

# COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a

## REGULATION (EEC) OF THE COUNCIL

on measures designed to adjust wine-growing potential  
to market requirement

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Amendments to the proposal for a Council Regulation  
(EEC) No                    amending Regulation (EEC) No 816/70  
and 817/70 taking into account the Council Resolution  
of 21 April 1975 concerning new guidelines designed  
to balance the market in table wines

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(modification by virtue of Article 149, second sub-  
paragraph of the Treaty)

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(submitted by the Commission to the Council)

EXPLANATORY MEMORANDUMINTRODUCTION

In November 1974 the Commission forwarded to the Council a proposal for the amendment, in various ways, of the basic regulation in the wine sector (doc. COM(74) 1785 final of 4 November 1974). This proposal gave rise to lengthy discussions on the subject within the Council and its departments and in the European Parliament, the Economic and Social Committee and trade circles.

For its part, the Community market in wine has, in the last six months, entered into a critical phase. The abundance of supplies following two record harvests has resulted in the necessity of effecting important withdrawals from the market by distillation, and has led to selling difficulties such that intra-Community trade has been hindered.

A special Council meeting devoted to wine problems met at Luxembourg on 15 April 1975 and decided on a second distillation operation to take place between May and July 1975 and stated its willingness to adopt medium and long-term measures to balance the market in table wines. This willingness took concrete form in the Council Resolution concerning new guidelines designed to bring the market in table wines into balance<sup>(1)</sup>, which asks the Commission to submit proposals on the regulating of planting and replanting. This proposal is its answer to that request. Certain amendments to the proposed changes to the basic regulation inspired by the content of the discussions which have already taken place on this subject are also included.

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(1) OJ No. C 90 of 23 April 1975, p. 1

PROPOSAL FOR A COUNCIL REGULATION ON MEASURES DESIGNED TO ADJUST WINE-GROWING POTENTIAL TO MARKET REQUIREMENTS

This proposal, based on the provisions of Article 17(5) of Regulation (EEC) No 816/70<sup>(1)</sup>, deals with the following points :

- prohibition of new planting until 1 January 1977, with possible extension of this date by the Council (Article 2),
- Application of a system of authorizations for the replanting of vineyards. These authorizations will only be granted if certain criteria aimed at an improvement in production quality and avoiding an increase in quantity of the latter (Article 3), are met,
- demarcation of "wine-growing reorganization areas" in which a serious imbalance has been observed between the production of table wines and their marketability (Article 1). In these regions the criteria concerning replanting are more restrictive and selective (Article 3(2)),
- the producer Member States are asked to classify their land under vines into three categories according to scientific criteria and to the quality of the wines produced in them and market demand,
- the Member States are asked to communicate to the Commission certain data which will enable the latter, as necessary, to draw up suitable proposals for the improvement of wine-growing in the Community and particularly in wine-growing reorganization areas.

AMENDMENTS TO THE PROPOSAL TO MODIFY THE BASIC REGULATION

The discussions revealed the advisability of making certain amendments to the proposed intervention system. Moreover, the objective of encouraging a quality policy expressed in the Council Resolution leads to a proposal of a series of measures which would become part of the basic regulation.

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(1) OJ No. L 99, 5 May 1970, p. 1

The proposed amendments may be summarized as follows :

- the distillation of wines, at the beginning of the wine year, if it proves necessary, would be firstly of a voluntary nature and afterwards, where necessary ; compulsory. It would occur at the same "withdrawal price" (50 - 50 % of the guide price) and be of a selective nature and not affect the quality wines p.s.r. and certain good quality table wines produced according to normal yields (Articles 2 and 7a). Compulsory distillation is combined with a voluntary distillation at the same price level enabling the elimination right at the beginning of the marketing year of wines of inferior quality (Article 7a). Lastly, the supplementary rate applying to surpluses available for the distillation of the by-products of vinification is no longer retained in this new system (Article 22).
- measures to encourage the disposal of musts for beverages other than wine and the use of concentrated musts to enrich wines are made more efficient by
  - . the introduction of a storage aid for musts and concentrated musts (Article 5(6)),
  - . the bringing forward of the date for decisions regarding aid for the disposal of musts before the beginning of the marketing year (July), which would make possible the signing, within the prescribed time, of supply contracts by users and producers of grape juice (Article 7),
- one way of improving the quality of wines consists of increasing the minimum natural alcoholic strength. It is proposed to increase this strength fixed according to wine-growing zones, by 0.5° (Article 19). Moreover, experience has shown that the minimum actual alcoholic strength of 8.5° for table wines was, in the majority of cases, much too low and encouraged high yields to the detriment of quality. It is proposed to increase this strength to 9.5° (Article 31). Some exceptions are, however, planned for the more northern areas of the Community and a parallel adjustment is made for wines imported from non-member countries (Article 25),

- other measures towards an improvement in quality standards consist in prohibiting the marketing of wines suitable for yielding table wine, that is to say wines which do not fulfil the definition of table wines, and the prohibition on making table wines from table grapes (Article 24).

