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REGULATION NO 136/66/EEC OF THE COUNCIL
of 22 September 1966
on the establishment of a common organisation of the market in oils and fats
(OJ P 172, 30.9.1966, p. 3025)

Amended by:

| | | Official Journal | | |
|---------------------|--|------------------|------|------------|
| | | No | page | date |
| ► <u>M1</u> | Regulation (EEC) No 2146/68 of the Council of 20 December 1968 | L 314 | 1 | 31.12.1968 |
| ► <u>M2</u> | Regulation (EEC) No 1253/70 of the Council of 29 June 1970 | L 143 | 1 | 1.7.1970 |
| ► <u>M3</u> | Regulation (EEC) No 2554/70 of the Council of 15 December 1970 | L 275 | 5 | 19.12.1970 |
| ► <u>M4</u> | Regulation (EEC) No 2727/71 of the Council of 20 December 1971 | L 282 | 8 | 23.12.1971 |
| ► <u>M5</u> | Regulation (EEC) No 1547/72 of the Council of 18 July 1972 (*) | L 165 | 1 | 21.7.1972 |
| ► <u>M6</u> | Regulation (EEC) No 1707/73 of the Council of 26 June 1973 | L 175 | 5 | 29.6.1973 |
| ► <u>M7</u> | Council Regulation (EEC) No 2560/77 of 7 November 1977 | L 303 | 1 | 28.11.1977 |
| ► <u>M8</u> | Council Regulation (EEC) No 1419/78 of 20 June 1978 | L 171 | 8 | 28.6.1978 |
| ► <u>M9</u> | Council Regulation (EEC) No 1562/78 of 29 June 1978 | L 185 | 1 | 7.7.1978 |
| ► <u>M10</u> | Council Regulation (EEC) No 590/79 of 26 March 1979 | L 78 | 1 | 30.3.1979 |
| ► <u>M11</u> | Council Regulation (EEC) No 1585/80 of 24 June 1980 | L 160 | 2 | 26.6.1980 |
| ► <u>M12</u> | Council Regulation (EEC) No 1917/80 of 15 July 1980 | L 186 | 1 | 19.7.1980 |
| ► <u>M13</u> | Council Regulation (EEC) No 3454/80 of 22 December 1980 | L 360 | 16 | 31.12.1980 |
| ► <u>M14</u> | Council Regulation (EEC) No 1413/82 of 18 May 1982 | L 162 | 6 | 12.6.1982 |
| ► <u>M15</u> | Council Regulation (EEC) No 1097/84 of 31 March 1984 | L 113 | 1 | 28.4.1984 |
| ► <u>M16</u> | Council Regulation (EEC) No 1101/84 of 31 March 1984 | L 113 | 7 | 28.4.1984 |
| ► <u>M17</u> | Council Regulation (EEC) No 1556/84 of 4 June 1984 | L 150 | 5 | 6.6.1984 |
| ► <u>M18</u> | Council Regulation (EEC) No 2260/84 of 17 July 1984 | L 208 | 1 | 3.8.1984 |
| ► <u>M19</u> | Council Regulation (EEC) No 231/85 of 29 January 1985 | L 26 | 12 | 31.1.1985 |
| ► <u>M20</u> | Council Regulation (EEC) No 3768/85 of 20 December 1985 | L 362 | 8 | 31.12.1985 |
| ► <u>M21</u> | Council Regulation (EEC) No 1454/86 of 13 May 1986 | L 133 | 8 | 21.5.1986 |
| ► <u>M22</u> | Council Regulation (EEC) No 1915/87 of 2 July 1987 | L 183 | 7 | 3.7.1987 |
| ► <u>M23</u> | Commission Regulation (EEC) No 3994/87 of 23 December 1987 | L 377 | 31 | 31.12.1987 |
| ► <u>M24</u> | Council Regulation (EEC) No 1098/88 of 25 April 1988 | L 110 | 10 | 29.4.1988 |
| ► <u>M25</u> | Council Regulation (EEC) No 2210/88 of 19 July 1988 | L 197 | 1 | 26.7.1988 |
| ► <u>M26</u> | Council Regulation (EEC) No 1225/89 of 3 May 1989 | L 128 | 15 | 11.5.1989 |
| ► <u>M27</u> | Council Regulation (EEC) No 2902/89 of 25 September 1989 | L 280 | 2 | 29.9.1989 |
| ► <u>M28</u> | Council Regulation (EEC) No 3499/90 of 27 November 1990 | L 338 | 1 | 5.12.1990 |

(*) This Act was never published in English.

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|--------------|--|-------|-----|------------|
| ► M29 | Council Regulation (EEC) No 3577/90 of 4 December 1990 | L 353 | 23 | 17.12.1990 |
| ► M30 | Council Regulation (EEC) No 1720/91 of 13 June 1991 | L 162 | 27 | 26.6.1991 |
| ► M31 | Council Regulation (EEC) No 356/92 of 10 February 1992 | L 39 | 1 | 15.2.1992 |
| ► M32 | Council Regulation (EEC) No 2046/92 of 30 June 1992 | L 215 | 1 | 30.7.1992 |
| ► M33 | Council Regulation (EC) No 3179/93 of 16 November 1993 | L 285 | 9 | 20.11.1993 |
| ► M34 | Council Regulation (EC) No 3290/94 of 22 December 1994 | L 349 | 105 | 31.12.1994 |
| ► M35 | Council Regulation (EC) No 1581/96 of 30 July 1996 | L 206 | 11 | 16.8.1996 |
| ► M36 | Council Regulation (EC) No 1638/98 of 20 July 1998 | L 210 | 32 | 28.7.1998 |
| ► M37 | Council Regulation (EC) No 2702/1999 of 14 December 1999 | L 327 | 7 | 21.12.1999 |
| ► M38 | Council Regulation (EC) No 2826/2000 of 19 December 2000 | L 328 | 2 | 23.12.2000 |
| ► M39 | Council Regulation (EC) No 1513/2001 of 23 July 2001 | L 201 | 4 | 26.7.2001 |

