

EXPLANATORY MEMORANDUM ON EUROPEAN UNION LEGISLATION

DRAFT INSTRUMENT 11527/14 OF 3 JULY 2014 CONCERNING A 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

*Submitted by the Department for Environment, Food and Rural Affairs
_____ July 2014*

SUBJECT MATTER

1. The 2005 International Agreement on olive oil and table olives will expire on 31 December 2014.
2. In November 2013 the European Commission received a mandate from the Council of the EU to open negotiations for the conclusion of a new international agreement on olive oil and table olives.
3. Negotiations on the new agreement are ongoing. However these will not be concluded before 31 December 2014. The Commission proposes that the Council should authorise the Commission to make a request (to the Council of Members of the International Olive Council (IOC) that the existing agreement is extended by one year.
4. The International Agreement on olive oil and table olives fosters cooperation; contributes to the development and stability of markets; and contributes to the EU's objectives relating to trade and agricultural policy.
5. The Parliamentary scrutiny history relevant to this proposal is contained in the attached Annex.

MINISTERIAL RESPONSIBILITY

6. Responsibility lies with the Secretary of State for Environment, Food and Rural Affairs, Scottish Ministers, Welsh Ministers and Northern Ireland Executive Ministers. The Devolved Administrations have been consulted in the preparation of this Explanatory Memorandum.

LEGISLATIVE PROCEDURES

7. (i) Legal Basis

Article 207 in conjunction with Article 218(9) of the Treaty of the Functioning of the EU (TFEU).

(ii) Legislative Procedure

Non –legislative procedure – adopted by Council

(iii) Voting Procedure

Qualified Majority

(iv) Impact on UK Law

There is no impact on UK law

(v) Application to Gibraltar

The proposal does not apply to Gibraltar

(vi) Fundamental Rights Analysis

No fundamental rights arise from this document

EUROPEAN ECONOMIC AREA

8. There are no implications under the EEA Agreement.

SUBSIDIARITY

9. Not Applicable.

POLICY IMPLICATIONS

10. The EU is the largest producer and consumer of olive oil in the world. Being a member of the IOC enables the EU to pursue the development of the international markets for olive oil and table olives and to defend its interests with regard to these products. The Agreement supports international cooperation and contributes to the development and the stability of the markets for these products. The Agreement also contributes to the protection of consumers from fraud through the commissioning of research into laboratory techniques to detect adulteration of olive oil and through the accreditation and benchmarking of laboratories carrying out testing of olive oil.

IMPACT ASSESSMENT

11. This proposal would not place any additional burdens on UK industry and an Impact Assessment is, therefore, not considered appropriate.

FINANCIAL IMPLICATIONS

12. The EU's contribution to the IOC budget for the period of the extension of the agreement is estimated to be €3.8 million (£3.04 million using the July 2014 exchange rate of €1 = £0.8015).

CONSULTATION

13. Not applicable.

TIMETABLE

14. The proposal is likely to be considered as an "I" point at Coreper II on 3 September with a view to going to Council for adoption as an "A" point on 25 September.

**GEORGE EUSTICE
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ANNEX

PARLIAMENTARY SCRUTINY HISTORY RELEVANT TO A PROPOSAL FOR A 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