In connection with the study of trade mechanisms and ways of simplifying the agricultural regulations which is being made by the Commission's departments, acting on instructions from the Council, it is proposed that :

- the word "fix" in Article 4(1) of Regulation (EEC) No 816/70 which involves the adoption each week of a regulation on the fixing of average producer prices for table wine be replaced by the words "draw up and publish in Part C of the Official Journal",
- the submission of import licences (Article 8(1) of Regulation (EEC) No 816/70 be restricted to juices, must and wine.

These amendments will mean that average prices and average weighted prices will be communicated each week without recourse to a legal act which in itself, does not have any direct effect and, that certain products (piquette, fresh grapes, wine vinegar, wine lees and grape marcs) should be exempt from the obligation to submit an import licence.

Lastly, consequent on the Council Resolution of 21 April 1975, all aid for the planting of new vineyards should be forbidden and aid for the replanting of vineyards should not be authorized unless it serves to improve the quality of wine according to criteria to be adopted (Article 15).

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FINANCIAL NOTE

Theoretical example of the various operations possible on the wine market

Working hypothesis

Exceptionally abundant harvest leaving on the market, after any necessary rebuilding of stocks, a quantity of 16 million hectolitres in excess of internal and external needs (10 %).

Wine prices fixed for the wine year 1974/75 and aid measures currently in force.

A. Measures available under the present regulations.

	Unit cost in millions of u.a. per 1 million hl	million hl (assumption)	total cost millions u.a.
1. Short-term storage contracts	0.7	30	21
2. Long-term storage contracts	2.2	8	18
3. Distillation at activating prices	7 and 9	8	56 and 72
4. Aid to rehousing	0.95	4	4
			99 and 115

B. Measures which could be taken under the proposed amendments.

0. - Voluntary and compulsory distillation at withdrawal price	} 2 and 3	9	18 and 27
- Marketing aid for musts			
1. Short-term storage contracts	0.7	15	11
2. Long-term storage contracts	2.2	6	13,2
3. Distillation at 70 % of the guide price	4 and 5	1	4 and 5
4. Aid to rehousing	0.95	5	5
			51 and 61

Draft proposal for  
REGULATION (EEC) N° OF THE COUNCIL  
of

on measures designed to adjust wine-growing potential to market requirements

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,  
and in particular Article 43 thereof ;

Having regard to Regulation (EEC) No 816/70 of the Council of 28 April 1970  
laying down additional provisions for the common organization of the market  
in wine<sup>(1)</sup>, as last amended by Regulation (EEC) No 678/75<sup>(2)</sup>, and in parti-  
cular Articles 17 (5), and 35 thereof ;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament ;

Having regard to the Opinion of the Economic and Social Committee ;

Whereas as shown by the report referred to in Article 17 (4) of Regulation  
(EEC) No 816/70, production is tending to exceed foreseeable needs ; whereas  
it is therefore necessary to take appropriate measures as regards the planting  
and replanting of vineyards, in order to prevent the formation of structural  
surpluses ;

Whereas the present situation of substantial surplus on the market in table  
wines calls for new guidelines aimed at putting a brake on production and  
bringing the market again into both short and long term balance ;

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(1) OJ No 99, 5 May 1970, p. 1

(2) OJ No 72, 20 March 1975, p. 43

Whereas in order to halt the increase in the production of table wines new plantings of vines on land which has not been used for vines up to the present time should be forbidden, at least for some time ;

Whereas the replanting of vineyards should be subject to criteria designed to improve the quality of wine production ; whereas, moreover, in regions where production and market outlets are in serious imbalance, the market situation can only be improved by making replanting conditional on a reduction in the areas under vine ;

Whereas, in order to bring about in the longer term an improvement in the quality of table wines, it is advisable to demarcate wine-growing areas, taking into account scientific criteria and experience acquired ; whereas a demarcation of this type will be of great assistance in the preparation of future Community decisions in the wine sector ;

Whereas the Member States should communicate to the Commission the data necessary to enable it to prepare, if necessary, other measures designed to improve wine-growing in the Community ;

HAS ADOPTED THIS REGULATION :

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Article 1

1. All new plantings shall be prohibited, without prejudice to the provisions of Article 3 (3), second subparagraph. A planting of vines which is not covered by the definition of replanting given in Article 3 (1) shall be regarded as a new planting.

However, exceptions may be made for quality wines p.s.r. in accordance with the procedure laid down in Article 7 of Regulation No 24.

2. The Council, acting on a proposal from the Commission in accordance with the voting procedure laid down in Article 43(2) of the Treaty, shall decide before 1 January 1977 whether the prohibition referred to in the first paragraph shall be abolished.

Article 2

1. The Council, acting on a proposal from the Commission in accordance with the voting procedure laid down in Article 43 (2) of the Treaty, shall define the wine-growing regions in which the production of table wines and their sale at the production stage is experiencing serious imbalance. These regions are hereinafter referred to as "wine-growing reorganization areas".