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|-------------|---|-------|----|------------|
| ► A1 | Act of Accession of Denmark, Ireland and the United Kingdom of Great Britain and Northern Ireland | L 73 | 14 | 27.3.1972 |
| | (adapted by Council Decision of 1 January 1973) | L 2 | 1 | 1.1.1973 |
| ► A2 | Act of Accession of Greece | L 291 | 17 | 19.11.1979 |
| ► A3 | Act of Accession of Spain and Portugal | L 302 | 23 | 15.11.1985 |
| ► A4 | Act of Accession of Austria, Sweden and Finland | C 241 | 21 | 29.8.1994 |
| | (adapted by Council Decision 95/1/EC, Euratom, ECSC) | L 1 | 1 | 1.1.1995 |

Corrected by:

- **C1** Corrigendum, OJ L 304, 27.10.1987, p. 46 (1915/87)
- **C2** Corrigendum, OJ L 326, 17.11.1987, p. 32 (1915/87)
- **C3** Corrigendum, OJ L 14, 22.1.1993, p. 29 (356/92)

NB: This consolidated version contains references to the European unit of account and/or the ecu, which from 1 January 1999 should be understood as references to the euro — Council Regulation (EEC) No 3308/80 (OJ L 345, 20.12.1980, p. 1) and Council Regulation (EC) No 1103/97 (OJ L 162, 19.6.1997, p. 1).



REGULATION NO 136/66/EEC OF THE COUNCIL

of 22 September 1966

on the establishment of a common organisation of the market in oils and fats

THE COUNCIL OF THE EUROPEAN ECONOMIC COMMUNITY,

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 situation on the Community market in oils and fats of vegetable or marine origin is characterised by high demand and low overall production; whereas Member States therefore depend to a large extent on the world market for supplies; whereas this situation generally justifies the removal of the various import barriers and their replacement, except where certain olive oil products are concerned, by the Common Customs Tariff, which makes it easier for industries to obtain supplies by allowing raw materials to enter the Community duty free while duties on finished products serve to protect these industries and secure consumers' supplies at reasonable prices;

Whereas, however, the removal of import barriers would leave the Community market in oil seeds, oleaginous fruit and their oils without defence against disturbances caused either by certain imports from third countries or by disparities, resulting from action by third countries, between prices for products derived from oil seeds and oleaginous fruit and prices for these seeds and fruit; whereas these disturbances are seriously prejudicial to the interests of producers and processing industries; whereas provision must therefore be made for appropriate measures to remedy this situation, international commitments being taken into account;

Whereas, because of the situation on the world market, certain sectors of agricultural and industrial production in the Community would be adversely affected if the effects of the removal of import barriers were not offset by other measures; whereas olive oil consumption might decline if there was a substantial fall in the price of competing oils; whereas, furthermore, other oils and oil seeds are in direct competition with oils and oil seeds imported from third countries at a reduced rate of duty or duty-free;

Whereas olive growing and olive oil production are of special economic importance in certain regions of the Community, where they often constitute the most important source of income for a large proportion of the population; whereas olive oil is the most important source of oil and fats for large categories of consumers; whereas the growing of oil seeds, in particular colza, rape and sunflower seeds, contributes to the viability of farms by making it possible to improve technical and financial equilibrium; whereas it is therefore necessary to support these activities by appropriate measures;

Whereas to this end the marketing of Community crops of these products must ensure producers a fair income, the level of which may be determined by a production target price in the case of olive oil and by a target price in the case of oil seeds; whereas the difference between these prices and prices acceptable to the consumer represents the subsidy which should be granted to attain the desired objective;

Whereas consumer preferences make it possible to sell olive oil at a higher price than other products of a similar kind; whereas it is therefore possible, prices for competing products being taken into account, to determine a market target price that will, as a general rule, provide the producer with a large proportion of the requisite income in the form of receipts from sales;

⁽¹⁾ OJ No 119, 3. 7. 1965, p. 2040/65.

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Whereas the market target price for olive oil cannot attain its objective unless the price actually ruling on the market is as close as possible to the market price; whereas stabilising (sic! stabilising) machinery should therefore be provided in producer Member States and at the Community frontier;

Whereas the desired stability may be obtained within the Community by making it possible in production areas for olive oil to be offered to competent agencies of the Member States; whereas, because of the geographical concentration of production and consumption, the intervention price to be paid for oil by intervention agencies can be the same in all intervention centres; whereas, moreover, in order to ensure that there is a constant balance between supply and demand and to counteract the effects of fluctuations in production, provision should be made for the possibility of entrusting intervention agencies with the task of forming a buffer stock;

Whereas, in order to stabilise the Community market at the desired level, notably by ensuring that fluctuations in world market prices do not affect prices within the Community, provision should be made for charging an import levy corresponding to the difference between the threshold price derived from the market target price and prices ruling on the world market; whereas if protection is to be complete and consistent, a system which would have the same effect must be applied to oil-cake, other residues resulting from the extraction of olive oil and olives for oil production;

Whereas, in the case of olive oil used in the manufacture of preserved fish and vegetables, the levy must be suspended or a refund granted to enable manufacturers to meet competition from similar products manufactured with oil bought at world market prices;

Whereas supplies of olive oil to the consumer might be jeopardised if the ratio of world prices to Community prices were likely to lead to substantial exports of olive oil; whereas, furthermore, imports or exports of this product might in certain circumstances lead to market disturbances; whereas provision should therefore be made for dealing with such a situation;

Whereas, as far as oil seeds are concerned, farmers can be protected against any risks which may arise, despite the proposed system of subsidies, from the unsettled state of the market by intervention machinery involving the buying-in of quantities offered to the competent agencies at intervention prices which must, because the area of production is extensive and processing centres few, be fixed in the light of natural conditions of price formation;

Whereas the list of seeds to be covered by the system described above must be drawn up in such a way as to include the species which are most widely grown at the present time; whereas provision should however be made for the possibility of extending this system to other seeds where experience shows this to be necessary;

Whereas the abolition of measures encouraging the production of grape-pip oil in certain Member States calls for the adoption of special measures to enable the industry concerned to adapt to new market conditions;

Whereas the consistency of the provisions governing the common organisation of the market in oils and fats would be impaired if their effect were to be combined with those of subsidies incompatible with the Treaty; whereas, until such time as a common agricultural policy for flax is put into effect, an exception must be made in respect of subsidies on the production of linseed for oil extraction;

Whereas the common organisation of the market in oils and fats must take appropriate account, at the same time, of the objectives set out in Articles 39 and 110 of the Treaty;

Whereas, in order to facilitate implementation of the proposed measures, a procedure should be provided for establishing close co-operation between Member States and the Commission within a Management Committee;

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HAS ADOPTED THIS REGULATION:

▼M9*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.

