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AGRI 476
PROBA 30

COVER NOTE

From: Secretary-General of the European Commission,
signed by Mr Jordi AYET PUIGARNAU, Director

date of receipt: 2 July 2014

To: Mr Uwe CORSEPIUS, Secretary-General of the Council of the European
Union

No. Cion doc.: COM(2014) 438 final

Subject: Proposal for a COUNCIL DECISION on the position to be adopted on
behalf of the European Union within the Council of Members of the
International Olive Council concerning the prolongation of the 2005
International Agreement on olive oil and table olives

Delegations will find attached document COM(2014) 438 final.

Encl.: COM(2014) 438 final



EUROPEAN
COMMISSION

Brussels, 2.7.2014
COM(2014) 438 final

2014/0203 (NLE)

Proposal for a

COUNCIL DECISION

on the position to be adopted on behalf of the European Union within the Council of Members of the International Olive Council concerning the prolongation of the 2005 International Agreement on olive oil and table olives

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

The 2005 International Agreement on olive oil and table olives will expire on 31 December 2014 unless the Council of Members of the International Olive Council (IOC) decides to prolong it in accordance with Articles 47(1) and (2) of the Agreement.

This International Agreement on olive oil and table olives fosters international cooperation and contributes to the development and stability of markets in the product concerned and to the achievement of Union objectives in the areas of trade and agricultural policy.

The Commission received a negotiating mandate from the Council of the EU in September 2013 under which it was authorised to open negotiations on behalf of the EU for the conclusion of a new international agreement on olive oil and table olives (COM(2013)646 final of 19 September 2013).

The renewal of the Agreement is currently being negotiated. Progress with discussions is such that it will not be possible to complete negotiations as originally intended by the end of December 2014, when the existing Agreement will expire.

The new Agreement will require the European Union to contribute to IOC budgets. That contribution is budgeted under item 05 06 01 of the EU budget (International agricultural agreements).

2. PROPOSAL

In the light of the above, the Commission proposes:

that, in accordance with Articles 43(2) and 218(9) of the TFEU, the Council should authorise the Commission to request within the Council of Members of the IOC that the existing Agreement be prolonged by one year and to vote in favour of such prolongation if it is included in the agenda of a meeting of the IOC Council of Members.

Proposal for a

COUNCIL DECISION

on the position to be adopted on behalf of the European Union within the Council of Members of the International Olive Council concerning the prolongation of the 2005 International Agreement on olive oil and table olives

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 43(2), in conjunction with Article 218(9) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The International Agreement on olive oil and table olives¹ (the 'Agreement') will expire on 31 December 2014 unless the Council of Members of the International Olive Council (IOC) decides to prolong it in accordance with Articles 47(1) and (2) of the Agreement for not more than two periods of up to two years each.
- (2) On 19 September 2013, the Council authorised the Commission to open negotiations on behalf of the Union for the conclusion of a new international agreement on olive oil and table olives. The negotiating directives stipulate that *'during the initial negotiation phase, the Commission is authorised to present any relevant views on any issues not referred to in the guidelines'*².
- (3) A new agreement is currently being discussed within the IOC. Progress is such that it is now certain that the deadline of 31 December 2014 for the conclusion of an agreement cannot be met. It is therefore in the Union's interest to ensure that the existing Agreement is prolonged.
- (4) Prolongation of the existing Agreement is separate from the negotiations concerning the conclusion of a new Agreement. The Commission, which represents the Union within the IOC, should therefore be authorised to request a prolongation of the existing Agreement by one year and to vote in favour of such prolongation if it is included in the agenda of a meeting of the IOC Council of Members.

¹ OJ L 302, 19.11.2005, p. 47.

² COM(2013) 646 final, 19.9.2013.

HAS ADOPTED THIS DECISION:

Sole Article

The position to be adopted by the European Union within the Council of Members of the International Olive Council is to request a prolongation of the existing Agreement by one year and to vote in favour of the prolongation of the 2005 International Agreement on olive oil and table olives if this were proposed to the Council of Members.

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

Done at Brussels,

*For the Council
The President*

FINANCIAL STATEMENT		FicheFin/14/ MK/dz/454600		
		6.221.2014.3		
		DATE: 01.04.2014		
1.	BUDGET HEADING: 05 06 01 - International agricultural agreements	APPROPRIATIONS: 2014 €6 696 000		
2.	TITLE: Proposal for a Council Decision on the position to be adopted on behalf of the European Union within the Council of Members of the International Olive Council concerning the prolongation of the 2005 International Agreement on olive oil and table olives			
3.	LEGAL BASIS: Articles 207 and 218 of the Treaty on the Functioning of the European Union.			
4.	AIMS: Prolongation of the existing Agreement by one year.			
5.	FINANCIAL IMPLICATIONS	12-MONTH PERIOD (EUR million)	CURRENT FINANCIAL YEAR 2013 (EUR million)	FOLLOWING FINANCIAL YEAR 2014 (EUR million)
5.0	EXPENDITURE CHARGED TO - THE EU BUDGET (REFUNDS/INTERVENTIONS) - NATIONAL BUDGETS - OTHER			
5.1	REVENUE - OWN RESOURCES OF THE EU (LEVIES/CUSTOMS DUTIES) - NATIONAL			
5.0.1	ESTIMATED EXPENDITURE	2015	2016	2017
		3.8		2018
5.1.1	ESTIMATED REVENUE			
5.2	METHOD OF CALCULATION: -----			
6.0	CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?			YES
6.1	CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?			-
6.2	WILL A SUPPLEMENTARY BUDGET BE NECESSARY?			-
6.3	WILL APPROPRIATIONS NEED TO BE ENTERED IN FUTURE BUDGETS?			YES

OBSERVATIONS:

This measure relates to the prolongation by one year of the existing Agreement relating to the International Olive Council (IOC), which expires on 31 December 2014. The 2015 IOC budget has not yet been adopted. By dint of the exceptional circumstances linked to the prolongation of this Agreement, the amount of the EU's contribution to the IOC budget is estimated at €3.8 million. This budget heading finances contributions to several international agencies.

However, once the new Agreement has been adopted, the EU's future contribution to the IOC might again exceed the amount required to prolong the Agreement. The total amount of the budget heading might therefore reach the forecast for 2014-2020.