2. The demarcation of wine-growing reorganization areas shall be carried out on the basis of the departments in France, the provinces in Italy, the Regierungsbezirke in Germany, taking into account the following criteria for each of these administrative units :

- the percentage of table wine production which is distilled pursuant to Article 7 of Regulation (EEC) No 816/70 ;
- the percentage of table wine production which is covered by storage contracts pursuant to Article 5 of Regulation (EEC) No 816/70 ;
- development of the area under vines since 1 September 1970 ;
- level of the market prices of table wines compared with the activating prices.

However, specified regions within the meaning of Article 2 of Regulation (EEC) No 817/70 and areas of table wine production whose name is used to designate them within the meaning of Article 30 (2) and (3) of Regulation (EEC) No 816/70 may be excluded from this demarcation.

3. The Member States in question shall communicate to the Commission not later than four weeks after the publication of this Regulation in respect of each of the administrative units referred to in paragraph 2 :
- The table wine production for the wine years 1970/71, 1971/72, 1972/73, 1973/74 and 1974/75 ;
  - the quantities of table wine which have been distilled or which are covered by a storage contract pursuant to the provisions of Regulation (EEC) No 816/70 ;
  - areas under wine grapes, where necessary converted to specialized types of vines, for each of the wine years referred to above ;
  - information showing the movement of prices for table wines in the administrative unit in question or information permitting this movement to be assessed by comparison with the nearest representative market.

4. The producer Member States shall communicate to the Commission, as part of the national forecast referred to in Article 17 (3) of Regulation (EEC) No 816/70, information, to be decided upon, required for revising the demarcation of wine-growing reorganization areas.

The Commission report referred to in Article 17 (4) of Regulation (EEC) No 816/70 shall examine the advisability of revising the demarcation of wine-growing reorganization areas.

### Article 3

1. The following shall be regarded as replanting : the planting of vines on a holding where grubbing has been carried out over an equivalent area in the previous six years.

Replanting may only be carried out if :

- that intention has been notified pursuant to Article 17 (1) of Regulation (EEC) No 816/70 ;
- the competent administration of the Member State has authorized it in compliance with paragraphs 2 and 3.

2. The replanting of a vineyard may only be authorized

- a) in wine-growing reorganization regions for vine varieties chosen by the competent authorities from the recommended varieties, on the basis of the quality of the wines which they provide or of a special market demand ; in this case replantings may not exceed two-thirds of the areas grubbed on the same holding in the preceding six years.
- b) in other wine-growing areas, only for recommended vine varieties.

For the application of the provisions of this paragraph, Member States may, in exceptional circumstances, take into account grubblings carried out on a holding other than that of the applicant.

3. The authorization to replant vineyards shall not be granted :

- a) for land where experience has shown that the grapes harvested there do not normally reach the natural alcoholic strength fixed for control varieties grown in the same area of production ; this alcoholic strength and the control variety to which it is compared shall be fixed by the Member States ;
- b) if such replanting indicates, after its entry into production, a yield per hectare in excess of the yield of the control varieties over a period of 5 years ; the latter yield and the control variety on which it is based shall be fixed by the Member States for each of the administrative units in question, taking into account the normal growing techniques employed in that unit.

4. The council, acting on a proposal from the Commission in accordance with the voting procedure laid down in Article 43 (2) of the Treaty, shall decide before 1 January 1977 on the revision or abolition of the provisions referred to in this Article.

Article 4

1. The producer Member States shall before 31 December 1975 classify their land under vines into three categories.

This classification shall take into account :

- scientific criteria regarding climate, exposure of the land, the composition and structure of the soil,
- the quality of the wines produced there and market demand.

2. The producer Member States shall communicate the necessary data to the Commission before 31 December 1975 to enable the latter to prepare suitable proposals, as necessary, in order to improve wine-growing in the Community and, in particular in the wine-growing reorganization areas.

This data shall be provided for each administrative unit and shall include :

- a) the varieties :
  - which produce wine of unsatisfactory quality ;
  - chosen from the recommended varieties on the basis of the quality of the wines they produce or of a special market demand ;
- b) the area covered by varieties not included in the classification of vine varieties ;
- c) maps showing the classification of the land under vines referred to in paragraph 1 ;
- d) vinification, storage and processing capacities which it is proposed to develop in the three years following the adoption of this Regulation ; these data shall be accompanied by the Opinion of the Member State regarding the economic advisability of the investment ;

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- e) for wine-growing reorganization areas, an estimate of the total area on which wine-growing is to be abandoned definitively and replaced by other activities within the three years from the adoption of this Regulation.

Article 5

The Member States and the Commission shall communicate to each other the necessary data for the application of this Regulation.

Article 6

The detailed rules of application for this Regulation, and in particular the criteria for Community recognition of the three category classification of land under vines in each producer Member State, shall be adopted in accordance with the procedure laid down in Article 7 of Regulation No 24.

