II

(Acts whose publication is not obligatory)

COUNCIL

COUNCIL DIRECTIVE

of 19 June 1978

on the programme to accelerate the restructuring and conversion of vineyards in certain Mediterranean regions in France

(78/627/EEC)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament (1),

Whereas Article 39 (2) (a) of the Treaty provides that account should be taken of the social structure of agriculture and the structural and natural disparities between agricultural regions in determining the common agricultural policy;

Whereas, to achieve the objectives of the common agricultural policy set out in Article 39 (1) (a) and (b) of the Treaty, specific measures appropriate to the situation of the least-favoured agricultural areas should be adopted at Community level;

Whereas certain Mediterranean regions of the Community are in an unfavourable situation as regards agricultural incomes and suffer from under-employment both in agriculture and in other sectors;

Whereas the Languedoc-Roussillon region and the departments of Ardèche, Bouches-du-Rhône, Var and Vaucluse are among those regions;

Whereas action should be concentrated on a basic aspect of the structural development of regional agriculture which has lasting effects on agricultural incomes;

Whereas to this end some of the vineyards of the regions concerned should be encouraged to improve the quality of their production and there should be collective action to improve the basic structures of the areas under vines;

Whereas there should be incentives for the conversion of areas under vines in locations whose suitability for wine-growing is not well established and which could be made suitable for other crops especially by joint measures to irrigate the areas previously planted with vines;

Whereas it is essential to speed up the irrigation operations referred to above by means of Community aid;

Whereas it is desirable to encourage producers to convert the areas under vines referred to above by means of special aid on a progressively diminishing scale;

Whereas the conditions and limits laid down in Articles 13 and 19 of Council Directive 72/159/EEC of 17 April 1972 on the modernization of farms (2) are not well suited to the particular structural situation of these regions;

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(1) OJ No C 108, 8. 5. 1978, p. 49.

(2) OJ No L 96, 23. 4. 1972, p. 1.

Whereas these objectives should be furthered by way of a multipurpose measure covering all the areas requiring restructuring and all the areas previously planted with vines requiring irrigation in these regions and constituting a programme extending over several years;

Whereas it follows from the foregoing that the measures referred to constitute a common measure within the meaning of Article 6 of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy (1), as last amended by Regulation (EEC) No 2788/72 (2);

Whereas it is for the Commission, after receiving the opinion of the Standing Committee on Agricultural Structure, to approve a programme put forward by the French Republic,

HAS ADOPTED THIS DIRECTIVE:

Article 1

With a view to increasing agricultural incomes in the Languedoc-Roussillon region and the departments of Ardèche, Bouches-du-Rhône, Var and Vaucluse, hereinafter referred to as 'the regions concerned', by improving the basic structures both of the areas under vines and of the wine-growing areas to be converted, thus contributing to the modernization of farms, a common measure within the meaning of Article 6 (1) of Regulation (EEC) No 729/70, to be implemented by the French Republic, shall be introduced for the purpose of accelerating the restructuring of some of these vineyards and the conversion of others.

Article 2

1. The conditions and limits laid down in Articles 13 (2) and 19 (2) and (3) of Directive 72/159/EEC shall not apply to joint operations covered by this common measure.

2. The Community's financial contribution may be used only in the framework of a programme applying to all the areas requiring restructuring and all the areas under vines requiring conversion in the regions concerned.

Such a programme shall be presented to the Commission by the French Republic.

3. The programme shall be examined and approved after consultation with the European Agricultural Guidance and Guarantee Fund (hereinafter referred to as 'the Fund') Committee on the financial aspects, in accordance with the procedure laid down in Article 18 (2) and (3) of Directive 72/159/EEC.

Article 3

1. The programme referred to in Article 2 shall include the following information :

(a) in respect of operations to restructure areas under vines:

— the number of hectares under vines which are to be restructured under the programme,

— the location of the areas to be restructured and the timetable for the work,

— the criteria concerning the suitability of these areas for the production of good quality table wine,

— the nature of collective rules designed to ensure that the restructuring operations are effective,

— the measures for the replanting of vineyards, with indication of the recommended varieties used, as laid down in Community rules,

— the minimum conditions for improving basic structures, in particular by reparcelling and by standardizing the direction and spacing of the vine rows,

— provisions ensuring that vineyards can be created within these areas only through replanting. For the purpose of this Directive, replanting means the creation of a vineyard after the grubbing up of vines not more than four years previously on an equivalent area within each area to be restructured,

— provisions ensuring that restructuring operations will not involve an extension of wine-growing areas,

— nature and amount of the aid envisaged; estimate of the cost of this programme,

— the quantitative and qualitative objectives of these operations in the light of the existing situation;

(b) in respect of operations to convert vineyards:

(1) OJ No L 94, 28. 4. 1970, p. 13.
(2) OJ No L 295, 30. 12. 1972, p. 1.

