COUNCIL REGULATION (EEC) No 1675/77

of 19 July 1977

amending Regulation (EEC) No 1931/76 as regards the detailed rules for payments concerning the distillation of wines

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 of 28 April 1970 laying down additional provisions for the common organization of the market in wine (1), as last amended by Regulation (EEC) No 528/77 (2), and in particular Articles 6b (3), 6c (3), 24a (5) and 24b (3) thereof,

Having regard to the proposal from the Commission,

Whereas Article 3 (1) of Council Regulation (EEC) No 1931/76 of 20 July 1976 laying down general rules governing the distillation of wines provided for in Articles 6b, 6c, 24a and 24b of Regulation (EEC) No 816/70 (3), as amended by Regulation (EEC) No 2688/76 (4), provides that the intervention agency shall pay producers, within two weeks of approval of the contract to supply wines, an amount equal to 30 % of the minimum buying-in price, to be deducted from the aid ;

Whereas the application of this provision has revealed the risk that this amount may be collected by producers who do not subsequently abide by the undertaking to carry out distillation ; whereas for this reason the mechanism for payment of the aid should be changed to avoid the intervention agencies having to recover under difficult conditions amounts improperly paid ;

Whereas it should be specified that, where the amount of the aid does not reach 30 % of the minimum buying-in price, the advance to be paid by the intervention agency to the producer should be limited to the amount of the aid,

HAS ADOPTED THIS REGULATION :

Article 1

Article 3 of Regulation (EEC) No 1931/76 shall be replaced by the following :

'Article 3

1. When the total quantity of wine in the contract enters the distillery, the distiller shall pay the producer at least the difference between the minimum buying-in price referred to in Article 1 (2) (b) and the aid provided for in Article 2.

2. Within two weeks of entry into the distillery of the total quantity of wine in the contract, the intervention agency shall pay the producer an amount equal to 30 % of the minimum buying-in price referred to in Article 1 (2) (b) to be deducted from the aid provided for in Article 2. In no case may this amount be greater than the said aid.

3. When proof is supplied that the total quantity of wine in the contract has been distilled, the intervention agency shall pay the producer the difference between the aid provided for in Article 2 and the amount referred to in paragraph 2.

4. Member States may provide that the amount referred to in paragraph 2 shall be paid :

— by the intervention agency to the producer within two weeks of approval of the contract,

— by the distiller.

In the latter case the intervention agency shall reimburse this amount to the distiller when the proof referred to in paragraph 3 is supplied.

5. Where distillation takes place in a Member State, other than the Member State where the producer is located, the minimum buying-in price referred to in Article 1 (2) (b) shall be paid by the distiller.

6. By way of derogation from paragraphs 1 to 4, the minimum buying-in price may be paid by the intervention agency or the distiller in one payment after distillation of the total quantity of wine appearing in the contract.'

Article 2

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities.*

(1) OJ No L 99, 5. 5. 1970, p. 1.
(2) OJ No L 69, 16. 3. 1977, p. 1.
(3) OJ No L 211, 5. 8. 1976, p. 5.
(4) OJ No L 304, 6. 11. 1976, p. 2.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 19 July 1977.

For the Council

The President

A. HUMBLET