

# Procedure file

Basic information		
CNS - Consultation procedure Regulation	<a href="#">1998/0098(CNS)</a>	Procedure completed
Agenda 2000: oils and fats; common organisation of the markets COM, olive oil, aid for the production (amend. regul. 136/66/EEC, 2261/84/EEC)		
Amended by <a href="#">2000/0358(CNS)</a>		
Subject		
3.10.07 Animal and vegetable fats, oils		
8.20.12 Enlargement's agricultural point of view		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>AGRI</b> Agriculture and Rural Development		18/12/1996
		GUE/NGL <a href="#">JOVÉ PERES</a> <a href="#">Salvador</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>BUDG</b> Budgets	The committee decided not to give an opinion.	
	<b>CONT</b> Budgetary Control		19/05/1998
		UPE <a href="#">GIAN SILY Jean-Antoine</a>	
Council of the European Union	Council configuration	Meeting	Date
	<a href="#">Agriculture and Fisheries</a>	<a href="#">2115</a>	20/07/1998
	<a href="#">Agriculture and Fisheries</a>	<a href="#">2110</a>	22/06/1998
	<a href="#">Agriculture and Fisheries</a>	<a href="#">2098</a>	26/05/1998
	<a href="#">Agriculture and Fisheries</a>	<a href="#">2082</a>	20/04/1998
	<a href="#">Agriculture and Fisheries</a>	<a href="#">1988</a>	17/02/1997

Key events			
17/02/1997	Debate in Council	<a href="#">1988</a>	
18/03/1998	Legislative proposal published	COM(1998)0171	Summary
20/04/1998	Debate in Council	<a href="#">2082</a>	
27/04/1998	Vote in committee		Summary
11/05/1998	Committee referral announced in Parliament		
26/05/1998	Debate in Council	<a href="#">2098</a>	

19/06/1998	Debate in Parliament		
19/06/1998	Decision by Parliament	T4-0388/1998	Summary
20/07/1998	Act adopted by Council after consultation of Parliament		
20/07/1998	End of procedure in Parliament		
28/07/1998	Final act published in Official Journal		

### Technical information

Procedure reference	1998/0098(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amended by <a href="#">2000/0358(CNS)</a>
Legal basis	Rules of Procedure EP 52-p1; Rules of Procedure EP 170; EC before Amsterdam E 043
Stage reached in procedure	Procedure completed
Committee dossier	AGRI/4/09997

### Documentation gateway

Legislative proposal	<a href="#">COM(1998)0171</a> <a href="#">OJ C 136 01.05.1998, p. 0020</a>	18/03/1998	EC	Summary
Document attached to the procedure	COM(1998)0182	18/03/1998	EC	
Economic and Social Committee: opinion, report	<a href="#">CES0805/1998</a> <a href="#">OJ C 235 27.07.1998, p. 0078</a>	28/05/1998	ESC	
Text adopted by Parliament, 1st reading/single reading	T4-0388/1998 <a href="#">OJ C 210 06.07.1998, p. 0281-0300</a>	19/06/1998	EP	Summary
Legislative proposal	COM(2000)0855 <a href="#">OJ C 213 31.07.2001, p. 0001 E</a>	21/12/2000	EC	Summary

### Additional information

European Commission	<a href="#">EUR-Lex</a>
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### Final act

[Regulation 1998/1638](#)  
[OJ L 210 28.07.1998, p. 0032](#) Summary

[Regulation 1998/1639](#)  
[OJ L 210 28.07.1998, p. 0038](#)

Agenda 2000: oils and fats; common organisation of the markets COM, olive oil, aid for the production (amend. regul. 136/66/EEC, 2261/84/EEC)

OBJECTIVE: to introduce a transitional scheme for the marketing years 1998/1999, 1999/2000 and 2000/2001 prior to the entry into force of

the reform of the olive oil sector in order to reduce the risks of the current scheme for operators, producers and the Community budget. SUBSTANCE: the modifications proposed by the Commission concern: - restricting the aid to oil produced from groves existing at 1 May 1998; - information regarding production (area, number of trees, yield); - the definition of categories of virgin olive oil; - the intervention arrangements; - consumption aid; - aid for small producers; - national breakdown of the maximum guaranteed quantity. To sum up, the measures proposed by the Commission for the 1998/99, 1999/2000 and 2000/1 marketing years will involve a 2.4% increase in the aid actually received by producers and a rise of 15.7% in the maximum guaranteed quantity. To control production more effectively, that maximum guaranteed quantity will be apportioned among the Member States and output from plantings after 1 May 1998 will no longer qualify for the aid. To improve monitoring of entitlement to aid, the small-producer scheme will be discontinued and cultivation declarations will be crosschecked with data from a GIS, with penalties being applied, where appropriate, to the aid. As for the market, the categories of olive oil will be defined more closely and consumption aid abolished. Prices will be managed via private storage contracts and not through public buying-in. In addition, in order to pave the way for the reform to come into force on 1 October 2001, the Commission intends improving the reliability of information on olive production, in particular of table olives, in the producer Member States; it also intends to give further consideration to a quality strategy and possible changes in trade with non-member countries. With respect to table olives the Commission will examine the possibilities for improving the competitive position of the sector in order to ensure the overall balance of the olive sector as a whole. ?