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2. This Regulation shall cover the following products:

| | CN code | Description of goods |
|-----|------------|---|
| (a) | 1201 00 90 | Soya beans, whether or not broken, other than for sowing |
| | 1202 10 90 | Ground-nuts, not roasted or otherwise cooked, in shell, other than for sowing |
| | 1202 20 00 | Ground-nuts, not roasted or otherwise cooked, shelled, whether or not broken, other than for sowing |
| | 1203 00 00 | Copra |
| | 1204 00 90 | Linseed, whether or not broken, other than for sowing |
| | 1205 00 90 | Rape or colza seeds, whether or not broken, other than for sowing |
| | 1206 00 90 | Sunflower seeds, whether or not broken, other than for sowing |
| | 1207 10 90 | Palm nuts and kernels, whether or not broken, other than for sowing |
| | 1207 20 90 | Cotton seeds, whether or not broken, other than for sowing |
| | 1207 30 90 | Castor oil seeds, whether or not broken, other than for sowing |
| | 1207 40 90 | Sesamum seeds, whether or not broken, other than for sowing |
| | 1207 50 90 | Mustard seeds, whether or not broken, other than for sowing |
| | 1207 60 90 | Safflower seeds, whether or not broken, other than for sowing |
| | 1207 91 90 | Poppy seeds, whether or not broken, other than for sowing |
| | 1207 92 90 | Shea nuts (Karite nuts), whether or not broken, other than for sowing |
| | 1207 99 91 | Hemp seeds, whether or not broken, other than for sowing |
| | 1207 99 99 | Other oilseeds and oleaginous fruits, whether or not broken, other than for sowing |
| (b) | 1208 | Flours and meals of oil seeds or oleaginous fruits, other than those of mustard |
| | 1504 | Fats and oils and their fractions, of fish or marine mammals, whether or not refined, but not chemically modified |
| | 1507 | Soya-bean oil and its fractions, whether or not refined, but not chemically modified |
| | 1508 | Ground-nut oil and its fractions, whether or not refined, but not chemically modified |
| | 1511 | Palm oil and its fractions, whether or not refined, but not chemically modified |
| | 1512 | Sunflower seed, safflower or cotton-seed oil and their fractions, whether or not refined, but not chemically modified |

▼M23

| CN code | Description of goods |
|----------------------------|--|
| 1513 | Coconut (copra), palm kernel or babassu oil and fractions thereof, whether or not refined, but not chemically modified |
| 1514 | Rape, colza or mustard oil and fractions thereof, whether or not refined, but not chemically modified |
| ex 1515 | Other fixed vegetable fats and oils (excluding jojoba oil: 1515 60) and their fractions, whether or not refined, but not chemically modified |
| ex 1516 | Animal or vegetable fats and oils and their fractions, partly or wholly hydrogenated, inter-esterified, re-esterified or elaidinised, whether or not refined, but not further prepared, (excluding hydrogenated castor oil, so called 'opalwax': 1516 20 10) |
| ex 1517 | Margarine, edible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this Chapter, other than edible fats or oils or their fractions of heading No 1516, excluding subheadings 1517 10 10, 1517 90 10 and 1517 90 93 |
| 1518 00 31 1518 00 39 } | Fixed vegetable oils, fluid, mixed for technical or industrial uses other than the manufacture of food-stuffs for human consumption |
| 1522 00 91 | Oil foots and dregs; soapstocks, resulting from the treatment of fatty substances or animal or vegetable waxes, excluding those containing oil having the characteristics of olive oil |
| 1522 00 99 | Other residues resulting from the treatment of fatty substances or animal or vegetable waxes, excluding those containing oil having the characteristics of olive oil |
| 2304 00 00 | Oil-cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soya-bean oil |
| 2305 00 00 | Oil-cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of ground-not oil |
| ex 2306 | Oil-cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of vegetable fats or oils, other than those of heading No 2304 or 2305, excluding oil cake and other residues resulting from the extraction of olive oil falling within subheading 2306 90 |
| c) 1509 | Olive oil and its fractions, whether or not refined, but not chemically modified |
| 1510 00 | Other oils and their fractions, obtained solely from olives, whether or not refined, but not chemically modified, including blends of these oils or fractions with oils or fractions of heading No 1509 |
| d) 0709 90 31 | Olives, fresh or chilled, for uses other than the production of oil |
| 0709 90 39 | Other olives, fresh or chilled |
| 0710 80 10 | Olives (uncooked or cooked by steaming or boiling in water), frozen |
| 0711 20 | Olives provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions) but unsuitable in that state for immediate consumption |
| ex 0712 90 90 | Olives dried, whole cut, sliced, broken or in powder, but not further prepared |
| ex 2001 90 90 | Olives, prepared or preserved by vinegar or acetic acid |
| ex 2004 90 30 | Olives prepared or preserved otherwise than by vinegar or acetic acid, frozen |

▼M23

| CN code | Description of goods |
|---------------------------------|---|
| 2005 70 00 | Olives prepared or preserved otherwise than by vinegar or acetic acid, not frozen |
| e) 1522 00 39 } 1522 00 39 } | Residues resulting from the treatment of fatty substances or animal or vegetable waxes containing oil having the characteristics of olive oil |
| 2306 90 11 } 2306 90 19 } | Oil-cake and other residues resulting from the extraction of olive oil |

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TITLE I

Trade

Article 2

1. Imports into the Community of any of the products listed in Article 1 (2) (c) or of the products falling within CN codes 0709 90 39, 0711 20 90, 2306 90 19, 1522 00 31, 1522 00 39 shall be subject to presentation of an import licence.

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

Exports from the Community of other products listed in Article 1 (2) may be subject to presentation of export licences.

Licences shall be issued by the Member States to any applicant, irrespective of his place of establishment in the Community and without prejudice to measures taken for the application of Article 3.

Import and export licences shall be valid throughout the Community. Such licences shall be issued subject to the lodging of a security guaranteeing that the products are imported or exported during the term of validity of the licence; save in cases of force majeure, the security shall be forfeited in whole or in part if import or export is not carried out, or is only carried out partially, within that period.