Article 7

This Regulation shall enter into force on 1 August 1975.

This Regulation shall be binding in its entirety and directly applicable to all Member States.

Done at Brussels,

For the Council

The President

Amendments to the proposal for a Council  
Regulation (EEC) No        amending Regulations  
(EEC) No 816/70 and 817/70 taking into account  
the Council Resolution of 21 April 1975 con-  
cerning new guidelines designed to balance  
the market in table wines.

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(modification by virtue of Article 149, second sub-  
paragraph of the Treaty)

A. ADJUSTMENTS AND ADDITIONS TO THE PREAMBLES TO THE PROPOSAL FOR A REGULATION AMENDING REGULATIONS (EEC) No 816/70 and No 817/70 TAKING INTO ACCOUNT THE AMENDMENTS TO CERTAIN PROVISIONS OF THIS PROPOSAL.

- The text of the sixth preamble is replaced by the following:

"Whereas the private storage aid system provides in particular for the conclusion of short- and long-term storage contracts; whereas it is necessary, in order to improve the effectiveness of available storage, to extend this system to cover must and concentrated must; whereas provision should be made for decisions to grant aid for the disposal of must intended for the manufacture of grape juice and concentrated must and for certain alcoholic beverages in order to relieve the wine market at a decisive juncture in the formation of producer prices; whereas this makes it necessary to extend to grape must the Community provisions concerning trade with non-member countries and in particular to fix a reference price for it;

- The following is added to the text of the seventh preamble:

"Whereas, moreover, it appears advisable to make provision for deciding on preventive distillation, and in certain cases, obligatory preventive distillation at low prices, if there are large quantities of wine on the market at the beginning of the marketing year;

- The following is inserted after the seventh preamble:

"Whereas Article 8 of Regulation (EEC) No 816/70 provides that imports into the Community of any of the products listed in Article 1(2) shall be made conditional on the submission of an import licence; whereas experience has shown that for certain products, the transactions relate to small quantities; whereas it appears advisable, in order to simplify administrative procedures, that such transactions should be exempt from the requirement to submit an import licence;"

- The text of the twelfth preamble is deleted.

- The following preamble is inserted after the thirteenth preamble:

"Whereas the minimum natural alcoholic strength of the products from which table wines are made, is of importance in the assessment of their maturity and can therefore serve as an index of the quality of such wines; whereas with the aim of improving the quality level of table wines it is important to increase the minimum natural alcoholic strength in the various wine-growing zones; whereas for the same purpose it is advisable to slightly reduce enrichment provisions for the southern part of wine-growing zone A";

- In the fifteenth preamble the last two sentences are deleted.

- The following is added to the text of the sixteenth preamble:

"... whereas experience has shown that a wine suitable for yielding table wines should not as a rule be placed on the market, so as to prevent enrichment taking place after the wine-making stage";

- The following preamble is inserted after the sixteenth preamble:

"Whereas wines produced from table grapes not marketed as such are often of inadequate quality; whereas it is thus advisable to prohibit the use of these grapes in the making of table wines while at the same time permitting their use for other purposes";

- The following preambles are inserted after the eighteenth preamble:

"Whereas it is advisable to make the importation of all products in the wine sector conditional upon certain requirements as to the manner of their production and as to their composition and upon the production of official documents facilitating their identification;

Whereas the Community market should not be deprived of certain wines originating in non-member countries, particularly those with a total alcoholic strength exceeding 15° which do not correspond to the definition of liqueur wine, and of those corresponding to the definition of liqueur



wine but which do not attain the total prescribed alcoholic strength; whereas a legal basis should therefore be found to enable provisions authorising the importation of such wines to be adopted; whereas experience has shown the need to establish a definition of must with fermentation arrested by the addition of alcohol and to alter the relevant provisions accordingly";

- The following is inserted in the twenty-third preamble:

".... whereas it has proved necessary to ensure uniformity of control and protection for table wines designated by the name of the area where they are produced";

B. ARTICLE 2 OF THE PROPOSAL FOR AMPLIFYING REGULATION (EEC) No 816/70 IS REPLACED BY THE FOLLOWING:

The following Article is inserted in Regulation (EEC) No 816/70:  
"Article 2a

1. A price shall be fixed annually, before 1 August, for the withdrawal of wine for the purpose of preventive distillation and compulsory preventive distillation (hereinafter called the "withdrawal price") and shall apply to new wine still in fermentation, to wine suitable for yielding table wine and to table wine.
2. The withdrawal price shall be valid from 16 December of the year in which it is fixed until 15 December of the following year. It shall be expressed in units of account per degree/hectolitre.
3. It shall be fixed at between 50 and 60% of the guide price for the type of table wine having the lowest such price, valid for the period in question, and shall:
  - take account of the desirability of balancing the market from the start of the wine-growing year in the event of there being large stocks at the start of the said year;
  - be such that the balance of the market in ethyl alcohol is not adversely effected and that the production of wine of inadequate quality is not encouraged.

