

EUROPEAN PARLIAMENT

Working Documents

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REPORT

drawn up on behalf of the Committee on Agriculture

on the proposals from the Commission of the European Communities to the Council for regulations amending

- I. Regulation (EEC) No. 456/80 on the granting of temporary and permanent abandonment premiums in respect of certain areas under vines and of premiums for the renunciation of replanting (Doc. 1-1209/82 - COM(82) 890 final)

- II. Regulation (EEC) No. 458/80 on collective projects for the restructuring of vineyards (Doc. 1-1204/82 - COM(82) 887 final)

Rapporteur: Mr C. DELATTE

PE 83.247/fin.

By letter of 28 January 1983, the President of the Council of the European Communities requested the European Parliament, pursuant to Article 43 of the Treaty, to deliver an opinion on the proposals from the Commission of the European Communities to the Council amending

- I. Regulation (EEC) No. 456/80 on the granting of temporary and permanent abandonment premiums in respect of certain areas under vines and of premiums for the renunciation of replanting
- II. Regulation (EEC) No. 458/80 on collective projects for the restructuring of vineyards.

On 7 February 1983, the President of the European Parliament referred this proposal to the Committee on Agriculture as the committee responsible and to the Committee on Budgets for its opinion on the first proposal only.

At its meeting of 10 February 1983, the Committee on Agriculture appointed Mr DELATTE rapporteur.

The Committee on Agriculture considered the Commission's proposals and the draft report at its meetings of 21 and 22 March 1983.

At the same meeting it decided unanimously to recommend to Parliament that it approve the Commission's proposals without amendment.

It then unanimously adopted the motion for a resolution.

The following took part in the vote: Mr Curry, chairman; Mr Früh, vice-chairman; Mr Delatte, vice-chairman and rapporteur; Mr Abens (deputizing for Mr Vernimmen), Mr Barbagli (deputizing for Mr Ligios), Mr Battersby, Mrs Cassanmagnago Cerretti (deputizing for Mr Diana), Mr Davern, Mr Gautier, Mr Giavazzi (deputizing for Mr Colleselli), Mr Goerens (deputizing for Mr Maher), Mrs Herklotz, Mr Jürgens, Mr Maffre-Baugé, Mrs Martin, Mr Nielsen, Mr d'Ormesson, Mrs Pery (deputizing for Mr Thareau), Mr Provan and Mr Woltjer.

This report was tabled on 23 March 1983.

The opinion of the Committee on Budgets will be published separately.

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The Committee on Agriculture hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

closing the procedure for consultation of the European Parliament on the proposals from the Commission of the European Communities to the Council for regulations amending

1. Regulation (EEC) No. 456/80 on the granting of temporary and permanent abandonment premiums in respect of certain areas under vines and of premiums for the renunciation of replanting
2. Regulation (EEC) No. 458/80 on collective projects for the restructuring of vineyards

The European Parliament,

- having regard to the Commission's proposals to the Council (COM(82) 890 final and COM(82) 887 final¹),
 - having been consulted by the Council pursuant to Article 43 of the EEC Treaty (Docs 1-1209/82 and 1-1204/82),
 - having regard to the report of the Committee on Agriculture and the opinion of the Committee on Budgets (Doc. 1-92/83),
 - having regard to the outcome of the voting on the Commission's proposals,
1. Approves the Commission's proposal amending Regulation (EEC) No. 456/80;
 2. Also expresses agreement with the proposed amendment to Regulation (EEC) No. 458/80;
 3. Calls on the Commission to propose immediately the extension of Directive 78/627/EEC which is due to expire in June 1983, in view of the fact that the problems of wine-growing in the Languedoc-Roussillon area require long-term solutions;
 4. Instructs its President to forward to the Council and the Commission, as Parliament's opinion, the Commission's proposal as voted by Parliament and the corresponding resolution.

¹ OJ No. C18 of 22.1.83, p.8 and
OJ No. C27 of 2.2.83, p.10

EXPLANATORY STATEMENTI. INTRODUCTION

1. The Commission's proposals which the European Parliament has been asked to consider amend two regulations adopted by the Council on 18 February 1980 and forming part of the action programme 1979-1985 for the progressive establishment of balance on the market in wine¹.

Parliament delivered an opinion on this programme at its sitting of 15 December 1978², on the basis of a report drawn up by the Committee on Agriculture³.

2. This action programme comprises:

- the granting of temporary and permanent abandonment premiums in respect of certain areas under vines and of premiums for the renunciation of replanting (Regulation (EEC) No. 456/80);
- a system of premiums for the cessation of wine-growing in France and Italy (Regulation (EEC) No. 457/80);
- a plan for restructuring vineyards by means of collective projects (Regulation (EEC) No. 458/80).

