COMMISSION OF THE EUROPEAN COMMUNITIES



Brussels, 03.09.1997 COM(97)423 final

97/0226 (CNS)

Proposal for a

COUNCIL REGULATION (EC)

amending Regulation (EEC) No 1442/88 on the granting, for the 1988/89 to 1997/98 wine years, of permanent abandonment premiums in respect of wine-growing areas

(presented by the Commission)



EXPLANATORY MEMORANDUM

The purpose of this proposal for a Regulation is to facilitate the application of the permanent abandonment premium scheme in all wine-growing regions in Germany, in particular as a result of the amendment adopted by the Council on 30 July 1996.

- 1. The number of hectares allocated to Germany (50 ha) has proved to be too small, preventing distribution in line with the requirements of the various wine-growing regions.
- 2. In order to achieve the objectives of the Regulation and in view of the fact that this market improvement measure has proved to be very effective, it is proposed to increase the number of hectares allocated to Germany by 950.
- 3. In order not to increase the maximum total area laid down in the Regulation, the area allocated to Spain will be reduced by 950 ha.

Proposal for a

COUNCIL REGULATION (EC) No

of

amending Regulation (EEC) No 1442/88 on the granting, for the 1988/89 to 1997/98 wine years, of permanent abandonment premiums in respect of wine-growing areas

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament¹,

Having regard to the opinion of the Economic and Social Committee²,

Whereas the limit of 25 000 ha laid down in point (a) of the second subparagraph of Article 1(1) of Council Regulation (EEC) No 1442/88³ for each of the last two wine years will not be reached as a result of the fact that some Member States have abandoned application of the scheme and others have applied it to a very limited extent only;

Whereas the number of hectares allocated to Germany (50 ha) has proved to be too small, preventing distribution in line with the requirements of the various wine-growing regions; whereas, therefore, that number of hectares should be increased in order to attain the objectives of the scheme,

HAS ADOPTED THIS REGULATION:

¹ Opinion delivered on ...

Opinion delivered on ...

OJ No L 132, 28.5.1988, p. 3. Regulation as last amended by Regulation (EC) No 534/97 (OJ No L 83, 25.3.1997, p. 2.)

Article 1

In point (a) of the second subparagraph of Article 1(1) of Regulation (EEC) No 1442/88:

"13 000" " allocated to Spain is replaced by "12 050" and "50" allocated to Germany is replaced by "1 000".

Article 2

This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Communities.

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

Done at

For the Council

FINANCIAL STATEMENT

1. **BUDGET HEADING: 16** APPROPRIATIONS: ECU 862.8 million ECU 2. TITLE: Proposal for a Council Regulation amending Regulation (EEC) No 1442/88 on the granting, for the 1988/89 to 1997/98 wine years, of permanent abandonment premiums in respect of wine-growing areas. 3. **LEGAL BASIS:** Article 43 of the Treaty AIMS: To increase the number of hectares allocated to Germany for application of the permanent abandonment premium scheme for wine-growing areas FINANCIAL IMPLICATIONS PERIOD OF 5. **CURRENT FOLLOWING** 12 MONTHS **FINANCIAL FINANCIAL** YEAR (97) YEAR (98) (ECU million) (ECU million) (ECU million) 5.0 **EXPENDITURE** - CHARGED TO THE EC BUDGET 11.5 7.5 11.5 (REFUNDS/INTERVENTION) NATIONAL AUTHORITIES - OTHER 5.1. **REVENUE** OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) NATIONAL 1999 2000 2001 2002 **ESTIMATED EXPENDITURE** 5.0.1 **ESTIMATED REVENUE** 5.1.1 5.2 METHOD OF CALCULATION: See Annex CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE 6.0 YES/NO RELEVANT CHAPTER OF THE CURRENT BUDGET? 6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE YES/NO **CURRENT BUDGET?** WILL A SUPPLEMENTARY BUDGET BE NECESSARY? YES/NO 6.2 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY? YES/NO 6.3 **OBSERVATIONS:** The expenditure will be offset by savings resulting from the fact that some Member States have abandoned application of the scheme and others have applied it to a limited extent only.

ANNEX TO THE FINANCIAL STATEMENT

1.000 ha x ECU 11.900/ha x 1.019 (DR) = ECU 12.1 million ECU - 50 ha x ECU 11.900/ha x 1.019 (DR) = - ECU 0.6 million ECU

Difference:

ECU 11.5 million ECU

for each of the two wine years 1996/97 and 1997/98

of which (in ECU million):

For the wine year	In financial year			
	1997	1998	1999	Total
1996/97	65% = 7.5	35% = 4	-	11.5
1997/98	•	65% = 7.5	35% = 4	11.5
Total	7.5	11.5	4	23

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