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E.C. ADOPTS REGULATION FACILITATING WINE TRADE

The European Community recently adopted a regulation which will facilitate the import into the Community of wines from the United States. The regulation, which simplifies certification procedures, is the latest step in the implementation of an E.C.-U.S. agreement signed in July 1983.

This action follows two other measures taken last year in a similar spirit:

—A regulation concerning the harmonization of wine practices between the U.S. and the E.C.;

—A reduction to zero of the compensatory charges levied by the E.C. on imports of bottled wines, including those from the U.S.

In 1973, shortly after the Community had put in place common rules for wine, technical discussions began at the request of the U.S. Government with the E.C. Commission in an attempt to harmonize E.C. and U.S. regulations. These discussions culminated in the 1983 agreement, leading to progressive legislative changes on both sides of the Atlantic. According to the Honorable John Walker, then Assistant Secretary to the Treasury, "talks between the U.S. and the Community have enabled U.S. wine exports to expand from a few thousand gallons to more than two million gallons annually....These bilateral commitments will ensure future market opportunities for the U.S. and offer significant opportunities for trade expansion."

The United States is now completely free to export its wine to the E.C. In fact, in recent years U.S. wine exports to the E.C. increased in spite of the high dollar. The European market became a major market for the U.S. wine industry, growing from 3.5 percent of total U.S. exports in 1978 to 22.5 percent in 1984.

The Commission believes that this decision will help those who are resisting protectionist pressures on both sides of the Atlantic, so that trade can continue to be developed on a mutually beneficial basis.