.
- (12) In order to give the sector time to adjust, the use of the new descriptions and definitions should be made compulsory in general, only after two years.
- (13) The measures necessary for the implementation of Regulation No 136/66/EEC should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission ⁽¹⁾,

HAS ADOPTED THIS REGULATION:

Article 1

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

1. in Article 4(2), '1998/99 to 2000/01 marketing years' shall be replaced by '1998/99 to 2003/04 marketing years';
2. Article 5 shall be amended as follows:
 - (a) in paragraph 2, '1998/99 to 2000/01 marketing years' shall be replaced by '1998/99 to 2003/04 marketing years';
 - (b) in the first subparagraph of paragraph 9, 'to improve the quality of oil production' shall be replaced by 'to improve the quality of olive oil and table olives production',

- (c) in the second subparagraph of paragraph 9:
 - (i) '1998/99 to 2000/01 marketing years' shall be replaced by '1998/99 to 2003/04 marketing years';
 - (ii) 'olive oil producers' shall be replaced by 'olive oil and table olives producers';
3. in the second subparagraph of Article 20d(1), 'the 1998/99 to 2000/01 marketing years' shall be replaced by 'the 1998/99 to 2003/04 marketing years';
4. Article 37 shall be repealed;
5. Article 38 shall be replaced by the following text:

'Article 38

 1. The Commission shall be assisted by a "Management Committee for Oils and Fats", hereinafter referred to as "the Committee".
 2. Where reference is made to this Article, Articles 4 and 7 of Decision 1999/468/EC shall apply.

The period laid down in Article 4(3) of Decision 1999/468/EC shall be set at one month.

 3. The Committee shall adopt its rules of procedure.'
 6. the Annex shall be replaced by the Annex hereto.

Article 2

Regulation (EC) No 1638/98 is hereby amended as follows:

1. Article 2 shall be amended as follows:
 - (a) in the first subparagraph of paragraph 1, 'the 1998/99 to 2000/01 marketing years' shall be replaced by 'the 1998/99 to 2002/03 marketing years';
 - (b) in the second subparagraph of paragraph 2, 'the three marketing years from 1998/99 to 2000/01' shall be replaced by 'the five marketing years from 1998/99 to 2002/03', and
 - (c) in paragraph 4, 'the 1998/99 to 2000/01 marketing years' shall be replaced by 'the 1998/99 to 2002/03 marketing years';
2. the following Article shall be inserted:

'Article 2a

As from 1 November 2003, olive trees and corresponding areas the presence of which is not attested by a geographic information system established in accordance with Article 2 of this Regulation or of olive oil produced therefrom cannot constitute a basis for an aid to be paid to olive producers under the common market organisation in oils and fats.;
3. in Article 3(2), '2000' shall be replaced by '2003' and '1 November 2001' by '1 November 2004';

⁽¹⁾ OJ L 184, 17.7.1999, p. 23.

4. the following Article shall be inserted:

'Article 4a

1. Under the common organisation of the market in oils and fats, in force as from 1 November 2002, Member States producing olive oil may withhold within certain limits, a portion of aid, where appropriate intended for olive oil and/or table olives producers, to ensure Community finance of work programmes drawn up by approved producers' organisations, approved interbranch organisations or other approved operators' organisations or their associations in one or more of the following areas:

- (a) market follow-up and administrative management in the olive oil and table olives sector;
- (b) the improvement of the environmental impacts of the olive cultivation;
- (c) the improvement of the production quality of olive oil and table olives;
- (d) the traceability system, the certification and protection of olive oil and table olives quality, under the authority of the national administrations.

2. For the purposes of this Article, "approved interbranch organisations", shall mean legal entities which:

- are made up of representatives of economic activities linked to the production of and/or trade in and/or processing of the products referred to in Article 1(2)(c) and (d) of Regulation No 136/66/EEC;
- are established at the initiative of all or some of the organisations or associations which constitute them;
- have been recognised by the Member State in which they operate.

3. The limits referred to in paragraph 1 are fixed in order to prevent the emergence of market distortions:

- by the Council on a Commission proposal, for the total of the activities concerned and subsequently,
- by the Commission, for each area referred to in paragraph 1, in conformity with the management procedure laid down in Article 4 of Decision 1999/468/EC.