4. The price referred to in this Article shall be fixed in accordance with the procedure laid down in Article 43(2) of the Treaty".

C. THE ARTICLE IN THE PROPOSAL FOR AMPLIFYING ARTICLE 4 OF REGULATION (EEC) No 816/70 IS REPLACED BY THE FOLLOWING:

The text of Article 4 of Regulation (EEC) No 816/70 is replaced by the following:

"Article 4

1. For each type of wine for which a guide price is fixed, the Commission shall, on the basis of all the facts available to it, fix each week and publish in Section C of the Official Journal:
  - an average producer price (hereinafter called the "average price") for each representative market for the type of wine in question, and
  - a Community weighted average, being for each type of table wine the average of the average prices, weighted by quantities marketed, on each representative market.
2. Member States shall supply to the Commission all relevant information for fixing the prices referred to in paragraph 1, and in particular the producer prices recorded on the representative markets for each type of table wine and the quantities to which they relate.
3. Detailed rules for the application of this Article including the list of representative markets and the methods of recording prices shall be adopted in accordance with the procedure laid down in Article 7 of Regulation No 24."

D. THE ARTICLE OF THE PROPOSAL FOR AMENDING ARTICLE 5 OF REGULATION (EEC) No 816/70 IS REPLACED BY THE FOLLOWING:

The text of Article 5 of Regulation (EEC) No 816/70 is replaced by the following:

"Article 5

1. There is hereby instituted a system of aid for the private storage of table wine and grape must.
2. The granting of private storage aid shall be subject to the conclusion with the intervention agencies, on terms and conditions to be determined, of one of the following types of storage contracts:

- contracts valid for a period of three months, hereinafter called "short-term contracts";
  - contracts valid for a period of nine months, concluded between the 16 December and 15 February of the following year, hereinafter called "long-term contracts";
3. Short-term contracts may be entered into in respect of a given type of table wine if during the wine-growing year the Community weighted average price for that type of wine remains for two consecutive weeks less than the activating price. They may no longer be entered into when for two consecutive weeks the weighted average price for that type of wine remains equal to or higher than the activating price. If the state of the market so requires, a decision may be taken to permit the conclusion of short-term contracts in respect of table wines of a type other than that referred to in the preceding subparagraph, where such table wines stand in close economic relationship with the latter type. Short-term contracts may no longer be entered into in respect of these wines when they may no longer be entered into in respect of the type of table wine with which they stand in close economic relationship.
  4. Independently of the provisions of paragraph 3, short-term contracts may be entered into in respect of a given wine-growing zone or part of a wine-growing zone if in such zone or part, in particular owing to an exceptionally abundant harvest, an imbalance appears at the beginning of the wine-growing year between the quantities available and the quantities that can be sold.

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5. Long-term contracts may be entered into in respect of certain types of table wine to be specified if the forward estimates for a wine-growing year show that the quantity of such wines available at the beginning of that year exceeds total foreseeable requirements for that year by more than four months' consumption.
  6. Where it is permissible to enter into storage contracts for a type of table wine, it shall be permissible to enter into short-term contracts for grape must and concentrated grape must. It shall be permissible to renew such contracts up to the beginning of the following marketing year even if it is no longer permissible to conclude storage contracts for a type of table wine.
  7. Where and for such time as long-term contracts may be entered into under paragraph 5 no recourse may be had to the provisions of paragraphs 3 or 4.
  8. Permission to enter into storage contracts as provided for in paragraphs 3 (second sentence), 4, 5 and 6 shall be decided upon in accordance with the procedure laid down in Article 7 of Regulation No 24.

The same procedure shall be followed:

- (a) for deciding, if justified by the development of the market situation and in particular by the rate of conclusion of storage contracts, that long-term contracts may no longer be entered into even before 15 February;
- (b) for adopting other detailed rules for the application of this Article. The Commission shall decide whether storage contracts may be entered into as provided for in paragraph 3 (first sentence) and whether they may no longer be entered into as provided for in paragraph 3 (second sentence)".

E. PARAGRAPH 2 OF ARTICLE 6 OF THE PROPOSAL FOR AMENDING REGULATION (EEC) No 816/70 IS DELETED.

F. ARTICLE 7 OF THE PROPOSAL FOR AMPLIFYING REGULATION (EEC) No 816/70 IS REPLACED BY THE FOLLOWING:

"Article 6(b)

1. Where, between 1 and 31 July, the following conditions are fulfilled:

- the Community weighted average price for any three types of wine together representing more than half of Community production remains for two consecutive weeks at a level below 90% of their respective activating prices;
- the quantity of table wine of all types under storage contract exceeds 10 million hectolitres at the time of the last statement of such contracts before the end of the two-week period referred to in the preceding indent;
- the forecasts of supplies from the next harvest exceed foreseeable demand,

then a decision may be made before 31 July to grant aid for the disposal of grape must produced in the Community, intended for the production of grape juice, of concentrated grape juice and of concentrated must, and beverages other than those referred to in Hearing 22.05 of the CCT.