2. The term of validity of licences and other detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 38.

Article 2a

►M35 1. ◀ Save as otherwise provided for in this Regulation, the rates of duty in the Common Customs Tariff shall apply to the products listed in Article 1 (2).

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2. Paragraph 1 notwithstanding, should the market price for olive oil in the Community appreciably exceed the ►M36 production target price, less production aid and an amount taking account of market variations and the costs of transporting the olive oil from the areas of production to the areas of consumption, ◀ during a period of at least three months, to ensure the Community market is adequately supplied with olive oil through imports from non-member countries, the Commission may, in accordance with the procedure laid down in Article 38:

- partially or fully suspend the application of common customs duties to olive oil, and establish the detailed arrangements for any such suspension,
- open an import quota for olive oil at a reduced rate of common customs duties and establish the detailed arrangements for managing any such quota.

These measures shall apply for the minimum period strictly required, which period in any event may not exceed the end of the marketing year in question.

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Article 2b

1. Without prejudice to Article 10 (2), in order to prevent or counteract adverse effects on the market in the Community which may result from imports of certain products listed in Article 1, imports of one or more of such products at the rate of duty laid down in Article 10 shall be subject to payment of an additional import duty if the conditions set out in Article 5 of the Agreement on Agriculture concluded in accordance with Article 228 of the Treaty in the framework of the Uruguay Round of multilateral trade negotiations have been fulfilled unless the imports are unlikely to disturb the Community market, or where the effects would be disproportionate to the intended objective.

2. The trigger prices below which an additional import duty may be imposed shall be those notified by the Community to the World Trade Organization.

The trigger volumes which must be exceeded for an additional import duty to be imposed shall be determined in particular on the bases of Community imports over the three years preceding the year in which the adverse effects referred to in paragraph 1 have occurred or are likely to occur.

3. The import prices to be taken into account for the imposition of an additional import duty shall be determined on the basis of the cif import prices of the shipment concerned.

The cif import prices shall be verified for that purpose on the basis of representative prices for the product concerned on the world market or on the Community import market for the product.

4. The Commission shall adopt detailed rules for the application of this Article in accordance with the procedure laid down in Article 38. Such detailed rules shall specify in particular:

- (a) the products to which additional import duties shall be applied, in accordance with Article 5 of the Agreement on Agriculture;
- (b) the other criteria necessary for application of paragraph 1 in accordance with Article 5 of the said Agreement.

Article 3

1. To the extent necessary to enable the olive oil and colza and rape seed harvested in the Community to be exported on the basis of quotations or prices for those products on the world market and within the limits resulting from agreements concluded in accordance with Article 228 of the Treaty, the difference between those quotations or prices and prices in the Community may be covered by export refunds.

2. For the allocation of the quantities which may be exported with refunds, a method shall be established which:

- (a) is the best suited to the nature of the product and to the situation on the market in question, enabling the most efficient use possible to be made of the available resources, taking account of the efficiency and structure of Community imports without, however, creating discrimination between large and small operators;
- (b) is the least cumbersome administratively for operators, having regard to management imperatives;
- (c) precludes discrimination between the operators concerned.

3. Refunds shall be the same for the whole Community.

They may vary according to destination where the situation on the world market or the specific requirements of certain markets make this necessary. Where olive oil is concerned, the refund may also be fixed at different levels according to quality and presentation where the situation on the world market or the specific requirements of certain markets make this necessary.

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Refunds shall be fixed in accordance with the procedure laid down in Article 38. For olive oil, refunds may be fixed in particular:

- (a) at regular intervals;
- (b) by invitation to tender if the market situation so warrants. For olive oil the invitation to tender may be restricted to certain countries of destination, certain quantities and qualities and presentations.

Except where fixed by invitation to tender, the amount of the refund shall be fixed at least once a month. Where necessary, refunds may be adjusted in the intervening period by the Commission at the request of a Member State or on its own initiative.

4. Refunds for olive oil shall be fixed in the light of:

- (a) the situation and likely trends:
 - on the Community market, with respect to olive oil prices and supplies,
 - on the world market, with respect to olive oil prices;
- (b) the limits resulting from the agreements concluded in accordance with Article 228 of the Treaty.

However, where the situation on the world market does not allow the most favourable prices for olive oil to be determined, account may be taken of the price on that market of the main competing vegetable oils and of the gap recorded over a representative period between that price and the price for olive oil.

The amount of the refund may not exceed the difference between the price of olive oil in the Community and that on the world market, adjusted if appropriate to take account of the costs of exporting the products to that market.

5. Refunds for colza and rape seed shall be fixed in the light of:

- (a) the prices obtaining in the Community on the different representative markets for processing and export and the level of market prices in the Community for colza and rape seed and the likely trends in these prices;
- (b) the situation in the Community regarding the supply of these products in relation to demand;
- (c) the most favourable prices recorded on the various markets of the importing third countries;
- (d) shipment costs on the world market;
- (e) the economic aspects of the exports proposed;
- (f) the limits arising out of the agreements concluded pursuant to Article 228 of the Treaty.

6. Refunds shall be granted only on request and on presentation of the relevant export licence.

7. The refund applicable to exports of olive oil and colza and rape seed shall be that applicable on the day of application for the licence and, in the case of a differentiated refund, that applicable on the same day:

- (a) for the destination indicated on the licence, or, if appropriate;
- (b) for the actual destination, if it differs from that indicated on the licence. In that case the amount applicable may not exceed the amount applicable to the destination indicated on the licence.

Appropriate measures may be taken to preclude abuse of the flexibility provided for in this paragraph.

8. Paragraphs 6 and 7 may be waived in the case of olive oil and colza and rape seed on which refunds are paid under food-aid operations, in accordance with the procedure laid down in Article 38.

9. Compliance with the limits on volumes arising from agreements concluded in accordance with Article 228 of the Treaty shall be ensured on the basis of the export certificates issued for the reference periods

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provided for therein and applicable to the products concerned. With regard to compliance with the obligations arising under the Agreement on Agriculture, the ending of a reference period shall not affect the validity of export licences.

