COMMISSION REGULATION (EEC) No 2186/79

of 5 October 1979

laying down detailed rules for the application of the additional measures applicable to holders of long-term storage contracts for table wine for the 1978/79 wine-growing year

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 337/79 of 5 February 1979 on the common organization of the market in wine (1), as amended by Regulation (EEC) No 1303/79 (2), and in particular Article 12 (4) thereof,

Having regard to Council Regulation (EEC) No 878/77 of 26 April 1977 on the exchange rates to be applied in agriculture (3), as last amended by Regulation (EEC) No 2139/79 (4), and in particular Article 5 thereof,

Whereas the measures to support the wine market which were employed during the present wine-growing year have not in all cases given the desired results; whereas, in particular, the representative price for table wine of type A I has been lower than the activating price since December 1978; whereas the prices for types R I and R II are currently lower than the activating price; whereas the first condition required under Article 12 (1) of Regulation (EEC) No 337/79 for the adoption of additional measures applicable to holders of long-term storage contracts is therefore satisfied; whereas the second condition, namely that the representative price should remain lower than the activating price for three consecutive weeks, has been found to have been satisfied for table wine of types A I and R I; whereas it may soon be found to have been satisfied for table wine of type R II;

Whereas these measures should provide for the possibility of removing completely from the market, by distillation, a certain quantity of wine and for the possibility of delaying for several months the marketing of the remaining quantity held by holders of long-term storage contracts, in anticipation of a recovery of the market; whereas, however, this latter measure might not achieve the desired objective; whereas provision for any further measures which may be necessary should therefore be made;

Whereas the distillation provided for by this Regulation should take place in accordance with the provisions of Council Regulation (EEC) No 343/79 of 5 February 1979 laying down general rules governing certain distillation operations in the wine sector (5), as amended by Regulation (EEC) No 1709/79 (6); whereas, pursuant to Articles 1 (1) and 5 of that Regulation, time limits should be fixed for the submission of applications for approval of distillation contracts, for approval by the intervention agencies and for the distillation operations; whereas Article 2 of that Regulation specifies that aid is to be paid, the amount of which is to be fixed so as to enable the products obtained to be disposed of;

Whereas the additional information which should appear in the distillation contract should also be specified;

Whereas Article 4 of Regulation (EEC) No 343/79 provides that the aid is to be paid to the producer in two instalments; whereas payment of the second instalment should be made within a limited period, so as to enable the producer to receive the full amount of the aid quickly; whereas it should therefore be provided that such payment is to be made not later than 30 days after distillation;

Whereas technical conditions for the approval of distillers should be laid down; whereas provision should also be made for approval to be in principle withdrawn from the distiller if he defaults for reasons other than *force majeure* or inevitable accident;

Whereas the intervention agencies referred to in Article 8 of Regulation (EEC) No 343/79 and the Commission should be informed of the progress of distillation operations and should in particular be aware of the quantities of wine distilled and the quantities of alcohol obtained;

Whereas, in order to achieve the objective envisaged, storage contracts should be concluded in accordance with Commission Regulation (EEC) No 2015/76 of 13 August 1976 on storage contracts for table wine, grape must and concentrated grape must (7), as last amended by Regulation (EEC) No 2945/78 (8);

Whereas, to allow for market developments, it should be possible to terminate contracts;

(1) OJ No L 54, 5. 3. 1979, p. 1.
(2) OJ No L 162, 30. 6. 1979, p. 28.
(3) OJ No L 106, 29. 4. 1977, p. 27.
(4) OJ No L 246, 29. 9. 1979, p. 76.
(5) OJ No L 54, 5. 3. 1979, p. 64.
(6) OJ No L 198, 4. 8. 1979, p. 3.
(7) OJ No L 221, 14. 8. 1976, p. 20.
(8) OJ No L 351, 14. 12. 1978, p. 18.