— the number of hectares previously under vines no longer to be used for wine-growing after conversion and the number which are to be irrigated under the programme,

— location of these areas and a timetable of the work, particularly as regards the sequence of grubbing operations and of irrigation operations,

— evidence that wine-growing is not well established in these areas and that they are suitable for other crops,

— any incentives provided for the conversion of the areas referred to above, in the form of a single special grant; the amount of this grant will be reduced from the third year onward,

— the nature and amount of public expenditure on irrigation operations and of the aid envisaged; an estimate of the cost of this programme,

— the quantitative and qualitative objectives of these operations in the light of the existing situation;

(c) the arrangements which will be made so that the Community's financial contribution towards investments relating to the processing and marketing of agricultural products, as provided for in Council Regulation (EEC) No 355/77 of 15 February 1977 on common measures to improve the conditions under which agricultural products are processed and marketed [1], as amended by Regulation (EEC) No 1361/78 [2], can be used in the first instance to promote improvements in the quality of wine production in the regions concerned and to promote crops produced in conversion areas;

(d) documented estimates of public expenditure in the regions concerned in the fields referred to under (a) and (b) showing the complementary nature of the Community participation.

2. Appropriate measures shall be taken by the French Republic to ensure that no public works are carried out for the irrigation of vineyards in the regions concerned. Derogations may be made in regions covered by the restructuring operations referred to in 1 (a), in accordance with the procedure laid down in Article 2 (3), provided that irrigation be restricted to a certain period of growth and be necessary for the production of a table wine of improved quality or of a 'vin délimité de qualité supérieure' (VDQS) and to obtain a normal yield.

(1) OJ No L 51, 23. 2. 1977, p. 1.
(2) OJ No L 166, 23. 6. 1978, p. 9.

Article 4

1. The following expenditure incurred by the French Republic under the programme referred to in Article 2 shall be eligible for aid from the Guidance Section of the Fund:

— public expenditure on the restructuring of areas under vines, as referred to in Article 3 (1) (a) at a flat rate of 2 600 units of account per restructured hectare up to a maximum of 66 000 hectares including 44 000 hectares in the Languedoc-Roussillon region,

— expenditure on public hydraulic works, as referred to in Article 3 (1) (b) and not yet started, up to a maximum of 33 000 hectares, including 22 000 hectares in the Languedoc-Roussillon region,

— expenditure related to the special conversion grant referred to in the fourth indent of Article 3 (1) (b) provided that it does not exceed 2 000 units of account per converted hectare and is reduced by at least 10% each year from the third year onward.

However, the expenditure incurred by the French Republic in the course of 1978 for the measures taken under Article 3 (1) (a) not coming within the framework of the programme referred to in Article 2 may be reimbursed.

2. The Fund, Guidance Section, shall reimburse to the French Republic 35% of the eligible expenditure referred to in the first and second indents of paragraph 1 and 50% of the eligible expenditure referred to in the third indent of that paragraph.

However, the amount of eligible expenditure referred to in the second indent of paragraph 1 may not exceed 2 000 units of account per irrigated hectare previously planted with vines.

Article 5

1. The duration of the measure shall be five years from the date of notification of this Directive.

2. The total estimated share of the cost of the common measure chargeable to the Fund shall be 105 million units of account for the entire period.

Article 6

When the programme referred to in Article 2 (3) is being approved, the Commission shall, in agreement with the French Republic, determine the manner in which it shall be kept informed of the progress of the programme. The French Republic shall at the same time

designate the bodies responsible for technical execution of the programme.

Article 7

1. Requests for reimbursement shall relate to expenditure incurred by the French Republic during one calendar year and shall be presented to the Commission before 1 July of the following year.

2. Aid from the Fund shall be decided upon in accordance with Article 7 (1) of Regulation (EEC) No 729/70.

3. Advance payments may be granted by the Fund on the basis of the rules on financing adopted by the French Republic and in the light of the progress of the projects.

4. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 13 of Regulation (EEC) No 729/70.

Article 8

This Directive is addressed to the French Republic.

Done at Luxembourg, 19 June 1978.

For the Council

The President

P. DALSAGER