10. Detailed rules for the application of this Article, including provisions concerning redistribution of unallocated or unused exportable quantities, shall be adopted in accordance with the procedure laid down in Article 38.

Article 3a

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

2. Save as otherwise provided for in this Regulation or in provisions adopted pursuant thereto, the following shall be prohibited in trade with third countries:

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

Article 3b

1. If, by reason of imports or exports, the Community market in one or more of the products listed in Article 1 (2) is affected by or its threatened with, serious disturbance likely to jeopardize the achievement of 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 on a proposal from the Commission in accordance with the voting procedure laid down in Article 43 (2) of the Treaty, shall adopt general rules for the implementation of this paragraph.

2. If the situation referred to 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 Member States shall be notified of such measures, which shall be immediately applicable. If the Commission receives a request from a Member State, it shall take a decision thereon within three working days 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 of the day on which they were notified. The Council shall meet without delay. It may, acting by a qualified majority, amend or annul the measure in question.

4. This Article shall be applied having regard to the obligations arising from agreements concluded in accordance with Article 228 (2) of the Treaty.

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TITLE II

Olive oil

▼M36*Article 4*

1. A production target price shall be fixed for the Community.

That price shall be fixed at the wholesale marketing stage for ordinary virgin olive oil with a free fatty acid content expressed as oleic acid of 3,3 g/100 g.

2. For the ►**M39** 1998/99 to 2003/04 marketing years ◄, the production target price provided for in paragraph 1 shall be ECU 383,77/100 kg.

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3. Save as otherwise decided by the Council acting by a qualified majority on a proposal from the Commission, the olive oil marketing year shall run from 1 November to 31 October of the following year.

Article 5

1. Production aid shall be granted for olive oil. Such aid shall be intended to contribute towards establishing a fair income for producers.

The aid shall be granted to olive growers on the basis of the quantity of olive oil they actually produce.

Without prejudice to the different reductions provided for in the Community rules, the aid shall be paid in full to the olive growers.

2. For the ►M39 1998/99 to 2003/04 marketing years ◄, the unit amount of the production aid provided for in paragraph 1 shall be ECU 132,25/100 kg.

3. The maximum quantity of olive oil to which the aid provided for in paragraph 1 shall apply shall be 1 777 261 tonnes per marketing year. That maximum guaranteed quantity shall be apportioned among the Member States as follows in the form of NGQs:

| | |
|------------|----------------|
| — Spain | 760 027 tonnes |
| — France | 3 297 tonnes |
| — Greece | 4195 29 tonnes |
| — Italy | 5431 64 tonnes |
| — Portugal | 51 244 tonnes |

4. Under conditions to be approved by the Commission in accordance with the procedure laid down in Article 38, each Member State may allocate part of its NGQ and of its olive oil production aid to support for table olives.

In such cases, the NGQ used for applying paragraphs 5 and 6 shall be the one given in paragraph 3, reduced by a quantity corresponding to the aid granted to table olives.

5. Where actual production in any marketing year in a Member State is less than its NGQ:

- (a) 20 % of the shortfall shall be distributed among the Member States which exceeded their NGQs during the same marketing year; the distribution shall be carried out in proportion to the NGQs of the beneficiary States; and
- (b) 80 % of the shortfall shall be added, solely for the subsequent marketing year, to the NGQ of the Member State in question.

The residual quantities shall be distributed by the Commission in accordance with the procedure laid down in Article 38.

6. The aid fixed in paragraph 2 shall be granted in those Member States whose actual production recognised as eligible for the aid is lower than or equal to their NGQs, plus any increase in accordance with paragraph 5.

In the other Member States, the unit aid granted shall be equal to the amount fixed in paragraph 2, multiplied by a coefficient. That coefficient shall be arrived at by dividing the NGQ of the Member State concerned, plus any increase in accordance with paragraph 5, by the actual production recognised as eligible for the aid.

7. With a view to checks of the quantity of olive oil eligible for the aid, olive and olive oil yields shall be fixed for each marketing year per homogeneous production area.

▼M36

8. Recognised producer organisations and associations thereof may be associated in the work of determining actual production as referred to in paragraph 5 and of establishing yields as referred to in paragraph 7.

9. A percentage of the production aid allocated to all or some producers shall be used to finance regional measures ►M39 to improve the quality of olive oil and table olives production ◄ and its environmental impact in each producer Member State.

For the ►M39 1998/99 to 2003/04 marketing years ◄, the percentage referred to in the first subparagraph shall amount to 1,4 % of the production aid allocated to ►M39 olive oil and table olives producers ◄.

10. Acting by a qualified majority on a proposal from the Commission, the Council shall lay down general rules for applying this Article.

11. The yields referred to in paragraph 7 and the detailed rules for applying this Article shall be determined in accordance with the procedure laid down in Article 38 of this Regulation and, where applicable, 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⁾.

▼M9*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.

▼M36**▼M34****▼M22****▼M38****▼M9***Article 11a***▼M36**

The individual Member States shall take the necessary steps to penalise infringements of the aid scheme provided for in Article 5. Where infringements are reported by the inspection agencies provided for in Council Regulation (EEC) No 2262/84 of 17 July 1984 laying down special measures in respect of olive oil ⁽²⁾, the Member States shall decide on action to be taken within 12 months of the report.

▼M9

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

▼M36

⁽¹⁾ OJ L 94, 28.4.1970, p. 13. Regulation as last amended by Regulation (EC) No 1287/95 (OJ L 125, 8. 6. 1995, p. 1).

⁽²⁾ OJ L 208, 3. 8. 1984, p. 11. Regulation as last amended by Regulation (EC) No 2599/97 (OJ L 351, 23. 12. 1997, p. 17).

▼M36*Article 12a*

In the event of serious disturbance of the market in certain regions of the Community, in order to regularise the market, a decision may be taken in accordance with the procedure laid down in Article 38 to authorise bodies offering sufficient guarantees, and approved by the Member States, to conclude contracts for the storage of olive oil that they market. Among the bodies concerned, priority shall be given to producer groups and associations thereof recognised in accordance with Regulation (EC) No 952/97⁽¹⁾.

The measures referred to in the first paragraph may be implemented inter alia when the average price recorded on the market during a representative period is less than 95 % of the intervention price applicable during the 1997/98 marketing year.