It supplements the measures already adopted within the framework of

- Directive 78/627/EEC⁴ on the programme to accelerate the restructuring and conversion of vineyards in certain Mediterranean regions in France (mainly Languedoc-Roussillon);
- Directive 79/359/EEC⁵ on the programme to speed up the conversion of certain areas under vines in the Charentes departments.

In addition, the programme continues by means of Regulation (EEC) No. 456/80 the measures adopted for three earlier wine years within the framework of Regulation (EEC) No. 1163/76⁶ on the granting of a conversion premium in the wine sector.

¹ OJ No. L 57 of 29 February 1980

² OJ No. C 6 of 8 January 1979, p 66

³ Doc. 496/78 - Rapporteur : Mr Ferruccio Pisoni

⁴ OJ No. L 206 of 29 July 1978, p 1

⁵ OJ No. L 85 of 5 April 1979, p 34

⁶ OJ No. L 135 of 24 May 1976, p 34

II. INTERIM PROGRESS REPORT ON CONVERSION AND RESTRUCTURING MEASURES

3. The measures carried out to date in pursuance of these regulations and directives may be summed up as follows:

Regulation (EEC) No. 1163/76

The regulation provided for the granting of a premium, for the 1976/77, 1977/78 and 1978/79 wine years, for the conversion of areas planted with wine grape, table grape or vine stock varieties to other crops excepting certain fruit trees.

Implementation figures are at present as follows:

	Number of beneficiaries	Areas concerned (in ha)	Amount of aids (in ECU)	Refund from EAGGF=50% (in ECU)
FRANCE	35,708	43,540.8983	61,346,294	30,673,147
ITALY	16,888	21,563.3968	20,356,280	10,178,140
BELGIUM	233	13.6464	32,946	16,473
TOTAL	52,829	65,117.9415	81,735,520	40,867,760

(For Italy, the above figures can be regarded as referring to approximately half the operations)

Directive 78/627/EEC

The directive provides for the restructuring of 66,000 hectares (including 44,000 in the Languedoc-Roussillon region) and the conversion after irrigation of 33,000 hectares (including 22,000 hectares in the Languedoc-Roussillon region).

Results achieved in the first two wine years of application are as follows:

Wine year	restructuring (ha)	conversion in ha	
		grubbing-up	substituted crops
79-80	1,105	769	-
80-81	2,198	4,657	3,950
Total first two wine years	3,303	5,426	3,950

It will be observed that the implementation of this programme is taking a long time. This means that the directive, which is due to expire in June 1983, must be extended.

Directive 79/359/EEC (Charentes)

The purpose of the Charentes Directive is explained in paragraph 8 below.

The following figures are available for the first two years of application :

Wine year	No. of hectares grubbed up	No. of hectares converted	No. of holdings concerned
1979-1980	1,031	-	815
1980-1981	2,242	2,242	1,522
Total first 2 wine years	3,273	2,242	2,337

(The total area envisaged is 7,500 hectares)

Regulation (EEC) No. 456/80

Results for the first year of application were as follows:

FRANCE	No. of beneficiaries	Area (ha)	Amount of aids (in FF)	Refund from EAGGF (in FF)
Temporary abandonment	281	592,4557		
Permanent abandonment	524	1,376.2637		
Renunciation of replanting	417	766.0468		
Total	1,222	2,734.7662	30,542.624	12,217.049.60

ITALY

Italy has not submitted any request for reimbursement for 1982. The estimates for 1983 refer to national expenditure amounting to 30,800 million Liras.

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Regulation (EEC) No. 458/80

The amount of aid granted by the EAGGF, Guidance Section, for the first tranche for 1982 is divided as follows:

	No. of projects	Quality wines psr (ha)		Table wines (ha)	
		Area planted or replanted	of which newly planted	Area planted or replanted	of which newly planted
France	23	7,975.0	638.5	4,690.5	164.5
Italy	6	991.5	30.0	1,028.5	-
Total	29	8,966.5	668.5	5,719.0	164.5

For the second tranche, the requests are as follows:

France	: quality wines psr	=	29,363 ha
	table wines	=	6,245 ha
Germany	: quality wines psr	=	834 ha
Italy	: quality wines psr	=	1,865 ha
	table wines	=	800 ha

(The total area to be restructured under the Community provisions is 240,000 hectares.)

III. CHARACTERISTICS OF WINE-GROWING IN THE COMMUNITY

4. The total area under vines in the Community in 1979/80 amounted to 2,437,867 hectares (excl. Greece), divided as follows:

Germany	:	99,129 hectares
France	:	1,177,771 "
Italy	:	1,159,678 "
Luxembourg	:	1,282 "

The area under vines in Greece can be estimated at 163,000 hectares.

During the same wine year, the figure for new planting was 6,578 hectares, for replanting, 31,395 hectares, and for grubbing-up, 50,180 hectares.

