



Council of the  
European Union

Brussels, 27 September 2016  
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**LEGISLATIVE ACTS AND OTHER INSTRUMENTS**

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Subject: COUNCIL DECISION on the signing, on behalf of the European Union, and provisional application of the International Agreement on Olive Oil and Table Olives, 2015

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**COUNCIL DECISION (EU) 2016/...**

**of ...**

**on the signing, on behalf of the European Union,  
and provisional application of the International Agreement  
on Olive Oil and Table Olives, 2015**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular the first subparagraph of Article 207(4), in conjunction with Article 218(5) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) On 19 November 2013, the Council authorised the Commission to open negotiations on behalf of the Union in order to conclude a new international agreement on olive oil and table olives.
- (2) The new International Agreement on Olive Oil and Table Olives ("the Agreement") was adopted on 9 October 2015 by the representatives of 24 Member States of the United Nations Conference on Trade and Development (UNCTAD) and two intergovernmental organisations during the United Nations Conference for the Negotiation of a Successor Agreement to the International Agreement on Olive Oil and Table Olives, 2005.
- (3) The 2005 International Agreement on Olive Oil and Table Olives<sup>1</sup>, which was due to expire on 31 December 2014, was extended until 31 December 2015 and will remain in force, in accordance with Article 47(3) thereof, until the Agreement enters into force, provided that the period of such extension does not exceed 12 months. The Agreement will be open for signature at the United Nations Headquarters in New York until 31 December 2016 inclusive.
- (4) Article 31(1) of the Agreement lays down the requirements for its entry into force on 1 January 2017. Article 31(2) and (3) thereof provide for the provisional application of the Agreement, under certain conditions, if the requirements laid down in Article 31(1) are not met.

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<sup>1</sup> OJ L 302, 19.11.2005, p. 47.

- (5) In accordance with Article 31(2) of the Agreement, and in order to avoid any interruption in the application of the rules laid down in the 2005 International Agreement on Olive Oil and Table Olives, provision should be made for the Union to provisionally apply the Agreement if the procedure for its conclusion by the Union has not been completed before 1 January 2017.
- (6) It should also be provided that the Union may provisionally apply the Agreement, in accordance with Article 31(3), if the requirements for its final or provisional entry into force under Article 31(1) and (2) have not been met by 31 December 2016.
- (7) Consequently, the Agreement should be signed on behalf of the Union, subject to its conclusion at a later date, and its provisional application in accordance with the requirements laid down in Article 31(2) and (3) thereof should be notified,

HAS ADOPTED THIS DECISION:

*Article 1*

The signing on behalf of the Union of the International Agreement on Olive Oil and Table Olives, 2015, is hereby authorised, subject to the conclusion of the said Agreement.

The text of the Agreement is attached to this Decision.

*Article 2*

The President of the Council is hereby authorised to designate the person(s) empowered to sign the Agreement on behalf of the Union.

*Article 3*

The Union shall apply the Agreement provisionally as from 1 January 2017 if the procedure for its conclusion by the Union has not been completed and the conditions laid down in Article 31(2) and (3) of the Agreement have been met.

The provisional application of the Agreement, under the conditions set out in the first paragraph of this Article, shall be notified, in accordance with Article 31(2) and (3) of the Agreement, by the person(s) authorised to sign the Agreement under Article 2 of this Decision.

*Article 4*

This Decision shall enter into force on the date of its adoption.

Done at Brussels,

*For the Council*

*The President*

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INTERNATIONAL AGREEMENT  
ON OLIVE OIL AND TABLE OLIVES, 2015



UNITED NATIONS  
GENEVA, 5-9 OCTOBER 2015

RESOLUTION ADOPTED BY THE UNITED NATIONS CONFERENCE  
FOR THE NEGOTIATION OF A SUCCESSOR AGREEMENT  
TO THE INTERNATIONAL AGREEMENT ON OLIVE OIL AND TABLE OLIVES, 2005

The United Nations Conference for the Negotiation of a Successor Agreement to the International Agreement on Olive Oil and Table Olives, 2005,

*Having* met in Geneva from 5 to 9 October 2015,

*Expressing* its gratitude for the facilities and services provided by the Secretary-General of UNCTAD,

*Recording* its appreciation of the contribution made by the President of the Conference and by its officers, as well as by the secretariat,

*Having* established the authentic texts of the International Agreement on Olive Oil and Table Olives, 2015, in the Arabic, English, French and Spanish languages,

1. *Requests* the Secretary-General of the United Nations to forward copies of the text of the Agreement to all Governments and intergovernmental organizations invited to the Conference for their consideration;
2. *Requests* the Secretary-General of the United Nations to arrange for the Agreement to be open for signature at United Nations Headquarters in New York (United States of America) from 1 January 2016 until and including 31 December 2016.

*Second plenary meeting*  
*9 October 2015*

LIST OF STATES AND ORGANIZATIONS REPRESENTED  
AT THE UNITED NATIONS CONFERENCE FOR THE NEGOTIATION  
OF A SUCCESSOR AGREEMENT TO THE INTERNATIONAL AGREEMENT  
ON OLIVE OIL AND TABLE OLIVES, 2005\*

1. Representatives from the following States members of UNCTAD attended the session:

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Algeria	Jordan
Argentina	Latvia
Belgium	Libya
Côte d'Ivoire	Luxembourg
Cyprus	Netherlands
Czech Republic	Spain
Egypt	Syrian Arab Republic
France	Tunisia
Germany	Turkey
Greece	Ukraine
Iran (Islamic Republic of)	Uruguay
Italy	Venezuela (Bolivarian Republic of)

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2. The following intergovernmental organizations were represented at the session:

European Union

International Olive Council

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\* For the list of participants, see TD/OLIVE OIL.11/INF.1.



## CHAPTER I – GENERAL OBJECTIVES

### *Article 1*

#### *Objectives of the Agreement*

#### **1. WITH RESPECT TO STANDARDIZATION AND RESEARCH**

- To seek to achieve uniformity in national and international legislation relating to the physico-chemical and organoleptic characteristics of olive oils, olive pomace oils and table olives in order to prevent any obstacle to trade;
- To conduct activities in the area of physico-chemical and organoleptic testing in order to add to the knowledge of the composition and quality characteristics of olive products, with a view to consolidating international standards and so enabling:
  - Product quality control;
  - International trade and its development;
  - Protection of consumer rights;
  - Prevention of fraudulent and misleading practices and adulteration;

- To strengthen the role of the International Olive Council as a forum of excellence for the international scientific community in the area of olives and olive oil;
- To coordinate studies and research on the nutritional qualities and other intrinsic properties of olive oil and table olives;
- To facilitate the exchange of information on international trade flows.