2. The amount of the aid referred to in paragraph 1, whatever the intended purpose of the must for which it is fixed in each case, shall be such as to contribute to improving the competitive position of grape must against competing products.
3. Where the user of the must has concluded a delivery contract with the producer before 31 July, it shall be permissible to increase the amount of the aid provided for by a maximum of 20%.
4. The decision provided for in paragraph 1 and the detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 7 of Regulation No 24.

G. THE FOLLOWING ARTICLE IS INSERTED IN THE PROPOSAL FOR A REGULATION AMENDING  
REGULATION (EEC) No 816/70:

"Article 7(a)

The following Article is inserted in Regulation (EEC) No 816/70:

"Article 6(c)

1. Where during the period from 1 September to 15 December the quantity of table wines of all types under storage contracts exceeds 10 million hectolitres, it shall be permissible to provide for preventive distillation for all the wines.
2. The price of products delivered for distillation may not be less than the withdrawal price.
3. Where it is decided to proceed to compulsory preventive distillation quantities of wine distilled under the terms of a preventive distillation decided previously shall be taken into account for purposes of determining quantities to be distilled under the terms of the compulsory preventive distillation.
4. The Council, acting in accordance with the voting procedure laid down in Article 43(2) of the Treaty on a proposal from the Commission, shall adopt general rules concerning the distillation referred to in paragraph 1 and in particular concerning:
  - the conditions under which distillation may be carried out;
  - disposal of the distilled products.
5. The decision to proceed to distillation provided for in paragraph 1 and the detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 7 of Regulation No 24."

H. THE FOLLOWING ARTICLE IS INSERTED IN THE PROPOSAL FOR A REGULATION AMENDING REGULATION (EEC) No 816/70:

"Article 7 (a)

The following Article is inserted in Regulation (EEC) No 816/70:

"Article 6 (d)

1. Where during the period from 1 September to 15 December the following conditions are fulfilled:

- the quantity of table wine of all types under storage contracts exceeds 10 million hectolitres,
  - as a result of forecasts of an exceptionally abundant harvest a clear imbalance between supply and demand is foreseeable,
- then compulsory preventive distillation may be provided for all the wines, excluding :
- quality wines p.s.r.,
  - wines to be specified intended for a specific purpose ;
  - wines with a natural alcoholic content exceeding by more than 2° the minimum natural content for the wine-growing zone concerned, or
  - wine production which does not exceed a yield per hectare to be fixed for each of the administrative units concerned.

The quantity of wine to be distilled according to the compulsory preventive distillation shall be fixed according to the market situation and may not exceed 15 % of the foreseeable harvest of the producers concerned. It may be decided that a proportion of the final quantity should be distilled before this quantity has been fixed, taking into account the production of the wine growers during a reference period of 5 years.

2. The price of products supplied for distillation may not be less than the withdrawal price.
3. The Council, acting in accordance with the voting procedure laid down in Article 43(2) of the Treaty on a proposal from the Commission, shall adopt general rules concerning the distillation referred to in paragraph 1, and in particular concerning :
- the conditions under which distillation may be carried out,
  - measures for disposal of the distilled products.

4. The decision to proceed to distillation as provided for in paragraph 1 and detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 7 of Regulation No 24.

I. THE FOLLOWING ARTICLE IS INSERTED IN THE PROPOSAL FOR A REGULATION AMENDING REGULATION (EEC) No 816/70 :

"Article 8 (a)

The text of Article 8 (1) of Regulation (EEC) No 816/70 is replaced by the following :

- "1. Imports into the Community of any of the products listed in Article 1(2)(a) and (b) shall be made conditional on the submission of an import licence. Exports of any of the products referred to in Article 1(2) may be made conditional on the submission of an export licence."

K. ARTICLE 15 OF THE PROPOSAL FOR AMENDING ARTICLE 15 OF REGULATION (EEC) No 816/70 IS REPLACED BY THE FOLLOWING :

"Article 15

- 1. All aid for new wine planting shall be prohibited.
- 2. Aid for replanting may only be granted if it is intended to improve the quality of wine according to criteria to be adopted in accordance with the procedure laid down in Article 7 of Regulation No 24."

L. ARTICLE 17 OF THE PROPOSAL FOR AMPLIFYING ARTICLE 17(5) OF REGULATION (EEC) No 816/70 IS DELETED.

It serves no further purpose in view of the proposal put forward for a Regulation concerning new plantings and the replanting of vineyards.