Whereas, in accordance with Article 2a of Regulation (EEC) No 878/77, the new representative rates fixed by that Regulation are to be applied from 16 December 1979 for wine; whereas, however, other dates may be provided for distillation measures;

Whereas the application of the measures provided for in this Regulation extends beyond 15 December 1979; whereas it is necessary, in order to avoid any discrimination between those concerned, to provide for the application of a single representative rate for all payments relating to the distillation operations referred to in this Regulation; whereas, since the storage contracts referred to in the latter were concluded during the 1978/79 wine-growing year, the representative rates applicable at the time of its entry into force should be used and the application of the new representative rates provided for by Regulation (EEC) No 878/77 for the measures referred to in Article 12 of Regulation (EEC) No 337/79 should therefore be postponed until the expiry of the period of application of this Regulation;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Wine,

HAS ADOPTED THIS REGULATION:

Article 1

This Regulation lays down detailed rules for the application of additional measures, as provided for in Article 12 of Regulation (EEC) No 337/79, in respect of holders of long-term storage contracts for table wine for the 1978/79 wine-growing year.

Article 2

1. The period of three consecutive weeks referred to in Article 12 (1) of Regulation (EEC) No 337/79 must fall between 1 August and 30 November 1979.

2. If a decision as referred to in Article 12 (4) of Regulation (EEC) No 337/79 is taken, the holders of long-term storage contracts for the types of wine in respect of which the decision is taken and for wines in close economic relationship therewith may:

(a) in respect of a quantity of wine not exceeding a percentage to be fixed of the quantity under contract, carry out distillation in accordance with Articles 3 to 9;

(b) in respect of all or part of the quantity which is not distilled under (a), conclude, in accordance with Article 10, a storage contract for a period to be fixed.

3. Other additional measures applicable to holders of the storage contracts referred to in paragraph 2 (b) in respect of a given type of wine or a wine in close economic relationship therewith may be taken in accordance with the procedure laid down in Article 67 of Regulation (EEC) No 337/79 if the Community representative price for that type of table wines has remained lower than the activating price during the period between the date of adoption of the decision referred to in Article 12 (4) of Regulation (EEC) No 337/79 and 15 January 1980.

Article 3

1. The distillation referred to in Article 2 (2) (a) shall be carried out in accordance with the provisions of Regulation (EEC) No 343/79 and of this Regulation.

2. The wines which may be distilled are those which have been the subject of the long-term storage contract or other wines of the same type which have been produced by the holder of the storage contract. In the latter case the actual alcoholic strength of the wine may not be less than 10 % vol and the total quantity of alcohol contained in the wine may not be greater than that contained in the quantity of wine under contract which may be distilled.

Article 4

1. Applications for approval of the contracts referred to in Article 1 of Regulation (EEC) No 343/79 shall be made within 45 days of the date of expiry of the long-term contracts. However, this period shall be 60 days in the case of contracts which expired before 1 October 1979.

2. The intervention agency referred to in Article 8 of Regulation (EEC) No 343/79 shall inform the parties to the contract not later than 15 days after receiving the application for approval of a distillation contract of the result of the approval procedure.

3. Distillation shall be carried out between 1 October 1979 and 30 June 1980.

Article 5

1. The contracts referred to in Article 1 of Regulation (EEC) No 343/79 shall state:

(a) the quantity, colour and actual alcoholic strength of the wines to be distilled;

(b) the name and address of the producer;

(c) the place where the wine is stored;

(d) the name of the distiller or the distillery;

(e) the address of the distillery.

2. 'Distiller' means the person for whose account distillation is carried out.

Article 6

1. The price provided for in the second indent of Article 12 (2) of Regulation (EEC) No 337/79 shall be :

— 2·16 ECU per % vol per hectolitre in the case of table wines of type A I and in the case of those which are closely related economically to those wines,

— 2·33 ECU per % vol per hectolitre in the case of table wines of types R I and R II and in the case of those which are closely related economically to the wines of those types.