## **2. WITH RESPECT TO OLIVE GROWING, OLIVE OIL TECHNOLOGY AND TECHNICAL COOPERATION**

- To promote technical cooperation and research and development in the olive sector by encouraging the cooperation of public or private bodies and/or entities, whether national or international;
- To conduct activities for the identification, preservation and utilization of the gene sources of olive trees;
- To study the interaction between olive growing and the environment, particularly with a view to promoting environmental conservation and sustainable production, and to ensure the integrated and sustainable development of the sector;
- To foster the transfer of technology through training activities in the fields connected with the olive sector by organizing international, regional and national activities;

- To promote the protection of geographical indications of olive products in compliance with the corresponding international agreements to which a member may be a party;
- To encourage the exchange of information and experience in the phytosanitary field on olive growing.

### **3. WITH RESPECT TO THE PROMOTION OF OLIVE PRODUCTS, DISSEMINATION OF INFORMATION AND THE OLIVE ECONOMY**

- To enhance the role of the International Olive Council as a world documentation and information centre about the olive tree and its products and as a meeting point for all the operators in the sector;
- To promote the consumption of olive products, the expansion of international trade of olive oil and table olives and information in relation to the trade standards of the International Olive Council;
- To support international and regional activities encouraging the dissemination of generic scientific information on the nutritional, health and other properties of olive oil and table olives with a view to improving consumer information;
- To examine the world balances for olive oil, olive pomace oils and table olives, undertake studies and propose appropriate measures;

- To disseminate economic data and analyses on olive oil and table olives and provide members with the indicators necessary to contribute to the smooth functioning of the olive products markets;
- To disseminate and use the results of research and development programmes linked to olive growing and study their applicability in increasing production efficiency.

## **CHAPTER II – DEFINITIONS**

### *Article 2*

#### *Definitions for the purposes of this Agreement*

1. "International Olive Council" means the international organization referred to in article 3, paragraph 1, established for the purpose of applying the provisions of this Agreement.
2. "Council of Members" means the decision-making organ of the International Olive Council.
3. "Contracting Party" means a State, a Permanent Observer in the General Assembly of the United Nations, the European Union or an intergovernmental organization as provided for in article 4, paragraph 3, which has consented to be bound by this Agreement.

4. "Member" means a Contracting Party as defined above.
5. "Olive oil" means the oil obtained solely from the fruit of the olive tree (*Olea europaea* L.), to the exclusion of oil obtained by solvent or re-esterification processes and of any mixture with oils of other kinds. It shall encompass the following designations: extra virgin olive oil, virgin olive oil, ordinary virgin olive oil, lampante virgin olive oil, refined olive oil and olive oil composed of refined olive oil and virgin olive oils.
6. "Olive pomace oil" means the oil obtained by treating olive pomace with solvents or other physical treatments, to the exclusion of oils obtained by re-esterification processes and of any mixture with oils of other kinds. It shall encompass the following designations: crude olive pomace oil, refined olive pomace oil and olive pomace oil composed of refined olive pomace oil and virgin olive oils.
7. "Table olives" means the product prepared from the sound fruits of varieties of the cultivated olive tree which are chosen for their production of olives particularly suited to curing, and which are suitably treated or processed and offered for trade and for final consumption.
8. "Olive products" means all edible olive products, in particular olive oils, olive pomace oils and table olives.
9. "Olive by-products" means, in particular, the products derived from olive pruning and the olive products industry and the products resulting from alternative uses of the products of the sector.

10. "Olive crop year" means the period from 1 September of year  $n$  to 31 August of year  $n+1$  for table olives and the period from 1 October of year  $n$  to 30 September of year  $n+1$  for olive oil. For the southern hemisphere this period corresponds to the calendar year  $n$  for table olives and olive oil.
11. "Trade standards" means the standards adopted by the International Olive Council acting through its Council of Members which apply to olive oils, olive pomace oils and table olives.

### **CHAPTER III – INSTITUTIONAL PROVISIONS**

#### **SECTION 1 – ESTABLISHMENT, ORGANS, FUNCTIONS, PRIVILEGES AND IMMUNITIES**

##### *Article 3*

##### *Structure and headquarters of the International Olive Council*

1. The International Olive Council shall carry out its functions through the following organs:
  - The Council of Members;
  - The Chair and Vice-Chair;

- The Administrative and Financial Affairs Committee, and any other committees and subcommittees;
  - The executive secretariat.
2. The headquarters of the International Olive Council shall be established in Madrid, Spain, for the duration of this Agreement unless the Council of Members decides otherwise.

#### *Article 4*

##### *Members in the International Olive Council*

1. Each Contracting Party which accedes shall be a member of the International Olive Council in that it has accepted to be bound by this Agreement.
2. Each member contributes to the objectives referred to in article 1 of this Agreement.
3. In this Agreement, the term "Government" shall be construed as including the representative of any State, a Permanent Observer in the General Assembly of the United Nations, the European Union and any intergovernmental organization having comparable responsibilities in respect of the negotiation, signature, conclusion, ratification and implementation of international agreements, in particular commodity agreements.

## *Article 5*

### *Privileges and immunities*

1. The International Olive Council shall have legal personality. It shall, in particular, have the capacity to contract, to acquire and to dispose of movable and immovable property and to institute legal proceedings. It shall not have the power to borrow money.
2. The status, privileges and immunities of the International Olive Council as well as of its Executive Director, senior officials and staff, and of the experts and delegates of the members who are in the territory of the host Government for the performance of their functions shall be governed by the headquarters agreement concluded between the host Government and the International Olive Council.
3. The Government of the State in which the headquarters of the International Olive Council is situated shall, in so far as the legislation of that State allows, exempt the remuneration paid by the International Olive Council to its employees and the assets, income and other property of the International Olive Council from taxation.
4. The International Olive Council may conclude agreements with one or more members relating to such privileges and immunities as may be necessary for the proper application of this Agreement.