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M. ARTICLE 19 OF THE PROPOSAL FOR AMENDING ARTICLE 18 OF REGULATION (EEC) No 816/70 IS REPLACED BY THE FOLLOWING :

"The text of Article 18 of Regulation (EEC) No 816/70 is replaced by the following:

"Article 18

1. Where climatic conditions have made it necessary in certain wine-growing zones of the Community, the Member States concerned may permit the natural alcoholic strength, actual or potential, of fresh grapes, grape must, grape must in fermentation, new wine still in fermentation, obtained from the wine varieties covered by Article 17 a, as well as wine suitable for yielding table wine and table wine, to be increased.

The products referred to in the first subparagraph may not be subjected to an increase in natural alcoholic strength except where their minimum natural alcoholic strength is as follows :

- wine-growing zone A I : 5.5°
- wine-growing zone A II : 6.0°
- wine-growing zone B : 6.5°
- wine-growing zone C I : 7.5°
- wine-growing zone C II : 8.5°
- wine-growing zone C III : 9.0°

The increase minimum natural alcoholic strength shall be effected according to the oenological processes referred to in Article 19 and may not exceed the following limits :

- wine-growing zone A I : 3.5
- wine-growing zone A II : 3.0
- wine-growing zone B : 2.5
- wine-growing zone C I : 2.0
- wine-growing zone C II : 2.0
- wine-growing zone C III : 2.0

The limit referred to in the previous subparagraph for wine-growing zones A is raised to 4° until 31 January 1980 for products produced in production areas to be determined and originating from red vine varieties to be determined.

2. In years when climatic conditions have been exceptionally unfavourable the alcoholic strength provided for in the third subparagraph of paragraph 1 may be increased to the following level :

- wine-growing zone A : 4°
- wine-growing zone B : 3.5°

The limit referred to in the first indent of the preceding subparagraph shall be increased to 4.5° until 31 January 1980 for products coming under the fourth subparagraph of paragraph 1.

3. The wine-growing zones referred to in this Article are set out in Annex III to this Regulation. They shall be demarcated by the Council, acting in accordance with the voting procedure laid down in Article 43(2) of the Treaty on a proposal from the Commission.

4. Detailed rules for the application of this Article, and in particular the decision authorizing the increases provided for in paragraph 2, shall be adopted in accordance with the procedure laid down in Article 7 of Regulation No 24."

N. ARTICLE 22 OF THE PROPOSAL FOR AMENDING ARTICLE 24 OF REGULATION (EEC) No 816/70 IS REPLACED BY THE FOLLOWING :

The text of Article 24 of Regulation (EEC) No 816/70 is replaced by the following :

"Article 24

1. The overpressing of grapes, whether or not crushed, and the pressing of wine lees shall be prohibited, as also the refermentation of grape marc for purposes other than distillation.

2. Except by way of derogation decided by the Council, acting in accordance with the voting procedure laid down in Article 43 (2) of the Treaty on a proposal from the Commission, any natural or legal person who turns into wine fresh grapes, grape must, grape must in fermentation or new wine still in fermentation shall be required to distill the wine lees and grape marc which result from the process or, failing that, a corresponding quantity of wine.
  
3. The quantity of alcohol contained in products delivered for distillation in accordance with paragraph 2 shall be 10 % at most of the volume of alcohol contained naturally in the products used for the production of the wine. The assesment of that volume shall be made on the basis of a standard natural minimum alcoholic strength laid down for each wine-growing year in each wine-growing zone.
  
4. Those subject to the requirement of distillation referred to in paragraph 2 may, in certain conditions, be relieved of this requirement by virtue of using the lees, the marc or where appropriate, the wine concerned ;
  - to produce potable spirits, or by using the wine
  - for the vinegar manufacturing industry.
  
5. The Council, acting in accordance with the voting procedure laid down in Article 43(2) of the Treaty on a proposal from the Commission, shall adopt provisions concerning the distillation of the products concerned and in particular :
  - the price to be paid, according to their alcoholic content, for marc, lees and any wine delivered for distillation, such price not to exceed a level equivalent to the withdrawal price referred to in Article 2(a) ;
  - the share of the cost to be borne by the intervention agencies and to be financed by the European Agricultural Guidance and Guarantee Fund, Guarantee Section ;
  - detailed rules governing the application of the provisions of paragraph 4 ;
  - measures to be taken for the disposal of the products thus obtained.

Under the same procedure the Council may exempt certain production regions from the obligation laid down in paragraph 2.

6. Detailed rules for the application of this Article and in particular the standard natural alcoholic strength referred to in paragraph 3 shall be adopted in accordance with the procedure laid down in Article 7 of Regulation No 24.

0. ARTICLE 24 OF THE PROPOSAL FOR AMENDING ARTICLE 27 OF REGULATION (EEC) No 816/70 IS MODIFIED AS FOLLOWS :

1. Paragraph 4 is replaced by the following :

"4. The first subparagraph of paragraph 4 is replaced by the following :

"These products may not undergo alcoholic fermentation within the geographical territory of the Community, except by derogation to be decided by the Council, acting in accordance with the voting procedure laid down in Article 43(2) of the Treaty.

