

EUROPEAN PARLIAMENT

# Working Documents

1979 - 1980

3 December 1979

DOCUMENT 1-546/79

## Report

drawn up on behalf of the Committee on External Economic Relations

**on the proposal from the Commission of the European Communities to the Council (Doc. 1-375/79) for/**

- I. a regulation amending Regulations (EEC) Nos 1508/76, 1514/76 and 1521/76 on imports of olive oil originating in Tunisia, Algeria and Morocco (1979-1980)**
- II. a regulation amending Article 9 of Regulation (EEC) No 1180/77 on imports into the Community of certain agricultural products originating in Turkey (1979-1980)**

**Rapporteur: Mrs T. CARETONI-ROMAGNOLI**

12.8



By a letter of 28 September 1979 the President of the Council of the European Communities requested the European Parliament, pursuant to Articles 43 and 113 of the EEC Treaty, to deliver an opinion on the proposals from the Commission of the European Communities to the Council (Doc. 1-375/79) for

- I. a regulation amending Regulations (EEC) Nos. 1508/76, 1514/76 and 1521/76 on imports of olive oil originating in Tunisia, Algeria and Morocco (1979-1980)
- II. a regulation amending Article 9 of Regulation (EEC) No. 1180/77 on imports into the Community of certain agricultural products originating in Turkey (1979-1980)

The President of the European Parliament referred these proposals on 10 October 1979 to the Committee on External Economic Relations as the committee responsible and to the Committee on Agriculture, the Committee on Development and Cooperation and the Committee on Budgets for their opinions.

The Committee on External Economic Relations appointed Mrs Carettoni-Romagnoli rapporteur at its meeting of 22 October 1979.

It considered the draft report at its meeting of 22 November 1979 and adopted the motion for a resolution with one abstention.

Present: Sir Fred Catherwood, chairman; Mrs Wiczorek-Zeul, first vice-chairman; Mr van Aerssen, second vice-chairman; Mr Seal, third vice-chairman; Mrs Carettoni-Romagnoli, rapporteur; Mr Bøgh, Mrs Kellett-Bowman, Mr Louwes, Mr Majonica, Mr Schmitt, Mr Seeler and Sir John Stewart-Clark.

The opinions of the Committee on Agriculture, the Committee on Development and Cooperation and the Committee on Budgets are attached.

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The Committee on External Economic Relations hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposals from the Commission of the European Communities to the Council for

- I. a regulation amending Regulations (EEC) Nos.1508/76, 1514/76 and 1521/76 on imports of olive oil originating in Tunisia, Algeria and Morocco (1979-1980)
- II. a regulation amending Article 9 of Regulation (EEC) No. 1180/77 on imports into the Community of certain agricultural products originating in Turkey (1979-1980).

The European Parliament,

- having regard to the proposals from the Commission of the European Communities to the Council<sup>1</sup>,
- having been consulted by the Council pursuant to Articles 43 and 113 of the EEC Treaty (Doc. 1-375/79),
- having regard to the report of the Committee on External Economic Relations and the opinions of the Committee on Agriculture, the Committee on Development and Cooperation and the Committee on Budgets (Doc. 1-546/79),

Approves the Commission's proposals.

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<sup>1</sup> OJ No. C 255, 9 October 1979, p. 4 and 5

EXPLANATORY STATEMENT

1. These proposals for regulations concern provisions laid down each year on the fixing of an additional amount to be deducted from the levy on imports into the Community of unrefined olive oil from the countries in question and on which the European Parliament must be consulted pursuant to Articles 43 and 113 of the EEC Treaty.

The draft agreement in the form of letters and the proposals to amend these regulations are directly connected.

The contractual bases are laid down in

- Annex B to the Cooperation Agreement and the Interim Agreement between the EEC and Tunisia, Morocco and Algeria.
- Annex IV to Decision No. 1/77 of the EEC-Turkey Association Council of 28.12.1976 on the outcome of the second review of the arrangements applicable to Turkish agricultural products.

These provide for the possibility of increasing, by fixing an additional amount, the amount of the deduction which may be made, under certain conditions, from the levy applicable to imports into the EEC of unrefined olive oil.

2. Given the present situation on the olive oil market the Commission recommends that the additional amount should be maintained at 12 ECU per 100 kg for the three Maghreb countries and 11 ECU per 100 kg for Turkey for the period from 1.11.1979 to 31.10.1980.

In view of the time needed to carry out the procedures the Commission is already submitting the appropriate proposals for regulations and is recommending the Council to adopt these as soon as the necessary exchanges of letters have been completed.

3. In view of the existing contractual obligations and the situation on the olive oil market the Committee on External Economic Relations recommends acceptance of the proposals for regulations.

OPINION OF THE COMMITTEE ON AGRICULTURE

Draftsman: Mr DELATTE

At its meeting of 26 and 27 September 1979, the Committee on Agriculture appointed Mr Delatte draftsman. At its meeting of 29 and 30 October 1979 it considered the draft opinion and adopted it unanimously.

Present: Sir Henry Plumb, chairman; Mr Delatte, draftsman; Mr Arfé (deputizing for Mr Hauenschild), Mrs Barbarella, Mr Battersby, Mr Bocklet, Mr Clinton, Mr de Courcy Ling (deputizing for Mr Howell), Mrs Cresson, Mr Dalsass, Mr Davern, Mr De Keersmaeker (deputizing for Mr Tolman), Mr Diana, Mr Früh, Mr Gatto, Mr Helms, Mrs Herklotz, Mr Jürgens, Mr Lynge, Mr Newton Dunn (deputizing for Mr Provan), Mr B. Nielsen, Mr Papapietro, Miss Quin, Mr Skovmand and Mr Sutra.