## *Article 6*

### *Composition of the International Olive Council*

1. The International Olive Council shall be composed of all the members of the International Olive Council.
2. Each member shall designate its representative in the International Olive Council.

## *Article 7*

### *Powers and functions of the organs*

1. The Council of Members

- (a) The Council of Members shall be composed of one delegate per member. Furthermore, each member may appoint one or more alternates and one or more advisers to its delegate.

The Council of Members is the highest authority and decision-making organ of the International Olive Council and shall exercise all such powers and functions as are necessary to achieve the objectives of this Agreement.

- (b) The Council of Members shall be responsible for applying the provisions of this Agreement. To do so, it shall take decisions and adopt recommendations provided the powers or functions concerned are not explicitly vested in the Executive Director.

Any decision or recommendation adopted in accordance with the International Agreement that preceded this Agreement and that is still in force at the time of the entry into force of this Agreement shall continue to apply unless it is contrary to this Agreement or it is repealed by the Council of Members.

- (c) In order to implement this Agreement, the Council of Members shall, in accordance with the provisions of this Agreement, adopt:

- i) Rules of Procedure;
- ii) A financial regulation;
- iii) Staff regulations having regard to those applying to officials of similar intergovernmental organizations;
- iv) An organization chart and job descriptions;
- v) Other procedures required for the functioning of the International Olive Council.

- (d) The Council of Members shall adopt and make public an annual report on its activities and on the operation of this Agreement as well as such reports, studies and other documents as it deems useful and necessary.

## 2. Chair and Vice-Chair

- (a) The Council of Members shall nominate a Chair and a Vice-Chair for one year from among the delegations of the members. In the event of the Chair or the Vice-Chair being the Head of Delegation when presiding at meetings, his/her right of participation in decisions of the Council of Members shall be exercised by another member of his/her delegation.
- (b) Without prejudice to the powers or functions vested in the Executive Director in, or in accordance with, this Agreement, the Chair shall preside over the sessions of the Council of Members, direct discussions with a view to facilitating the decision-making process and exercise any other related responsibilities and functions set out in this Agreement and/or further specified in the Rules of Procedure.
- (c) The Chair shall be accountable to the Council of Members in the exercise of his/her functions.
- (d) The Vice-Chair shall replace the Chair in the event of his/her absence, in which case he/she shall have the same powers and duties as the Chair when designated to take the place of the latter.

- (e) The Chair and Vice-Chair shall not receive any remuneration. In the event of the temporary absence of both the Chair and Vice-Chair or of the permanent absence of one or both, the Council of Members shall nominate new officers, temporary or permanent as appropriate, from among the delegations of the members.

3. Administrative and Financial Affairs Committee, other committees and subcommittees

To facilitate the work of the Council of Members, powers shall be given to the Council to establish, in addition to the Administrative and Financial Affairs Committee referred to in article 13 of this Agreement, any other committees and subcommittees as it deems useful for assisting it in the exercise of its functions under this Agreement.

4. Executive secretariat

- (a) The International Olive Council shall have an executive secretariat comprising an Executive Director, senior officials and such staff as are required to perform the tasks arising from this Agreement. The functions of the Executive Director and of the senior officials shall be governed by the Rules of Procedure which shall lay down, in particular, the tasks assigned to them.
- (b) The paramount consideration in the employment of the staff of the executive secretariat shall be the necessity of securing the highest standards of efficiency, competence and integrity. The staff of the executive secretariat, in particular the Executive Director, senior officials and middle management, shall be appointed on the basis of the principle of proportionate alternation among the members and of geographical equilibrium.

- (c) The Council of Members shall appoint the Executive Director and senior officials for a period of four years. The Council of Members may, in accordance with the provisions of article 10, paragraph 4(b), decide to renew or extend any appointment for not more than one period of a maximum of four years.

The Council of Members shall fix their terms of appointment in the light of those applying to corresponding officials of similar intergovernmental organizations.

- (d) The Executive Director shall appoint the staff in accordance with the provisions laid down in this Agreement and the staff regulations. The Executive Director shall ensure that all appointments respect the principles enshrined in paragraph 4(b) of this article and shall report thereon to the Administrative and Financial Affairs Committee.
- (e) The Executive Director shall be the chief administrative officer of the International Olive Council and shall be responsible to the Council of Members for the performance of any duties devolving upon him/her in the administration and operation of the Agreement. The Executive Director shall exercise his/her duties and take management decisions on a collegiate basis with the senior officials according to the provisions of the Rules of Procedure.
- (f) The Executive Director, senior officials and the other members of staff shall not carry out any gainful activity in any of the various sectors of the olive growing and olive products industry.

- (g) The Executive Director, senior officials and staff shall not seek or receive instructions regarding their duties under this Agreement from any member or from any authority external to the International Olive Council. They shall refrain from any action which might reflect on their position as international officials responsible only to the Council of Members. Members shall respect the exclusively international character of the responsibilities of the Executive Director, senior officials and staff and shall avoid influencing them in the discharge of their responsibilities.

## **SECTION 2 – Functioning of the Council of Members**

### *Article 8*

#### *Sessions of the Council of Members*

1. The Council of Members shall meet at the headquarters of the International Olive Council unless it decides otherwise. If, on the invitation of any member, the Council of Members decides to meet elsewhere, that member shall bear the extra expenditure this entails for the budget of the International Olive Council over and above that incurred in holding a session at the headquarters.
2. The Council of Members shall hold two regular sessions a year.

3. The Council of Members shall meet in extraordinary session at any time at the request of:
  - (a) The Chair;
  - (b) At least three members.
4. Notice of a session shall be given at least 60 days before the date of the first meeting in the case of regular sessions, and preferably 30 days but not less than 21 days before the date of the first meeting in the case of extraordinary sessions. The expenses of delegations to the Council of Members shall be met by the members concerned.
5. Any member may, by written notification addressed to the executive secretariat before or during any regular or extraordinary session, authorize another member to represent its interests and exercise its right to participate in the decisions at that session of the Council of Members. A member may not represent more than one other member at any session of the Council of Members.
6. Any third party or entity with an intention to accede to this Agreement and/or with a direct interest in the activities of the International Olive Council may, upon its own initiative or upon the invitation of the Council of Members and with the prior consent of the latter, attend as an observer at all or parts of a given session or sessions of the Council of Members.
7. Observers shall not hold the status of members and shall have neither decision-making powers nor voting rights.