Within the fixed limits, the maximum Community funding for the work programmes referred to in paragraph 1 shall be equal to the part of the aids reserved by the Member States. This funding concerns the eligible cost with a maximum of:

- 100 % for the activities in areas referred to in (a) and (b),
- 100 % for the fixed assets investments and 75 % for the other activities in the area referred to in (c),
- 50 % for the activities in the area referred to in (d).

Complementary financing will be ensured by the Member State concerned taking into account a financial contribution from operators that shall be compulsory for the activities in the areas referred to under paragraph 1(c) and (d) and in the latter case shall be at least 25 %.

4. In accordance with the procedure provided for in Article 38 of Regulation No 136/66/EEC, the Commission shall specify:

- (a) conditions for the approval of operators' organisations and their associations;
- (b) the types of activities eligible under programmes in the four areas referred to in paragraph 1;
- (c) the procedures for the approval of programmes by the Member States;
- (d) the measures concerning the control and the sanctions;
- (e) any other detailed rules that might be necessary for the rapid implementation, from 1 November 2002, of the programmes concerned.;

5. in the first subparagraph of Article 5, '1 November 2001' shall be replaced by '1 November 2004'.

Article 3

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

It shall apply from 1 November 2001. However, point 6 of Article 1 (replacing the Annex to Regulation No 136/66/EEC) shall apply only from 1 November 2003, with the exception of point 4 of the Annex concerned.

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

Done at Brussels, 23 July 2001.

For the Council

The President

A. NEYTS-UYTTEBROECK

ANNEX

'ANNEX

DESCRIPTIONS AND DEFINITIONS OF OLIVE OILS AND OLIVE-POMACE OILS REFERRED TO IN ARTICLE 35

1. VIRGIN OLIVE OILS

Oils obtained from the fruit of the olive tree solely by mechanical or other physical means under conditions that do not lead to alteration in the oil, which have not undergone any treatment other than washing, decantation, centrifugation or filtration, to the exclusion of oils obtained using solvents or using adjuvants having a chemical or biochemical action, or by re-esterification process and any mixture with oils of other kinds.

Virgin olive oils are exclusively classified and described as follows:

(a) **Extra virgin olive oil**

Virgin olive oil having a maximum free acidity, in terms of oleic acid, of 0,8 g per 100 g, the other characteristics of which comply with those laid down for this category.

(b) **Virgin olive oil**

Virgin olive oil having a maximum free acidity, in terms of oleic acid, of 2 g per 100 g, the other characteristics of which comply with those laid down for this category.

(c) **Lampante olive oil**

Virgin olive oil having a free acidity, in terms of oleic acid, of more than 2 g per 100 g, and/or the other characteristics of which comply with those laid down for this category.

2. REFINED OLIVE OIL

Olive oil obtained by refining virgin olive oil, having a free acidity content expressed as oleic acid, of not more than 0,3 g per 100 g, and the other characteristics of which comply with those laid down for this category.

3. OLIVE OIL — COMPOSED OF REFINED OLIVE OILS AND VIRGIN OLIVE OILS

Olive oil obtained by blending refined olive oil and virgin olive oil other than lampante oil, having a free acidity content expressed as oleic acid, of not more than 1 g per 100 g, and the other characteristics of which comply with those laid down for this category.

4. CRUDE OLIVE-POMACE OIL

Oil obtained from olive pomace by treatment with solvents or by physical means or oil corresponding to lampante olive oil, except for certain specified characteristics, excluding oil obtained by means of re-esterification and mixtures with other types of oils, and the other characteristics of which comply with those laid down for this category.

5. REFINED OLIVE-POMACE OIL

Oil obtained by refining crude olive-pomace oil, having a free acidity content expressed as oleic acid, of not more than 0,3 g per 100 g, and the other characteristics of which comply with those laid down for this category.

6. OLIVE-POMACE OIL

Oil obtained by blending refined olive-pomace oil and virgin olive oil other than lampante oil, having a free acidity content expressed as oleic acid, of not more than 1 g per 100 g, and the other characteristics of which comply with those laid down for this category.'
