

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(75) 136 final

Brussels, 3 April 1975

Proposal for a
REGULATION (EEC) OF THE COUNCIL
amending Regulation (EEC) N° 1878/74 laying down, for
the 1974/75 wine-growing year, the price to be paid
for alcohol delivered to intervention agencies under
the obligation to distil the by-products of wine-making,
and the maximum amount of the contribution towards this
price by the Guarantee Section of the European Agricultural
Guidance and Guarantee Fund.

(submitted to the Council by the Commission)



EXPLANATORY MEMORANDUM

Regulation (EEC) No 1878/74 of the Council of 15 July 1974 laying down, for the 1974/1975 wine-growing year, the price to be paid for alcohol delivered to intervention agencies under the obligation to distil the by-products of wine-making, and the maximum amount of the contribution towards this price by the Guarantee Section of the European Agricultural Guidance and Guarantee Fund, has fixed the maximum amount of the contribution by the Guarantee Section of the EAGGF, taking into account the situation on the market for alcohol at that time, at 0 units of account per hectolitre/degree of alcohol.

Meanwhile, a considerable fall in prices has occurred on the market for alcohol.

Account should now be taken of this situation, the Council having declared that it would review the maximum amount of the EAGGF contribution upon a proposal from the Commission, should market conditions alter during the current wine-growing year.

FINANCIAL CONSEQUENCES

The proposed regulation provides for the fixing of the maximum amounts of the EACGF contribution as the difference between the buying-in price and selling price of the alcohol offered to intervention agencies in pursuance of Regulation (EEC) No 1873/74 (compulsory distillation of the by-products of wine-making).

The amount is fixed at 0 for alcohol of a strength of between 52° and 95° and is fixed at 0.06 u.a./hl/° for alcohol of a strength of more than 95°.

For an estimated quantity of 200 000 hl and an average strength of 96° the maximum EACGF expenditure will amount to 1.2 million u.a.

The expenditure is covered by Article 692 of the 1975 Budget of the European Communities.

<u>Budget article 692</u>	<u>Expenditure</u>	<u>Appropriations</u>
1973	2 641 500	
1974	-	token entry
1975		3 300 000

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REGULATION (EEC) No /75 OF THE COUNCIL
of

amending Regulation (EEC) No 1878/74 laying down, for the 1974/75 wine-growing year, the price to be paid for alcohol delivered to intervention agencies under the obligation to distil the by-products of wine-making, and the maximum amount of the contribution towards this price by the Guarantee Section of the European Agricultural Guidance and Guarantee Fund.

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community:

Having regard to Council Regulation (EEC) No 816/70¹ of 28 April 1970 laying down additional provisions for the common organization of the market in wine, as last amended by Regulation (EEC) No 3166/74², and in particular the second subparagraph of Article 24 (3),

Having regard to the proposal from the Commission,

Whereas Article 1 (2) of Council Regulation (EEC) No 1878/74³ of 15 July 1974 laying down, for the 1974/75 wine-growing year, the price to be paid for alcohol delivered to intervention agencies under the obligation to distil the by-products of wine-making, and the maximum amount of the contribution towards this price by the Guarantee Section of the European Agricultural Guidance and Guarantee Fund, fixed the maximum amount of the contribution by the Guarantee Section of the European Agricultural Guidance and Guarantee

¹O.J. No L 99, 5 May 1970, p. 1

²O.J. No L 338, 17 December 1974, p.1

³O.J. No L 198, 20 July 1974, p. 6

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Fund for the 1974/75 wine-growing year at 0 unit of account per hectolitre/degree of alcohol;

Whereas the market price of alcohol with a strength of more than 95 degrees of alcohol per hectolitre has recently fallen below the buying-in price fixed in Article 1 (1) of that Regulation; whereas a maximum amount of the contribution by the Guarantee Section of the European Agricultural Guidance and Guarantee Fund should therefore be fixed which will take account of that situation;

HAS ADOPTED THIS REGULATION :

Article 1

The text of Article 1 (2) of Regulation (EEC) No 1878/74 is replaced by the following :

"2. The maximum amount of the contribution by the Guarantee Section of the European Agricultural Guidance and Guarantee Fund in respect of sales to intervention agencies shall be as follows :

a) sales effected between 1 September 1974 and 31 March 1975 :

- in the case of products with an alcoholic strength of more than 52° but not more than 95°, 0 unit of account per hectolitre/degree of alcohol,

- in the case of products with an alcoholic strength of more than 95°, 0 unit of account per hectolitre/degree of alcohol;

b) sales effected between 1 April 1975 and 31 August 1975 :

- in the case of products with an alcoholic strength of more than 52° but no more than 95°, 0 unit of account per hectolitre/degree of alcohol,

- in the case of products with an alcoholic strength of more than 95°, 0.006 unit of account per hectolitre/degree of alcohol.

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