## *Article 9*

### *Quorum for sessions*

1. The quorum required for the sitting of a regular or an extraordinary session of the Council of Members shall be verified once on the opening day of the session. It shall be the presence or representation, pursuant to article 8, paragraph 5, of at least three quarters of all the members.
2. If the quorum mentioned in the paragraph above is not met on the opening of the plenary session, the Chair shall postpone the session for 24 hours. The quorum required to open the session at the new time set by the Chair shall be the presence or representation of at least two thirds of all the members.
3. The effective number of members necessary for the quorum shall be the whole number without decimal portions resulting from the application of the proportions mentioned above to the total number of members.

## *Article 10*

### *Decisions of the Council of Members*

1. The decisions of the Council of Members shall be taken by consensus. All decisions under the present article shall be taken by the members present or represented and entitled to vote in line with article 16, paragraph 6. Members undertake to make utmost efforts to resolve any outstanding issues by consensus.



2. For any decision of the Council of Members to be adopted, the presence or representation of at least the majority of all the members entitled to vote in accordance with article 16, paragraph 6, shall be required.
3. Consensus shall apply to all decisions taken in respect of:
  - (a) The exclusion of members pursuant to article 34;
  - (b) Article 16, paragraphs 6 and 10;
  - (c) Amendments to, or termination of this Agreement pursuant to article 32 and article 36;
  - (d) Cooperation with other organizations in line with article 12, paragraph 2.
4. For other decisions, if consensus is not reached within a time limit laid down by the Chair, the procedure specified below shall apply:
  - (a) **Decision-making concerning the trade standards and the implementing rules referred to in article 7, paragraph 1(c) of this Agreement:**

As a general rule, only decisions for which consensus has been reached at the appropriate level as established by the International Olive Council in its Rules of Procedure shall be submitted to the Council of Members for adoption.

Should consensus not be reached following the procedure applicable at the appropriate level, the decision shall be referred to the Council of Members, together with the report outlining the difficulties encountered in this process and any appropriate recommendation.

The Council of Members shall endeavour to take the decision in question by consensus of members present or represented and entitled to vote in line with article 16, paragraph 6.

If consensus cannot be reached, the decision shall be postponed until the following session, whether regular or extraordinary.

If consensus is again not obtained at that session, the decision shall, if possible, be postponed for at least 24 hours.

Should consensus not be reached within this time period, the decision shall be considered adopted unless it is rejected by at least one quarter of the members or by a member or members with at least a total of 100 participation shares.

**(b) Any other decision not referred to in this article, paragraph 4(a), above:**

If consensus is not reached within a time limit laid down by the Chair, the members shall take a vote according to the provisions below:

Any decision shall be considered to be adopted when at least the majority of the members representing at least 86 per cent of the participation shares of the members in accordance with paragraph 1 of this article are in favour thereof.

5. The voting and representation procedures referred to in this article shall not apply to those members that do not fulfil the conditions set forth in article 16 of this Agreement, unless the Council decides otherwise in accordance with the same article.

6. The Council of Members may take decisions by an exchange of correspondence between the Chair and the members without holding a session, provided that no member, excluding those members in arrears, objects to this procedure. The rules for the application of this consultation procedure shall be laid down by the Council of Members in its Rules of Procedure. Any decision so taken shall be communicated to all the members by the executive secretariat as quickly as possible and shall be entered in the final report of the following session of the Council of Members.

### *Article 11*

#### *Participation shares*

1. The members shall together hold 1,000 participation shares. These shares shall be equal to the financial contributions and voting rights of the members.
2. The participation shares shall be divided among the members in proportion to the source data of each member, calculated according to the following formula:

$$q = 1/3 (p1 + p2) + 1/3 (e1 + e2) + 1/3 (i1+i2)$$

The parameters in this formula are averages expressed in thousands of metric tons, any fraction of 1,000 tons above a whole number being disregarded. There may be no fractions of participation shares.

q: Source data used for proportionately calculating the participation shares

p1: Average olive oil production of the last six olive crop years

p2: Average table olive production of the last six olive crop years converted into its olive oil equivalent by the application of a conversion coefficient of 16 per cent

e1: Average (customs) olive oil exports of the last six calendar years corresponding to the end years of the olive crop years considered for calculating p1

e2: Average (customs) table olive exports of the last six calendar years corresponding to the end years of the olive crop years considered for calculating p2, and converted into their olive oil equivalent by the application of a conversion coefficient of 16 per cent

i1: Average (customs) olive oil imports of the last six calendar years corresponding to the end years of the olive crop years considered for calculating p1

i2: Average (customs) table olive imports of the last six calendar years corresponding to the end years of the olive crop years considered for calculating p2, and converted into their olive oil equivalent by the application of a conversion coefficient of 16 per cent

3. The initial participation shares will be contained in annex A to this Agreement. They are determined in the light of the average of the data for the last six olive crop years and calendar years for which final data are available.

4. No member shall hold less than five participation shares. If the calculation should give a result of less than five participation shares for an individual member, that member's share shall be increased to five and the participation shares of the other members shall be decreased proportionately.
5. The Council of Members shall, at its second regular session of each calendar year, adopt the participation shares calculated under this article. Without prejudice to paragraph 6 of this article, such distribution shall be in force for the following year.
6. Whenever any Government as referred to in article 4, paragraph 3, becomes, or ceases to be, a Party to this Agreement, or a member changes its status within the meaning of article 16, paragraph 8, the Council of Members shall, for the following year, redistribute the participation shares in proportion to the number of participation shares held by each member, subject to the conditions set out in this article. In the event of accessions to or withdrawals from this Agreement which are effectuated during the ongoing year, the redistribution shall be performed solely for voting purposes.

## *Article 12*

### *Cooperation with other organizations*

1. The International Olive Council may make arrangements for consultation and cooperation with the United Nations and its specialized agencies, in particular the United Nations Conference on Trade and Development, other appropriate intergovernmental organizations and relevant international and regional organizations. Such arrangements may include collaborative agreements with institutions of a financial nature that can contribute to the objectives referred to in article 1 of this Agreement.
2. Any collaborative agreement established between the International Olive Council and the aforementioned international organizations and/or institutions which entails significant obligations for the International Olive Council shall receive the prior approval of the Council of Members in accordance with article 10, paragraph 3.
3. The application of this article shall be governed by the Rules of Procedure of the International Olive Council.