2. The amount of aid provided for in Article 2 of Regulation (EEC) No 343/79 shall be as follows :

(a) for the wines referred to in the first indent of paragraph 1 :

— 1·34 ECU per % vol per hectolitre, if the wine has been processed into a product referred to in the first indent of Article 2 (3) of that Regulation,

— 1·29 ECU per % vol per hectolitre, if the wine has been processed into a product referred to in the second indent of Article 2 (3) of that Regulation ;

(b) for the wines referred to in the second indent of paragraph 1 :

— 1·51 ECU per % vol per hectolitre, if the wine has been processed into a product referred to in the first indent of Article 2 (3) of that Regulation,

— 1·46 ECU per % vol per hectolitre, if the wine has been processed into a product referred to in the second indent of Article 2 (3) of that Regulation.

3. The payments to be made pursuant to Article 4 (1) and (3) of Regulation (EEC) No 343/79 shall be made not later than 30 days after the necessary conditions have been satisfied.

4. Where Article 4 (5) of Regulation (EEC) No 343/79 applies, payment of the minimum buying in price shall be made not later than 30 days after the total quantity of wine appearing in the contract has entered the distillery.

5. Where Article 4 (6) of Regulation (EEC) No 343/79 applies, payment of the minimum buying in price shall be made not later than 30 days after the total quantity of wine appearing in the contract has been distilled. When the relevant intervention agency of a Member State has not decided to make general use of the facility provided for in Article 4 (6), the distiller may make use of this facility only after having obtained the agreement of the producer.

6. The conversion into national currency of the amounts referred to in paragraphs 1 and 2 above shall be made using the representative rate for wine applicable on 16 September 1979.

Article 7

Member States shall take the necessary measures to ensure that the provisions of this Regulation are applied. They may provide for the use of an indicator in the case of wines delivered for distillation.

Article 8

1. In order to be approved within the meaning of Article 7 of Regulation (EEC) No 343/79, distillers must be capable of processing wine into a product with an alcoholic strength of 86 % vol or more or into a product with an alcoholic strength of 85 % vol or less.

2. Approval shall be withdrawn if the distiller, save in the event of inevitable accident or *force majeure*, fails to pay the purchase price to the producer or to fulfil his obligations under Community provisions.

Article 9

1. Member States shall notify the Commission not later than 31 January 1980 of the quantities of wine appearing in the distillation contracts approved.

2. Distillers shall send to the intervention agency, not later than the 10th day of each month, a return of the quantities of wine distilled during the previous month stating the quantities expressed as pure alcohol of the products which they have obtained, distinguishing between those referred to in the first indent of Article 2 (3) of Regulation (EEC) No 343/79 and those referred to in the second indent thereof.

3. Member States shall inform the Commission by telex not later than the 20th day of each month in respect of the previous month of the quantities of wine distilled and the quantities expressed as pure alcohol of the products which they have obtained, distinguishing between them in accordance with paragraph 2.

4. Member States shall notify not later than 31 July 1980 cases of distillers who have failed to fulfil their obligations and the measures taken in consequence.

Article 10

1. The contracts referred to in Article 2 (2) (b) shall be concluded within 45 days of the date of expiry of the long-term contracts. However, this period shall be 60 days in the case of contracts which expired before 1 October 1979.

If the holder of a long-term storage contract decides to take advantage of Article 2 (2) (b) in respect of all the wine subject to a long-term storage contract, the intervention agency may extend the old contract for the new period by altering the relevant wording.

2. In the case of storage contracts as referred to in Article 2 (2) (b) the amount of the aid shall be that laid down for long-term storage contracts for the 1978/79 wine-growing year.

3. The storage contracts referred to in Article 2 (2) (b) shall be terminated at the request of the producers concerned.

In this case, the storage aid for the period during which the wine was subject to any such contract shall be retained.

Article 11

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

It shall apply with effect from 16 September 1979.

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

Done at Brussels, 5 October 1979.

For the Commission

Finn GUNDELACH

Vice-President