The amount of the aid granted for the performance of contracts and the detailed rules for implementing this Article, in particular the quantities, qualities and duration of storage of the oils concerned, shall be established by the procedure laid down in Article 38 in such a way as to ensure a significant impact on the market. The aid may be granted by means of tenders.

▼M9*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.

▼M34*Article 20*

1. Where olive oil is exported to third countries and world prices are higher than the Community price, a levy to cover the difference may be charged.

▼M36**▼M34**

3. The export levy shall be fixed by the Commission.
4. The detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 38.

Article 20a

1. Olive oil used for the manufacture of preserved fish falling within CN code 1604, with the exception of subheading 1604 30, preserved crustaceans and molluscs falling within CN code 1605 and preserved vegetables falling within CN codes 2001, 2002, 2003, 2004 and 2005, shall benefit from a system of production refunds.

2. The amount of the refund shall be fixed on the basis of the difference between the prices obtaining on the world market and on the Community market. To that end the following shall be taken into account:

- the import charge applicable to olive oil falling within subheading CN 1509 90 00 during a reference period;

⁽¹⁾ OJ L 142, 2. 6. 1997, p. 30.

▼M34

- the factors taken into consideration when fixing the export refunds valid for olive oil falling within subheading CN 1509 90 00 during a reference period.

▼M36**▼M34**

3. The refund previously fixed shall be maintained where the difference between that refund and the new one does not exceed an amount to be determined.

▼M36**▼M34**

5. Entitlement to the refund shall be acquired at the time the oil is used in the manufacture of preserves. The Member States shall ensure, by means of monitoring arrangements, that the refund is granted solely for olive oil used for the manufacture of the preserves referred to in paragraph 1.
6. The production refund shall be fixed every two months by the Commission.
7. The detailed rules for the application of this Article, and in particular those concerning the monitoring arrangements referred to in paragraph 5, shall be adopted in accordance with the procedure laid down in Article 38.

▼M14*Article 20c*

1. The producer groups recognized within the meaning of this Regulation must:

- (a) consist of individual growers and/or organizations engaged in producing, processing or marketing olives and olive oil and consisting solely of olive growers;
- (b) be capable of verifying the olive and olive-oil production of their members;
- (c) where they do not belong to a recognized association:
 - be empowered to submit an application for production aid on behalf of all their member growers,
 - be empowered to receive the aid and to share it out among their members;
- (d) where they belong to an association, be empowered to provide the association with a statement of the production of each member grower, for the purposes of the application for aid;
- (e) have a minimum number of members or represent a minimum percentage of growers or of oil production in the region in which they have been set up;
- (f) exercise no discrimination, in any of their activities, between producers who are eligible to become members, in particular on grounds of nationality or location of establishment;
- (g) have statutes which include provisions to ensure that the members of a group who wish to withdraw from membership may do so:
 - after they have been members of the group for a minimum of three years following recognition thereof,
 - and on condition that they inform the group in writing of their intention to withdraw not less than 12 months before so doing.

2. Recognized associations of groups within the meaning of this Regulation must:

- (a) be composed solely of groups as referred to in paragraph 1;

▼M14

- (b) be able to coordinate and to verify the activities of the groups which make up the associations;
 - (c) be empowered to submit a single aid application on behalf of all the producers who are members of the groups;
 - (d) be empowered to receive the aid and to share it out among the producers referred to in (c);
 - (e) be composed of a minimum number of groups or represent a minimum percentage of production in the Member State concerned;
 - (f) have statutes which include provisions to ensure that the members of an association who wish to withdraw from membership may do so:
 - after they have been members of the association for a minimum of three years following recognition thereof,
 - and on condition that they inform the association in writing of their intention to withdraw not less than 12 months before so doing.
3. Recognition shall be withdrawn from a group or association where the conditions for recognition have not been fulfilled or are no longer fulfilled.

4. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt the general implementing rules of this Article.

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

*Article 20d***▼M36**

1. A percentage of the production aid shall be withheld from the amount paid to recognised producer groups and associations thereof under this Regulation. The resulting amount shall help finance activities under Article 5(7) and Article 20c.

For ►**M39** the 1998/99 to 2003/04 marketing years ◀, the percentage of the production aid referred to in the first subparagraph shall be 0,8 %.

▼M14

2. On submission of an aid application by an association, the Member State concerned shall be authorized to pay to the association an advance to be determined on the amount of the aid.

▼M36**▼M14**

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

▼B

TITLE III

Other vegetable oils and oil seeds produced in the Community*Article 21*

The oil seeds to which the provisions of Articles 22 to 29 shall apply are:

- colza and rape seed,
- sunflower seed.

The Council, acting in accordance with the voting procedure laid down in Article 43 (2) of the Treaty on a proposal from the Commission, may decide to extend these provisions to other oil seeds.

▼M11*Article 22*

1. Before 1 August of each year, a target price and a basic intervention price shall be fixed for the Community for each species of oil seed.
2. Subject to Article 25, these prices shall remain in force throughout the marketing year beginning in the following year. They shall relate to a standard quality and shall be fixed at the wholesale marketing stage, ex-warehouse, not unloaded.

▼M14

3. Save as otherwise decided by the Council, acting by a qualified majority on a proposal from the Commission,
 - the marketing year for colza and rape seed shall run from 1 July to 30 June;
 - the marketing year for sunflower seed shall run from 1 August to 31 July.

▼M11

4. The Council shall adopt the prices referred to in paragraph 1, in accordance with the procedure provided for in Article 43 (2) of the Treaty, as well as the standard quality to which these prices shall refer.

▼B*Article 23*

Target prices 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.

▼M11*Article 24*

1. The intervention price shall be fixed by reducing the target price:
 - by a component which allows for market fluctuations,
 - by a component which takes account of the cost of transporting the seed from the production areas to the areas where it is used.

These two components shall be those which apply in the case of a normal harvest.

2. The intervention centres shall be determined, after consultation with the Member States concerned, in accordance with the procedure provided for in Article 38.

▼M21*Article 24a***▼M26**

1. The target, intervention and intervention buying-in prices for 'double zero' rape seed shall be increased by a supplement.

▼M21

2. The amount of the supplement shall be fixed in such a way as to improve the Community's supply of 'double zero' seeds.

This amount shall be fixed by the Council at the same time and in accordance with the same procedure as the target and intervention prices.