## CHAPTER IV – ADMINISTRATIVE AND FINANCIAL AFFAIRS COMMITTEE

### *Article 13*

#### *Administrative and Financial Affairs Committee*

1. The Council of Members shall establish an Administrative and Financial Affairs Committee composed of at least one delegate of each member. The Administrative and Financial Affairs Committee shall meet at least twice a year, prior to each session of the Council of Members.
2. The Administrative and Financial Affairs Committee shall be responsible for the functions described in this Agreement and in the Rules of Procedure. It shall be responsible, in particular, for:
  - Examining the annual work programme of the executive secretariat for the functioning of the Institution, notably as regards the budget, financial rules and internal and statutory rules, before presenting it to the Council of Members for adoption at its second regular session of the calendar year;
  - Supervising the implementation of the internal control standards set forth in the Rules of Procedure of the International Olive Council and the control of the application of the financial provisions referred to in this Agreement;

- Examining the draft annual budget of the International Olive Council proposed by the Executive Director. Only the draft budget proposed by the Administrative and Financial Affairs Committee shall be submitted to the Council of Members for adoption;
  - Examining and submitting each year the accounts for the preceding financial year to the Council of Members for adoption at its first regular session of the calendar year together with any other measure dealing with financial and administrative matters;
  - Providing advice and recommendations on matters related to the implementation of this Agreement;
  - Examining and reporting to the Council of Members with regard to applications for accession by new members or with regard to the withdrawal of a member of the International Olive Council;
  - Reviewing compliance with the principles enshrined in article 7 on the appointments of the staff in the executive secretariat and other issues related to the administrative and organizational matters.
3. The Administrative and Financial Affairs Committee shall exercise, in addition to those functions listed in this article, any other function that is delegated to it by the Council in its Rules of Procedure and/or in the financial regulation.
4. The Council of Members shall draw up and adopt detailed rules in its Rules of Procedure for the application of these provisions.



## CHAPTER V – FINANCIAL PROVISIONS

### *Article 14*

#### *Budget*

1. The financial year shall coincide with the calendar year.
2. There shall be one single budget comprising two sections:
  - Section I: Administrative
  - Section II: Operational, including in particular standardization, technical cooperation and promotion

The Council of Members shall decide on any additional appropriate subsections by taking into account the objectives of the International Olive Council.

3. The budget shall be financed by:
  - (a) The amount of the contribution of each member, which shall be established in proportion to its participation shares as set in compliance with article 11 of this Agreement;

- (b) Subsidies and voluntary contributions from members, which shall be governed by the provisions embodied in an agreement established between the International Olive Council and the donor member;
  - (c) Donations from Governments and/or other sources;
  - (d) Other forms of supplementary contributions, including services, scientific and technical equipment and/or staff that may meet the requirements of approved programmes;
  - (e) Any other revenue.
4. The International Olive Council shall, as part of the development of international cooperation, endeavour to procure such essential financial and/or technical assistance as may be available from the competent international, regional or national organizations, whether financial or of some other kind.

The above amounts shall be assigned by the Council of Members to its budget.

5. The amounts of the budget that are not committed during one calendar year may be carried forward to the following calendar years as advance funding of the budget as specified in the financial regulation.

## *Article 15*

### *Other funds*

In addition to the budget referred to in article 14, the International Olive Council may be provided with other funds, the purpose, operation and justification for which shall be governed by the Rules of Procedure.

The Council of Members may also authorize the executive secretariat to manage third-party funds. The conditions and scope of such authorization and the liabilities stemming from the management of such funds shall be laid down in the financial regulation.

## *Article 16*

### *Payment of contributions*

1. At its second session of the calendar year, the Council of Members shall determine the aggregate amount of the budget referred to in article 14 of this Agreement and the contribution to be paid by each member for the following calendar year. Such contribution shall be calculated on the basis of the participation shares of each member as established in article 11 of this Agreement.

2. The Council of Members shall assess the initial contribution of any member which becomes a Party to this Agreement after the entry into force of the latter. Such contribution shall be calculated on the basis of the participation shares assigned to the member concerned under article 11 of this Agreement as applied to the unexpired portion of the year in question. The amount of the contribution to be paid by the other members for that calendar year shall not be altered.
3. Contributions shall be payable in euros and shall fall due from the first day of the financial year, that is on 1 January of each year.

The contributions of members for the financial year during which they become members of the International Olive Council shall fall due on the date on which they become members.

4. If, four months after the date on which contributions fall due, a member has not settled its contribution in full, the executive secretariat shall write to the member concerned within seven days in order to request that member to make payment.
5. If, upon the expiry of a period of two months from the date of the request made by the executive secretariat, the member in question has not yet settled its contribution, the voting rights of that member in the Council of Members shall be suspended until such time as it has made full payment of its contribution.

The representatives of the member concerned shall likewise be suspended from holding elective office in the Council of Members as well as in committees and subcommittees and from participating in activities financed by the International Olive Council in the following year.

6. At its first regular session of the calendar year or the extraordinary session which follows the deadline for contributions, the Council of Members shall be informed if a member has not settled its contribution. The Council of Members, with the exception of the member in arrears, may, after hearing the latter and taking into account its specific situation such as conflicts, natural disasters or difficulties in accessing international financial services, take any other decision by consensus. The Council of Members may adapt the work programme of the executive secretariat in the light of the contributions effectively paid by the members.
7. The provisions of paragraphs 5 and 6 of this article shall apply until the contributions are paid in full by the member in question.
8. After two consecutive years of unpaid contributions, the Council of Members may, upon hearing the member in arrears, decide that the latter shall cease to enjoy the rights of membership but may participate in sessions as an observer within the meaning of article 8, paragraph 7.
9. Any member that withdraws from the Agreement shall remain liable to pay any of its financial obligations under this Agreement and shall not be entitled to any reimbursement of any financial contributions it has already settled.
10. In no case may the Council of Members relieve a member of its financial obligations under this Agreement. The Council of Members may agree by consensus the rescheduling of the financial obligations of present and previous members.