## Agenda 2000: oils and fats; common organisation of the markets COM, olive oil, aid for the production (amend. regul. 136/66/EEC, 2261/84/EEC)

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The Committee has voted for the request to use the urgent procedure for the reform of the common organisation of the market (COM) in olive oil. The result of the vote was 25 for, 17 against and 1 abstention. The rapporteur, Salvador JOVÉ PERES (EUL/NGL, E), had argued against the request for the urgent procedure, which he said was unprecedented and should, for reasons of consistency, be rejected by Parliament. He said that, while there was a need for an urgent overhaul of the COM, this was something which should not be done hastily, let alone on the basis of unreliable data. He claimed that the committee, by its vote, had given in to the Council, which wished to prevent any fundamental debate on the issue, and as a result Parliament would end up overlooking some important data. Since the olive oil season only started in November, Mr Jové Peres believed time ought to be found for a proper, detailed debate. Giacomo SANTINI (UFE, I), by contrast, was in favour of the urgent procedure, on the ground that producers needed to be able to operate on the basis of the new regulation in time for the new season. He said it was important to forestall the trend in production observed over the last two years and emphasised that surpluses of around 1.1m tonnes had already been forecast by Spanish producers. A swift decision would enable the situation to be clarified before the start of the season.

## Agenda 2000: oils and fats; common organisation of the markets COM, olive oil, aid for the production (amend. regul. 136/66/EEC, 2261/84/EEC)

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Parliament rejected by 97 votes to 32 and 1 abstention the request by Mr Juan COLINO SALAMANCA (PSE, E) to refer the matter back to the Committee on Agriculture, and adopted by 135 votes in favour and 5 abstentions the proposal for a regulation establishing a common organization of the market in oils and fats. In its numerous amendments, Parliament opposed the removal of the intervention price. It argued that the target price of ECU 383.77/100 kg proposed by the Commission should be fixed for the 1998/99 marketing year without affecting the following year. It called for an intervention price of ECU 180.58/100 kg and a representative price of ECU 229.50/100 kg for the same marketing year. It called for private storage aid of ECU 5.4/100 kg per two-month period. It also called for the introduction of aid for the production of table olives. In addition, Parliament sought a maximum guaranteed annual amount of 1 800 000 tonnes (the Commission was proposing 1 562 400 tonnes per marketing year). Similarly, Parliament recommended that if in a marketing year the effective production of certain Member States was lower than their national guaranteed ceiling, the difference should be added to the maximum guaranteed quantities of the Member State for the following marketing year. Parliament also called on the Member States to carry out the necessary monitoring to ensure that the quantities of olive oil produced are in accordance with those agreed. While calling for the elimination of the double-aid system, the European Parliament nevertheless wishes to introduce a specific system of aid for small, low-output holdings situated in areas of low rainfall and affected by risks of erosion. In order to protect the natural composition of olive oil, Parliament also wishes to forbid mixing it with oils and fats from other sources. In this connection, given the disparity of national regulations regarding the possibility of marketing olive oil mixed with other oils and fats, Parliament calls for the introduction of uniform rules at European Union level. Unlike the Commission, Parliament is not opposed to new plantations. However, it calls for new plantation arrangements, accompanied by effective monitoring. Finally, Parliament urges that, if the market price of olive oil remains 105% below the intervention price for two weeks, the Commission should authorize the Member States to conclude storage contracts with recognized producer groups or unions.?

## Agenda 2000: oils and fats; common organisation of the markets COM, olive oil, aid for the production (amend. regul. 136/66/EEC, 2261/84/EEC)

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OBJECTIVE: to introduce a transitional regime for the marketing years 1998/9, 1999/2000 and 2000/2001 prior to entry into force of the reform of the olive oil sector. COMMUNITY MEASURE: Council Regulation (EC) 1638/98 amending Regulation 136/66/EEC on the establishment of a common organisation of the market in oils and fats. SUBSTANCE: the Council has adopted the Commission proposal for provisional reform of the olive oil sector. The measures approved by the Council will apply from 1 November 1998 for a three year period, until 31 October 2001. The definitive reform of the sector will then come into force on 1 November 2001. For the next three years, the production target price is set at ECU 383.77 per tonne. Aid for the production of olive oil, set at ECU 132.25 per tonne, will be granted to olive growers on the basis of the quantity of olive oil they actually produce. The maximum guaranteed quantity (MGQ) is set at 1 777 261 tonnes per year (including table olives), an increase of 31.6% over the present MGQ. This MGQ will be apportioned among the Member States in national guaranteed quantities (NGQ) as follows: 760 027 tonnes for Spain, 3 397 tonnes for France, 419 529 tonnes for Greece, 543 164 tonnes for Italy and 51 244 tonnes for Portugal. If during any marketing year the actual production of a Member State is less than its NGQ, 20% of the shortfall may be distributed among the Member States which exceeded their quotas and the remaining 80% will be added to the NGQ of the country concerned for the following marketing year. ENTRY INTO FORCE: the regulation is applicable from 1 November 1998. ?