3. The detailed rules for the application of this Article, more especially the conditions with which seeds must comply in order to qualify as 'double zero' varieties, shall be adopted in accordance with the procedure laid down in Article 38.

▼B*Article 25***▼M26**

To enable sales to be staggered, the target prices, the intervention prices and the intervention buying-in prices shall be increased each month for a

▼M26

period to be determined of at least five months running from the beginning of the fifth month of the marketing year for rape seed and from the beginning of the fourth month of the marketing year for sunflower seed by the same amount for all three prices.

▼B

The monthly increases, which shall be the same for each month, shall be fixed each year by the Council acting in accordance with the voting procedure laid down in Article 43 (2) of the Treaty on a proposal from the Commission, account being taken of average storage costs and interest charges in the Community.

*Article 26***▼M22**

1. ►**M26** Intervention agencies shall buy in from 1 November to 31 May and, with regard to sunflower seed offered for intervention in Spain and Portugal, from 1 August to 30 April, on terms laid down as provided for in paragraphs 2 and 3, seed of Community origin offered to them. The buying-in price shall be 94 % of the intervention price. Where appropriate, it shall be subject to the monthly increases, to the supplement indicated in Article 24a and to the adjustment indicated in Article 27a (4). ◀

▼B

If, however, the quality of the seeds offered to the intervention agency does not correspond to that for which the intervention price was fixed, the buying-in price shall be adjusted by means of a scale of price increases and reductions.

Furthermore, if at the request of the intervention agency the seeds are 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 being effected.

▼M25

2. The Council, acting by a qualified majority on a proposal from the Commission, shall lay down the conditions for intervention and in particular the principles governing the disposal by intervention agencies of seeds bought in by them.

▼B

3. Detailed rules for the application of this Article, and in particular those concerning the quality and size of the consignments offered, shall be adopted in accordance with the procedure laid down in Article 38.

*Article 27***▼M21**

1. If the target price for, a type of seed is higher than the world market price determined as specified in Article 29, aid shall be granted for seed harvested and processed in the Community. Subject to exceptions decided on under paragraph 3 and without prejudice to Article 27a, the aid shall be the difference between these prices.

The aid to be granted for 'double zero' colza and rape seed shall be determined on the basis of the target price increased by the supplement provided for in Article 24 (a).

▼B

2. Where entitlement to the subsidy provided for in paragraph 1 is acquired during the first two months of the marketing year, a further allowance for early marketing may be granted.

3. The Council, acting in accordance with the voting procedure laid down in Article 43 (2) of the Treaty on a proposal from the Commission, shall lay down:

- (a) the principles governing the grant of the subsidy provided in paragraph 1;
- (b) the principles governing the fixing of the amount of the subsidy under abnormal conditions;

▼B

- (c) rules for checking entitlement to the subsidy; these may cover seeds of Community origin and seeds imported from third countries; in the case of the latter provision may be made for a system of import licences accompanied by a deposit;
 - (d) the conditions under which advance fixing of the amount of the subsidy may be allowed;
 - (e) provisions for the application of paragraph 2.
4. The amount of the subsidy shall be fixed by the Commission.
 5. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 38.

▼M22*Article 27a***▼M24**

1. The Council, acting in accordance with the procedure laid down in Article 43 (2) of the Treaty, shall fix, for periods of three marketing years, and beginning with the 1988/89, 1989/90 and 1990/91 marketing years, maximum guaranteed quantities for Community colza and rape seed and Community sunflower seed.

▼M30

Notwithstanding the preceding subparagraph, the Council shall fix the maximum guaranteed quantities, for the 1991/92 marketing year only, at the same level as for the 1990/91 marketing year.

▼M22

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.

▼M24

3. Where the estimate of rape or sunflower seed production made ►**M30** before the end of October ◀ exceeds the maximum guaranteed quantity for the seed concerned and for the marketing year in question, the amount of the aid for that marketing year shall be reduced by the incidence on the target price of a coefficient which reflects the extent of the difference.

Where application of the foregoing subparagraph to actual production instead of to the production estimated at the beginning of the marketing year would result in a different reduction in the amount of the aid from that actually applied, the amount of aid for the following marketing year shall be adjusted to take account of that situation.

▼M30

Notwithstanding the first and second subparagraphs, the adjustment of the amount of aid for rapeseed produced in Spain for the 1991/92 marketing year shall be fixed so that the adjusted target price is the same in Spain as in the Community as constituted at 31 December 1985.

▼M29

- 3a. When production is estimated and established, the quantities harvested on the territory of the former German Democratic Republic shall not be taken into account for the purposes of this Article.

▼M22

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.

▼M34

▼B

Article 29

The world market price, calculated for a Community frontier crossing point, shall be determined on the basis of the most favourable purchasing opportunities prices being adjusted where appropriate, to take the prices of competing products into account. The criteria for such determination shall be laid down and the frontier crossing point to be fixed for each species of seed shall be specified by the Council acting in accordance with the voting procedure laid down in Article 43 (2) of the Treaty on a proposal from the Commission.

Article 30

For a period of five years from the date on which it abolishes national measures having the effect of increasing prices for vegetable oils other than olive oil, each Member State may grant subsidies for the extraction of oil from the pips of grapes harvested within the Community.

Article 31

Until such time as a common agricultural policy for flax is put into effect, Member States may grant subsidies on the production of linseed for oil extraction.

Article 32

The subsidies provided for in Articles 30 and 31 may be granted only in respect of products which have benefited from direct or indirect price support in the Member State concerned during the marketing year preceding the date on which this Regulation begins to apply.

The subsidies must be granted from the first marketing year in which this Regulation is applied and only to the extent necessary to maintain this price support.

Member States shall communicate to the Commission any information concerning the introduction, calculation and granting of these subsidies before they become operative.

TITLE IV

General provisions*Article 33*

Save as otherwise provided in this Regulation, Articles 92, 93 and 94 of the Treaty shall apply to the production of and trade in the products listed in Article 1.

Article 34

Measures taken by Member States to increase the price for other vegetable oils in relation to that for olive oil so as to ensure an outlet for nationally produced olive oil shall be incompatible with the application of this Regulation to the products listed in Article 1 (2) (c).