## *Article 17*

### *Control*

1. The financial control of the International Olive Council shall be carried out by the Administrative and Financial Affairs Committee.
2. The financial statements of the International Olive Council for the previous calendar year, certified by an independent auditor, shall be presented to the Administrative and Financial Affairs Committee. After analysing the accounts, the Committee shall, at its first regular session of the calendar year, submit an opinion to the Council of Members for approval and publication.

When performing the above-mentioned audit work, the independent auditors shall verify compliance with the financial regulation in force as well as the functioning and efficiency of the existing internal control mechanisms and shall record the work performed and incidents detected in an annual report, which shall be presented to the Administrative and Financial Affairs Committee.

This audit report shall be presented to the Council of Members at its first regular session.

The Council of Members shall designate the independent auditor who shall be responsible for analysing the annual accounts of the International Olive Council and for drawing up the report mentioned above, both according to the provisions of the financial regulation and its implementing procedures.

3. Furthermore, the Council of Members shall, at its first regular session of the calendar year, examine and adopt the financial report for the previous calendar year relating to:
  - The verification of the management of the funds, assets and cash of the International Olive Council;
  - The regularity of financial operations and their conformity with the rules and regulations and budgetary provisions in force.
4. The ex-post controls of operations are assured by external auditors in accordance with the dispositions of the financial regulation.
5. Based on a risk analysis, a minimum of three members may request the Council for authorization to carry out controls on the activities of the International Olive Council to ensure compliance with the rules in force and the principles of sound financial management and transparency.

The controls will be conducted in close collaboration with the members of the executive secretariat of the International Olive Council in conformity with the rules and procedures defined in the Rules of Procedure and the financial regulation of the International Olive Council.

The relevant report shall be presented to the Council of Members at the first plenary session following the finalization of the report.

## *Article 18*

### *Liquidation*

1. The Council of Members shall, if dissolved, first take the steps stipulated in article 35, paragraph 1.
2. On the expiry of this Agreement, the assets of the International Olive Council and any uncommitted sums proceeding from the funds referred to in article 14 shall be repaid to members in proportion to the total of their participation shares in force at the time.

The voluntary contributions and the donations referred to in article 14 as well as any uncommitted sums referred to in article 15 shall be repaid to the member, donor or third party concerned.

## **CHAPTER VI – STANDARDIZATION PROVISIONS**

### *Article 19*

#### *Designations and definitions of olive oils, olive pomace oils and table olives*

1. The designations and definitions of olive oils, olive pomace oils and table olives are described in annexes B and C to this Agreement.



2. The Council of Members may make all such amendments as it deems necessary or appropriate to the designations and definitions of olive oils, olive pomace oils and table olives provided for in annexes B and C to this Agreement.

## *Article 20*

### *Undertakings by members*

1. The members of the International Olive Council undertake to apply the designations prescribed in annexes B and C in their international trade and shall encourage their application in their internal trade.
2. The members undertake to suppress in their internal and international trade any use of the designation "olive oil", alone or in combination with other words, which is not in conformity with this Agreement. In no case shall the designation "olive oil" be used alone to refer to olive pomace oil.
3. The Council of Members shall determine quality and purity criteria standards applicable to the international trade of the members.
4. Members shall ensure protection in their territory for geographical indications within the meaning of article 22, paragraph 1 of the Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPS Agreement) relating to the products covered by the present Agreement, in accordance with the applicable international rules, procedures and undertakings, in particular article 1 of the TRIPS Agreement.

5. Members shall, upon request, exchange information on the geographical indications that are afforded protection in their territory, with a view, in particular, to strengthening their legal protection from any practice likely to affect their authenticity or mar their reputation.
6. Members shall be empowered to adopt initiatives designed to inform consumers on the specific characteristics of the protected geographical indications in their territory and to add value to such indications, in accordance with the applicable legal provisions.

### *Article 21*

#### *International guarantee label of the International Olive Council*

The Council of Members may make provision for the application of the international quality guarantee label ensuring compliance with the international standards of the International Olive Council. The application of this article and the control provisions shall be specified in the Rules of Procedure.

## CHAPTER VII – GENERAL PROVISIONS

### *Article 22*

#### *General obligations*

The members shall not adopt any measures that conflict with their obligations under this Agreement or with the general objectives set forth in article 1.

### *Article 23*

#### *Financial liability of members*

The financial liability of each member to the International Olive Council and to the other members is limited to the extent of its obligations under article 16 concerning the contributions to the budget referred to in the same article.

## *Article 24*

### *Environmental and ecological aspects*

Members shall give due consideration to the improvement of practices at all stages of olive and olive oil production in order to guarantee the development of sustainable olive growing and undertake to implement such action as may be deemed necessary by the Council of Members to improve or solve any problems encountered in this sphere.

## *Article 25*

### *Information*

The members undertake to make available and furnish to the International Olive Council all the statistics, data and documentation which it needs to discharge its functions under this Agreement, and in particular any information it requires in order to establish the balances for olive oils, olive pomace oils and table olives and to acquire a knowledge of members' national policies for olive products.

## *Article 26*

### *Disputes and complaints*

1. Any dispute which concerns the interpretation or application of this Agreement and which is not settled by negotiation shall, at the request of any member or members which are a party to the dispute, be referred to the Council of Members, which shall take a decision in the absence of the member or members concerned after seeking an opinion, where appropriate, from an advisory panel. The composition and operational details of this panel shall be laid down in the Rules of Procedure.
2. A substantiated opinion by the advisory panel shall be submitted to the Council of Members, which shall in all circumstances settle the dispute after considering all the relevant facts.
3. Any complaint that a member, the Chair, or the Vice-Chair when acting as the Chair, have failed to fulfil their obligations under this Agreement shall, at the request of the member making the complaint, be referred to the Council of Members. The Council shall take a decision in the absence of the party or parties involved after consulting the parties concerned and after seeking an opinion, where appropriate, from the advisory panel referred to in paragraph 1 of this article. The application of this paragraph shall be further specified in the Rules of Procedure.