Apart from exceptions to be determined, a wine suitable for yielding a table wine may not be put on the market. The enrichment of a wine suitable for yielding a table wine and the coupage of such a wine with a table wine with the aim of increasing its actual alcoholic strength up to the level laid down for a table wine may only take place in the premises of the wine maker.

2. The following is inserted after paragraph 4 :

"5. The following is inserted after paragraph 4 :

4a. Table grapes belonging to varieties not listed as wine grapes in the classification of vine varieties for the administrative unit in which they originate may not be used to produce table wines. Subject to appropriate controls Member States may authorize the vinification of table grapes :

- to produce wine for consumption in the family of the producer;
  - to produce products not falling within Heading 22.05 of the CCT.
- In addition these grapes may be vinified without being enriched, on condition that the wine produced is delivered for distillation. The price to be paid for this wine, according to its alcoholic content, is the price fixed in accordance with Article 24(7), first indent."

P. THE FOLLOWING ARTICLE IS ADDED TO THE PROPOSAL FOR AMENDING REGULATIONS (EEC) No 816/70 and No 817/70 :

"Article 26 a

The following paragraph is inserted in Article 30 of Regulation (EEC) No 816/70 :

3a. Each Member State shall ensure the control and protection of designated table wines in accordance with the provisions of this Article."

Q. ARTICLE 25 OF THE PROPOSAL FOR AMENDING ARTICLE 28 OF REGULATION (EEC) No 816/70 IS AMENDED AS FOLLOWS : (x)

1. Paragraph 1 is replaced by the following:

"1. The products referred to in Article 1(2)(a) and (b) may only be imported if the following conditions are fulfilled :

a) in respect of all the abovementioned products :

- if they correspond to the provisions governing the production, the marketing and, should such be the case, the delivery for direct human consumption in the non-member countries in which they originate, and proof of fulfillment of this condition is furnished in the form of a certificate issued by a competent body, included on a list to be adopted, in the non-member country in which the product originates ;
- if they have not been subjected to prohibited processes to be determined ;
- if they are accompanied by an analysis report drawn up by a body or service designated by the non-member country in which the product originates.

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(x) The adoption of these provisions will necessitate a revision of Regulation (EEC) No 1599/71 and No 1770/72.

- b) for wines intended for direct human consumption other than liqueur wines provided that :
  - they have an actual alcoholic strength of not less than 9.5° and a total alcoholic strength not exceeding 15° ;
  - they have a total acidity content expressed in tartaric acid of not less than 4.5 g per litre or 60 milliequivalents per litre ;
  - they have a volatile acid content of less than 19 milliequivalents per litre."

2. The following paragraph is inserted after paragraph 1:

1(a) The Council, acting in accordance with the voting procedure laid down in Article 43(2) of the Treaty on a proposal from the Commission, shall adopt general rules for the application of paragraph 1.

According to the same procedure provision may be made that :

- (a) certain imported wines designated by a geographical description may be delivered for direct human consumption,
  - as regards the wines referred to in paragraph 1(b) if their actual alcoholic strength amounts to at least 8.5° or their total alcoholic strength exceeds 15° without any enrichment,
  - as regards imported liqueur wines if their total alcoholic strength amounts to at least 16°.
- (b) certain products referred to in paragraph 1 transported in limited quantities and packed in small containers shall be exempt from the submission of the certificate and the analysis report provided for in subparagraph (a) of paragraph 1."

3. Paragraph 2 is replaced by the following :

"2. The first subparagraph of paragraph 2 is replaced by the following :  
 "Imported fresh grapes, imported grape must, imported concentrated grape must, imported partially fermented grape must, imported grape must with fermentation arrested by the addition of alcohol, imported grape juice, and imported concentrated grape juice may not be turned into wine nor added to wine. These products may not undergo alcoholic fermentation within the geographical territory of the Community except by derogation to be decided by the Council, acting in accordance with the voting procedure laid down in Article 43(2) of the Treaty."

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R. THE TEXT OF ITEM 5 OF ARTICLE 31 OF THE PROPOSAL FOR AMENDING ANNEX II OF REGULATION (EEC) No 816/70 IS REPLACED BY THE FOLLOWING :

"10; Table wine : wine, other than quality wine p.s.r., which :

- is derived exclusively from vine varieties referred to in Article 17(a) ;
- is produced in the Community ;
- has, following application, if any, of the processes specified in Article 19, an actual alcoholic strength of not less than 9.5° and a total alcoholic strength of not more than 15° ;
- has, furthermore, a total acidity content expressed as tartaric acid of not less than 4.5 grammes per litre, or 60 milliequivalents per litre.

However, in the case of wines :

- from certain wine-growing areas to be determined which have been produced without any enrichment and no longer contain more than 5 grammes of residual sugar, the upper limit for the total alcoholic strength may be raised to 17° ;
- from zones A and B, with a total alcoholic strength of not less than 9° and designated in accordance with Article 30(2) and (3), the lower limit for the actual alcoholic strength may not be less than 8.5°.