

Olive oil and table olives: common organisation of the market CMO (amend. Regulation (ECC) No 827/68 and repeal. Regulation No 14)

2003/0279(CNS) - 18/11/2003 - Legislative proposal

PURPOSE : to reform the common organisation of the market in the olive oil and table olives and to amend Regulation 827/68/EEC. **PROPOSED ACT** : Council Regulation. **CONTENT** : the European Commission has presented its proposal aiming to reform the common agricultural policy on cotton, olive oil and table olives, tobacco and hops with a view to enhancing competitiveness, creating a stronger market-orientation, improved environmental respect, stabilising incomes for farmers and having a higher regard for the situation of producers in least favoured areas. (Please refer to CNS/2003/0278). Regulation 136/66/EEC on the establishment of a common organisation of the market in oils and fats covers not only olive oil and table olives but also oilseeds, oil cakes and other vegetable oils. It shall expire on 1 November 2004, this instrument must be repealed and replaced by a Council Regulation on the common organisation of the market in olive oil and table olives. The new market organisation must comprise: 1) an internal market and trade scheme which allows market forces to operate, while controlling imports under the common market organisation rules and providing for crisis-management instruments: the Commission proposes that, by way of exception, the 2004/05 marketing year should last for a period of eight months ending on 30 June 2005. Subsequent marketing years will begin on 1 July and last for 12 months. The existing aid scheme for private storage must therefore be retained. However, it is important that this mechanism should not distort market-led production. Consequently, aid should continue to be triggered by the Commission on a non-automatic basis and in accordance with the market situation. Community canned foods preserved in olive oil are at present highly rated by consumers, who are coming to appreciate foodstuffs in olive oil to a growing extent. Aid for the use of olive oil - usually of medium quality - in canning has ceased to be justified by the new marketing approaches, which set out to highlight the attributes of olive oil rather than affect selling prices. The Commission proposes that this refund should be abolished. 2) a scheme to enhance quality in the broad sense of the term, based on observance of marketing standards and the work of operators' organisations in the olive sector : the future of the Community olive-growing sector depends to a large extent on the entire industry committing itself to a comprehensive quality-oriented approach. Although little experience has been acquired to date, there appears to be a need to reinforce the existing mechanism in several respects: - establish commitments spread over three years and promote activities with a multinational dimension; - reinforce the contribution of operators in the olive sector towards effective quality monitoring and control of the genuineness of olive oils released for consumption; - step up activities which target quality, publicising this work and the results achieved; - reinforce the arrangements for appraisal and audit by the Member States. The total Community financing for these programmes is to be set by the Member State concerned, but may not exceed 10% of the national envelope, which is greater than the maximum amounts which may be deducted from production aid at present.