▼M22

Article 35

1. The use of the descriptions and definitions of ►C1 olive oils and olive-pomace oils ◄ 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 oils as referred to in points 1 (a) and (b), 3 and 6 of the Annex may be marketed at the retail stage.

▼M22

3. Until 31 December 1989, Member States may authorize:
 - ►C2 for the purposes of the marketing of olive oils and olive-pomace oils ◀ 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.

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.

▼B*Article 36*

The Council, acting in accordance with the voting procedure laid down in Article 43 (2) of the Treaty on a proposal from the Commission, may alter the list of products set out in Article 1 or adopt in respect of them any measures derogating from this Regulation to take account of special conditions which may affect these products.

▼M17*Article 36a*

1. Olive oil supplied as food aid shall be purchased on the Community market or shall come from stocks held by the intervention agencies.

Vegetable oils specified in Article 1 (2) (b) which are supplied as food aid shall be purchased on the Community market.

2. However, in an emergency or in the event of unavailability on the Community market, the products specified in paragraph 1 may be purchased in a developing country.

3. The criteria for mobilizing the products, and especially the criteria for purchasing the products on the Community market or for deciding on the use of olive oil held by the intervention agencies, shall be adopted by the Council acting by a qualified majority on a proposal from the Commission.

4. Detailed rules for the mobilization and delivery of products supplied as food aid shall be adopted in accordance with the procedure laid down in Article 38.

▼M39*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.

▼B*Article 39*

The Committee may consider any other question referred to it by its Chairman either on his own initiative or at the request of the representative of a Member State.

Article 40

At the end of the transitional period, the Council, acting in accordance with the voting procedure laid down in Article 43 (2) of the Treaty on a proposal from the Commission, shall decide in the light of experience whether to retain or amend the provisions of Article 38.

Article 41

1. Council Regulation No 25⁽¹⁾ on the financing of the common agricultural policy and the provisions adopted in implementation thereof shall apply to the market in the products listed in Article 1 from the date on which this Regulation begins to apply.

2. The compensatory amounts provided for in Article 3 (6) shall be considered as levies in relation to third countries within the meaning of Article 11 (4) of Council Regulation No 130/66/EEC⁽²⁾ on the financing of the common agricultural policy.

Article 42

This Regulation shall be so applied that appropriate account is taken, at the same time, of the objectives set out in Articles 39 and 110 of the Treaty.

▼M9*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 | 7 (L) | — |
| | II. Other | | |
| 07.03 | A. Olives: | 8 (L) | — |
| | II. Other | | |
| 23.04 | A. Oil cake and other residues resulting from the extraction of olive oil: | | |

⁽¹⁾ OJ No 30, 20.4.1962, p. 991/62.

⁽²⁾ OJ No 165, 21.9.1966, p. 2965/66.

▼ **M9**

| CCT heading No | Description | Rate of duty | |
|----------------------|---|-----------------------------|----------------|
| | | Autonomous % or levy (L) | Conventional % |
| 1 | 2 | 3 | 4 |
| | I. Containing 3 % or less by weight of olive oil | Free | — |
| | II. Containing more than 3 % by weight of olive oil | Free (L) | — |

▼ **A2***Article 42b*

1. By 30 June 1985 at the latest, the Commission shall forward to the Council a report with a view to its examination of the specific measures to be adopted where appropriate for table olives falling within subheadings 07.01 N I, ex 07.02 A, 07.03 I, ex 07.04 B, ► **M18** ex 20.01 C ◀ and ex 20.02 F.

2. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt the specific measures referred to in paragraph 1 by 31 December 1985 at the latest.

▼ **B***Article 43*

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

It shall apply to the products listed in Article 1 (2) (c), (d) and (e) from 1 November 1966 and to the other products listed in Article 1 from 1 July 1967.

Should transitional measures be necessary to facilitate the transition from the system in force in the Member States to that established by this Regulation, in particular if the introduction of this system on the dates provided for would give rise to substantial difficulties in respect of certain products, such measures shall be adopted in accordance with the procedure laid down in Article 38.

Their validity shall be limited to the first year of application of this Regulation to each product.

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

▼ **M31***ANNEX*

**DESCRIPTIONS AND DEFINITIONS OF OLIVE OILS AND
► C3 OLIVE-POMACE ◄ OILS REFERRED TO IN ARTICLE
35**

▼ **M36****1. Virgin olive oils:**

Oils 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 alterations in the oil, which have not undergone any treatment other than washing, decantation, centrifugation and filtration, to the exclusion of oils obtained using solvents or re-esterification processes and any mixture with oils of other kinds.

Virgin olive oils are classified and described as follows:

(a) Extra virgin olive oil:

Virgin olive oil having a maximum free acidity, in terms of oleic acid, of 1 g per 100 g, the other characteristics of which comply with those laid down for this category.

(b) Virgin olive oil (the expression 'fine virgin oil' may be used at the production and wholesale stage):

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) Ordinary virgin olive oil:

Virgin olive oil having a maximum free acidity, in terms of oleic acid, of 3,3 g per 100 g, the other characteristics of which comply with those laid down for this category.

(d) Lampante virgin olive oil:

Virgin olive oil having a free acidity, in terms of oleic acid, of more than 3,3 g per 100 g and/or the other characteristics of which comply with those laid down for this category.

▼ **M31****2. Refined olive oil:**

Olive oil obtained by refining virgin olive oil, having a free acid content expressed as oleic acid of not more than 0,5 g per 100 g and the other characteristics which comply with those laid down for this category.

3. Olive oil:

Olive oil obtained by blending refined olive oil and virgin olive oil other than lampante oil, having a free acid content expressed as oleic acid of not more than 1,5 g per 100 g and the other characteristics which comply with those laid down for this category.

▼ **M39****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.

▼ **M31****5. Refined olive-pomace oil:**

Oil obtained by refining crude ► C3 olive-pomace ◄ oil having a free acid content expressed as oleic acid of not more than 0,5 g per

▼ M31

100 g and the other characteristics which comply with those laid down for this category.

6. ► C3 Olive-pomace oil ◄

Oil obtained by blending refined ► C3 olive-pomace ◄ oil and virgin olive oil other than lampante oil, having a free acid content expressed as oleic acid of not more than 1,5 g per 100 g and the other characteristics which comply with those laid down for this category.