5. In Germany there has been a decrease in the total area under vines compared with the previous wine-year (from 102,125 hectares to 99,129 hectares) largely due to the interruption of new planting.

In France, the area under vines continues to diminish at a slower rate (-17,127 hectares compared with the previous wine year).

The rate of renewal of the vineyards which has fallen to 1.33%, means that they are ageing (average life-span : 75 years) and their production capacity is diminishing.

In Italy the decrease in total area, which began in the 1977/78 wine year, has continued. During the 1979/80 wine year, the total area decreased by 9,124 hectares. The rate of renewal of the vineyards, only 1.08% represents an average life-span of a little over 92 years.

In Luxembourg the area under vines has remained constant. The renewal rate, 3.4%, guarantees a high yield capacity.

6. At Community level, the total area has decreased by more than 29,000 hectares, that is, a drop of 1.2% of the total area. From the 1976/77 wine year onward, during which the provisions relating to the cessation of wine-growing and the aids for conversion of vineyards entered into force for table wines, the total surface area in the Community planted with wine grape varieties decreased by 5.2%. During this period, there was a very significant drop in the figures relating to the area which is not yet productive (-45.5%). The rate of renewal fell to about 1.3%, which points to the gradual ageing of the Community's vineyards.

As regards table grapes, there has been a slight increase of 0.4% at Community level. This is due to a substantial reduction in France in the area producing table grapes (-1,387 hectares, i.e. -3.8%) coupled with an increase in such areas in Italy (+ 1,820 hectares, i.e. + 2.5%). These figures seem to indicate that, contrary to a trend in France towards a highly significant reduction in these areas, in Italy some of the area lost in previous wine years has been recuperated.

IV. ANALYSIS OF THE COMMISSION'S PROPOSALS AND CONCLUSIONS

7. The purpose of the Commission's proposals, on which Parliament's opinion has been requested, is:

- (a) in the case of the amendment of Regulation (EEC) No. 456/80, to include within its scope the Charentes region, to which a special directive¹ on conversion of vineyards applied which expired on 31 August 1982;
- (b) in the case of the amendment of Regulation (EEC) No. 458/80, to provide a criterion to regulate the balance between vineyards producing table wine and those producing quality wines psr, so as to maintain the objective of improving the structure of vineyards producing table wines while making provision for those producing quality wines psr.

(a) as regards Regulation No. 456/80

8. The Charentes Directive had provided for the conversion of 7,500 hectares of vineyards producing Cognac because of existing overproduction. During the period of application of the directive, conversion has been carried out on some 4,500 hectares. Therefore, in order to continue this action, the Commission proposes including the Charentes region in the scope of Regulation (EEC) No. 456/80.

9. The aid provided for under the Charentes Directive amounted to 4,000 UA per converted hectare (4,850 ECU/ha), the EAGGF refunding 50% of this sum to the French State.

Under Regulation (EEC) No. 456/80, the aid will amount to 5,440 ECU/ha, 3,922 ECU of this being for temporary abandonment premiums and 2,418 ECU for permanent abandonment premiums, with the EAGGF refunding 40%.

This should mean that 2,500 hectares are grubbed up in the course of the five wine years between 1982/83 and 1986/1987, which implies payments amounting to 5.5 m ECU from the EAGGF.

(b) as regards Regulation No. 458/80

10. Regulation (EEC) No. 458/80 provided, over a period of seven wine years, for measures to improve the basic structure of vineyards in respect of 240,000 hectares of replanted or newly planted vineyard. The aid for restructuring granted by the Member State concerned is between 2,418 and 3,022 ECU/ha (2,418 ECU/ha for new plantings), the EAGGF refunding 30% of the aid provided.

¹ Directive 79/359/EEC

Experience shows that the Member States' requests relate in large measure to the restructuring of vineyards producing quality wines psr, whereas the initial regulation had been intended more for restructuring vineyards producing table wine. Consequently, the Commission proposes fixing a ceiling of 60,000 hectares for vineyards producing quality wines psr. This leaves the original objective intact, while leaving open the possibility for the Member States who wish to restructure their vineyards producing quality wines psr to do so up to a certain, reasonable limit.

11. The Committee on Agriculture draws the Commission's attention to the fact that Directive 78/627/EEC¹ - known as the Languedoc Directive - concerning the programme to accelerate the restructuring and conversion of vineyards in certain Mediterranean regions in France expires on 18 June 1983. Given that the problems of wine-growing in the Languedoc-Roussillon region are far from fully resolved, the application of this directive needs to be extended for a sufficient period. The Committee on Agriculture therefore hopes shortly to be consulted on a proposal for this purpose together with a report of action taken up to now.
12. In conclusion, the Committee on Agriculture accepts the Commission's proposals.

¹OJ No. L 206 of 29 July 1978, p 1