1. Annex B to the Cooperation Agreements between the European Economic Community on the one hand and Tunisia, Morocco and Algeria on the other, as well as Annex IV to Decision No. 1/77 of the EEC-Turkey Association Council of 28 December 1976 provide for the possibility of increasing, by fixing an additional amount, the amount of the deduction which may be made, under certain conditions, from the levy applicable to imports into the Community of olive oil other than olive oil having undergone a refining process.

This additional amount, if any, is fixed for each year of application by an exchange of letters between the Contracting Parties in the light of the situation on the olive oil market.

2. These provisions have been implemented
- for Tunisia by EEC Regulation No. 1508/76<sup>1</sup>
  - for Algeria by EEC Regulation No. 1514/76<sup>2</sup>
  - for Morocco by EEC Regulation No. 1521/76<sup>3</sup>
  - for Turkey by EEC Regulation No. 1180/77<sup>4</sup>

3. These agreements allow the countries concerned to impose a tax on their olive oil exports which does not affect the price of the olive oil on the Community market, since the Community reduces the levy applicable to these imports by 10 UA/100kg for the countries of the Maghreb and 9 UA/100kg for Turkey.

This tax on olive oil exports allows the countries of the Maghreb and Turkey to improve their production and hence the conditions on their olive oil markets.

4. For the 1979/80 season the Maghreb countries should export 40,000 tons of olive oil to the Community market and Turkey 10,000 tons.

5. Community production of olive oil, on average 570,000 tons, represents 30% of world production in a normal year. There are substantial fluctuations in production and the figure for 1976/77 was 330,000 tons and for 1977/78, 750,000 tons.

The amount involved represents 1% of the value of agricultural production in the Community, and affects 1,200,000 producers in Italy and 30,000 in France.

Because of competition from other oils, olive oil consumption in the Community is tending to stagnate and even fall off.

- 1 OJ No. L 169, 28 June 1976, p.9
- 2 OJ No. L 169, 28 June 1976, p. 24
- 3 OJ No. L 169, 28 June 1976, p. 43
- 4 OJ No. L 142, 9 June 1977, p.10



6. For the period from 1 November 1979 to 31 October 1980, the Commission proposes that the amount deducted from the levy on imports of olive oil from the Maghreb be fixed at 12 ECU/100kg and at 11 ECU/100kg for those originating in Turkey.<sup>1</sup> This reduction in the levy would represent a loss of revenue for the Community of 5.93 million ECU or 5.5 million EUA.

7. Although one may have doubts about the advisability of reducing the levy on olive oil imports in view of the situation on the Community market, it has to be borne in mind that Tunisia, which, with an annual production of 100,000 tonnes, is the largest producer of olive oil among the four countries concerned, needs to export its produce.

The Community cannot evade its undertakings to help developing countries such as the Maghreb, or an associated country, in this case Turkey, whose economic situation is very precarious, not to say catastrophic.

The Committee on Agriculture therefore considers that the Commission's proposals should be approved.

8. However, this approval should not conceal the fact that Tunisia is refusing to negotiate an agreement on fisheries with the Community, which would give fishing rights to Italian fishermen, who have not been able to fish in Tunisian waters since the agreement on fisheries between Italy and Tunisia expired on 19 June 1979. At that time Italy had undertaken to buy 20,000 tons of olive oil a year from Tunisia at a guaranteed price. Therefore the Commission should be strongly urged to obtain a concession on fishing rights from the Tunisian authorities, so that real solidarity may be seen to exist between the Maghreb countries and the Community.

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<sup>1</sup> These amounts represent the conversion into ECU of the levies fixed formerly in UA. The reduction in the levy therefore remains unchanged.

OPINION OF THE COMMITTEE ON DEVELOPMENT AND COOPERATION

Letter from the Chairman of the committee to Sir Fred. CATHERWOOD,  
chairman of the Committee on External Economic Relations

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3 October 1979

Dear Mr Chairman,

The Committee on Development and Cooperation, at its meeting of 1 October 1979, examined the proposal from the Commission of the European Communities to the Council for a Council Regulation (EEC) amending Regulations (EEC) No. 1508/76, 1514/76 and 1521/76 on imports of olive oil originating in Tunisia, Algeria and Morocco (COM(79)465 fin.).

Since the proposal concerns the prolongation of a measure which is of considerable assistance to the countries concerned in enabling them to export a product which is of great importance to their economy, the committee unanimously approved the proposal and instructed me to inform you of this decision.

Yours sincerely,

(sgd.) Colette FLESCH

Present: Miss Flesch, chairman; Mr Kühn, vice-chairman; Mrs Castellina, Mr Cohen, Mr Ferrero, Mrs Focke, Mr Glinne, Mr Lücker, Mr Pearce, Mrs Rabbethge, Mr Sablé, Mr Simmonds, Mr Vergès, Sir Fred. Warner, Mr Wawrzik.

OPINION OF THE COMMITTEE ON BUDGETS

Letter from the chairman to the chairman of the Committee on External Economic Relations

Luxembourg, 22 October 1979

Subject: Opinion of the Committee on Budgets on the communication from the Commission on the additional amount to be deducted from the levy on imports into the Community of untreated olive oil originating in Tunisia, Morocco, Algeria and Turkey (Doc. 1-375/79)

Dear Mr Chairman,

The Committee on Budgets has noted the fact that the loss of Community revenue resulting from the application of these provisions is approximately 5.5m EUA. It has delivered a favourable opinion, once again criticising the Commission for not accompanying its proposals with a table summarizing loss of revenue in the course of the year resulting from the policy of reducing the common customs tariff.

(sgd) Erwin Lange

This opinion was adopted unanimously under the quorum provisions of the Rules of Procedure.