4. If the Council of Members finds that a member has committed a breach of this Agreement, it may either impose on that member sanctions, ranging from a simple warning to the suspension of the member's right to participate in decisions of the Council of Members until it has met its obligations, or, in accordance with the procedure laid down in article 34, exclude the member from participation in the Agreement. The member in question shall have the right of recourse in the final instance to the International Court of Justice.
5. If the Council of Members considers that the Chair, or the Vice-Chair when acting as the Chair, has failed to perform his/her tasks in line with this Agreement or the Rules of Procedure, it may, upon the request of at least 50 per cent of the members present, decide either for one session or for a longer duration to temporarily suspend the powers and functions given to the Chair or the Vice-Chair in this Agreement or the Rules of Procedure and to appoint a replacement among the members of the Council. The application of this paragraph shall be further specified in the Rules of Procedure.
6. As regards any dispute relating to transactions in olive oils, olive pomace oils and table olives, the International Olive Council may make appropriate recommendations to the members concerning the constitution and functioning of an international conciliation and arbitration office to deal with any such disputes.

*Article 27*

*Depositary*

The Secretary-General of the United Nations is hereby designated as the depositary of this Agreement.

*Article 28*

*Signature, ratification, acceptance and approval*

1. This Agreement shall be open for signature at United Nations Headquarters from 1 January 2016 until and including 31 December 2016 by parties to the International Agreement on Olive Oil and Table Olives, 2005, and Governments invited to the United Nations Conference for the Negotiation of a Successor Agreement to the International Agreement on Olive Oil and Table Olives, 2005.
2. This Agreement shall be subject to ratification, acceptance or approval by the signatory Governments in accordance with their respective constitutional procedures.
3. Any Government referred to in article 4, paragraph 3 may:
  - (a) At the time of signing this Agreement, declare in writing that by such signature it expresses its consent to be bound by this Agreement (definitive signature); or

(b) After signing this Agreement, ratify, accept or approve it by the deposit of an instrument to that effect with the depositary.

4. Instruments of ratification, acceptance or approval shall be deposited with the depositary.

#### *Article 29*

#### *Accession*

1. This Agreement shall be open to accession by any Government as defined in article 4, paragraph 3 which may accede to this Agreement upon the conditions to be established by the Council of Members, which shall have in particular the number of participation shares and a time limit for the deposit of the instruments of accession. These conditions shall be transmitted by the Council of Members to the depositary. The procedure for the initiation of accession, accession negotiations and related provisions shall be laid down by the Council of Members in the Rules of Procedure.
2. When the accession negotiations specified in the Rules of Procedure have been completed, the Council of Members shall take a decision on the accession in accordance with the procedure provided for in article 10.
3. Upon accession, a Contracting Party shall be listed in annex A to this Agreement, together with its participation shares as laid down in the conditions of accession.



4. Accession shall be effected by the deposit of an instrument of accession with the depositary. Instruments of accession shall state that the Government accepts all the conditions established by the International Olive Council.

### *Article 30*

#### *Notification of provisional application*

1. A signatory Government which intends to ratify, accept or approve this Agreement, or any Government for which the Council of Members has established conditions for accession but which has not yet been able to deposit its instrument may, at any time, notify the depositary that it will apply this Agreement provisionally when it enters into force in accordance with article 31, or, if it is already in force, at a specified date.
2. A Government which has submitted a notification of provisional application under paragraph 1 of this article will apply this Agreement when it enters into force, or, if it is already in force, at a specified date and shall, from that time, be a Contracting Party. It shall remain a Contracting Party until the date of the deposit of its instrument of ratification, acceptance, approval or accession.

## *Article 31*

### *Entry into force*

1. This Agreement shall enter into force definitively on 1 January 2017, provided that at least five of the Contracting Parties among those mentioned in annex A to this Agreement and accounting for at least 80 per cent of the participation shares out of the total 1,000 participation shares have signed this Agreement definitively or have ratified, accepted or approved it, or acceded thereto.
2. If, on 1 January 2017, this Agreement has not entered into force in accordance with paragraph 1 of this article, it shall enter into force provisionally if by that date Contracting Parties satisfying the percentage requirements of paragraph 1 of this article have signed this Agreement definitively or have ratified, accepted or approved it, or have notified the depositary that they will apply this Agreement provisionally.
3. If, on 31 December 2016, the requirements for entry into force under paragraph 1 or paragraph 2 of this article have not been met, the depositary shall invite those Contracting Parties which have signed this Agreement definitively or have ratified, accepted or approved it, or have notified that they will apply this Agreement provisionally, to decide whether to bring this Agreement into force definitively or provisionally among themselves, in whole or in part, on such date as they may determine.
4. For any Contracting Party which deposits an instrument of ratification, acceptance, approval or accession after the entry into force of this Agreement, this Agreement shall enter into force on the date of such deposit.

## *Article 32*

### *Amendments*

1. The International Olive Council may, acting through the Council of Members, amend this Agreement by consensus.
2. The Council of Members shall fix the date by which members shall notify the depositary of their acceptance of the amendment in question.
3. The amendment shall enter into force 90 days after the depositary has received notification of its acceptance from all the members. If this requirement is not met by the date fixed by the Council of Members in accordance with paragraph 2 of this article, the amendment shall be considered withdrawn.
4. Updates to Annex A pursuant to article 11, paragraph 5 shall not, for the purposes of this article, be considered amendments.

## *Article 33*

### *Withdrawal*

1. Any member may withdraw from this Agreement at any time after the entry into force of this Agreement by giving written notice of withdrawal to the depositary. The member shall simultaneously inform the International Olive Council in writing of the action it has taken.

2. Withdrawal under this article shall become effective 90 days after the notice is received by the depositary.

#### *Article 34*

##### *Exclusion*

Without prejudice to article 26, if the Council of Members decides that any member is in breach of its obligations under this Agreement and decides further that such breach significantly impairs the operation of this Agreement, it may, by reasoned decision of the other members taken by consensus and in the absence of the member concerned, exclude that member from this Agreement. The International Olive Council shall immediately notify the depositary of its decision. The member in question shall cease to be a Party to this Agreement 30 days after the date of the decision of the Council of Members. No new financial obligations shall ensue after the date of the decision to exclude the member.

#### *Article 35*

##### *Settlement of accounts*

1. The Council of Members shall determine any settlement of accounts which it finds equitable, taking into account all the commitments entailing legal consequences for the International Olive Council and which would have repercussions on the contribution of a member which has withdrawn from this Agreement or which has been excluded from the International Olive Council or has otherwise ceased to be a Party to this Agreement, as well as the time needed to ensure an adequate transition, in particular when such commitments have to be terminated.

