

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(74) 1040 final
Brussels, 3 July 1974

Proposal for a

REGULATION (EEC) OF THE COUNCIL

concerning aid for the transportation of
quality wines p.s.r. in wine-growing zone A.

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

At the Council Meeting of 16/17 June 1974, during the discussion on the market in wine, and in particular on distilling and re-storing, the German Delegation drew attention to the particular situation of German quality wines.

As a result of the record harvest of 1973 the stocks of quality wines in Germany are far above the normal level. In view of this situation it appears justified to institute measures to transport these wines in order to ensure that there will be room for the new wine harvest.

FINANCIAL EFFECT

The enclosed draft regulation provides for aid during a limited period for the transportation of quality wines p.s.r. originating in Wine-growing zone A. This is an intervention measure under Article 33 of Council Regulation (EEC) No 816/70 justified by the surplus resulting from the 1973 harvest and the limited storage available.

The costs of this measure are estimated at 1.500.000 u.s. They are entered in Article 691 of the 1974 Budget of the European Communities.

Article 691	<u>Appropriations</u>	<u>Expenditure</u>
1973		8.703.297
1974	37.300.000	190.080 (January to March 1974)

An examination of expenditure of the Guarantee section suggests that, particularly in this sector, expenditure in 1974 is likely to reach 80 000 000 u.s. (including the financial effect of the proposed measure).

In view of the proposed appropriation for this sector, additional expenditure of 40 000 000 u.s. must be provided for. This extra amount, which comes under the general appropriations of the Guarantee section (and is in fact confirmed by the latest expenditure position), calls for a transfer of funds between chapters.

Proposal for a
REGULATION (EEC) N° /74 OF THE COUNCIL
of
concerning aid for the transportation of quality
wines p.s.r. in wine-growing zone A.

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 816/70⁽¹⁾ of 28 April 1970 laying down additional provisions for the common organisation of the market in wine, as last amended by Regulation (EEC) no 2592/73⁽²⁾, and in particular Article 33 (2) thereof;

Having regard to the proposal from the Commission,

Whereas Article 33 of Regulation (EEC) n° 816/70 provides that intervention measures may be taken in respect of wines other than table wines in order to support the market in table wines;

Whereas there has been a general slump in the prices of quality wines p.s.r. as a result of the abundant 1973 harvest in wine-growing zone A, particularly of quality wines p.s.r., thereby causing a drop in the prices quoted for table wines from that zone;

Whereas storage capacity being limited, difficulties can be expected in storing the wine from the next harvest; whereas this situation is already depressing the table wine prices; whereas in order to remedy the situation provision should be made for aid for/ the transportation of the wine concerned; whereas action in respect of table wines would be inadequate, since these represent only a small part of the 1973 harvest; whereas provision should therefore be made for/ transporting quality wines p.s.r. from wine-growing zone A;

HAS ADOPTED THIS REGULATION :

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

(2) OJ No L 269, 26 September 1973 ,p. 1

Article 1

At the request of those concerned aid shall be granted for the transportation to other storage localities for 1973 harvest quality wines p.s.r. originating in zone A carried out between 1974 and 1974.

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 Brussels,

For the Council,
The President,