Notwithstanding the provisions of the subparagraph above, such member shall be bound to pay any amounts due from it to the International Olive Council in respect of the period during which it was a member.

2. Upon termination of this Agreement, no member referred to in paragraph 1 of this article shall be entitled to any share of the proceeds of the liquidation or the other assets of the International Olive Council; nor shall it be burdened with any part of the deficit, if any, of the International Olive Council.

### *Article 36*

#### *Duration, extension and termination*

1. This Agreement shall remain in force until 31 December 2026.
2. The Council of Members may extend this Agreement. The Council of Members shall notify the depositary of any such extension. Any member which does not accept any such extension of this Agreement shall inform the International Olive Council and shall cease to be a Contracting Party to this Agreement from the beginning of the period of extension.
3. If before 31 December 2026, or before the expiry of the extension as decided by the Council of Members, a new agreement has been negotiated by the Council of Members but has not yet entered into force either definitively or provisionally, this Agreement shall remain in force beyond its expiry date until the new agreement enters into force for a maximum duration of 12 months.

4. The Council of Members may decide on the termination of this Agreement by consensus. The obligations of the members shall continue until the date of termination as determined by the Council of Members.
5. Notwithstanding the expiry or termination of this Agreement, the International Olive Council shall continue in being for as long as may be necessary for the purpose of carrying out the liquidation of the International Olive Council, including the settlement of accounts, and shall have during that period such powers and functions as may be necessary for these purposes.
6. The Council of Members shall notify the depositary of any decision taken under this article.

### *Article 37*

#### *Reservations*

No reservations may be made with respect to any of the provisions of this Agreement.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto, have affixed their signature under this Agreement on the dates indicated.

DONE at Geneva on 9 October 2015, the texts of this Agreement in the Arabic, English, French, and Spanish languages being equally authentic.

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## Annex A

### Participation shares in the budget of the Organization as established in accordance with article 11

Albania	5
Algeria	19
Argentina	18
Egypt	23
European Union	717
Iran (Islamic Republic of)	5
Iraq	5
Israel	5
Jordan	8
Lebanon	6
Libya	5
Montenegro	5
Morocco	41
Tunisia	67
Turkey	66
Uruguay	5
<b>Total:</b>	<b>1,000</b>

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## **Annex B**

### **Designations and definitions of olive oils and olive pomace oils**

The designations of olive oils and olive pomace oils are given below with the definition corresponding to each designation:

#### **I. Olive oils**

- A. **Virgin olive oils**: Oils which are obtained from the fruit of the olive tree (*Olea europaea* L.) solely by mechanical or other physical means under conditions, particularly thermal conditions, that do not lead to deterioration of the oil, and which have not undergone any treatment other than washing, decantation, centrifugation and filtration. Virgin olive oils shall be classified and designated as follows:
- (a) Virgin olive oils fit for consumption as they are:
- (i) Extra virgin olive oil: Virgin olive oil, the physico-chemical and organoleptic characteristics of which correspond to those laid down for this category in the trade standard of the International Olive Council;
  - (ii) Virgin olive oil: Virgin olive oil, the physico-chemical and organoleptic characteristics of which correspond to those laid down for this category in the trade standard of the International Olive Council;



- (iii) Ordinary virgin olive oil: Virgin olive oil, the physico-chemical and organoleptic characteristics of which correspond to those laid down for this category in the trade standard of the International Olive Council<sup>1</sup>;
- (b) Virgin olive oils that must undergo processing prior to consumption:
- (i) Lampante virgin olive oil: Virgin olive oil, the physico-chemical and organoleptic characteristics of which correspond to those laid down for this category in the trade standard of the International Olive Council. It is intended for refining for use for human consumption, or it is intended for technical use.
- B. Refined olive oil: Olive oil obtained by refining virgin olive oils, the physico-chemical characteristics of which correspond to those laid down for this category in the trade standard of the International Olive Council<sup>2</sup>.
- C. Olive oil composed of refined olive oil and virgin olive oils: Oil consisting of a blend of refined olive oil and virgin olive oils fit for consumption as they are, the physico-chemical characteristics of which correspond to those laid down for this category in the trade standard of the International Olive Council.

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<sup>1</sup> This product may only be sold direct to the consumer if permitted in the country of retail sale. If not permitted, the designation of this product shall comply with the legal provisions of the country concerned.

<sup>2</sup> This product may only be sold direct to the consumer if permitted in the country of retail sale.

## II. Olive pomace oil<sup>3</sup>

is the oil obtained by treating olive pomace oil with solvents or other physical treatments, to the exclusion of oils obtained by re-esterification processes and of any mixture with oils of other kinds. It is classified as follows:

- A. Crude olive pomace oil: Olive pomace oil, the physico-chemical characteristics of which correspond to those laid down for this category in the trade standard of the International Olive Council. It is intended for refining for use for human consumption, or it is intended for technical use.
- B. Refined olive pomace oil: Oil obtained by refining crude olive pomace oil, the physico-chemical characteristics of which correspond to those laid down for this category in the trade standard of the International Olive Council<sup>4</sup>.
- C. Olive pomace oil composed of refined olive pomace oil and virgin olive oils: Oil consisting of a blend of refined olive pomace oil and virgin olive oils fit for consumption as they are, the physico-chemical characteristics of which correspond to those laid down for this category in the trade standards of the International Olive Council. In no case may this blend be called "olive oil".

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<sup>3</sup> Olive pomace oil cannot be sold with the designation or definition "olive oil".

<sup>4</sup> This product may only be sold direct to the consumer if permitted in the country of retail sale.

## Annex C

### Designations and definitions of the types of table olives

Table olives shall be classified in one of the following types:

- (i) Green olives: Fruits harvested during the ripening period, prior to colouring and when they have reached normal size. They may vary in colour from green to straw yellow.
- (ii) Olives turning colour: Fruits harvested before the stage of complete ripeness is attained, at colour change. They may vary in colour from rose to wine rose or brown.
- (iii) Black olives: Fruits harvested when fully ripe or slightly before full ripeness is reached. They may vary in colour from reddish black to violet black, deep violet, greenish black or deep chestnut.

Trade preparations of table olives, including in particular types of processing, shall be governed by the applicable trade standards of the International Olive Council.

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