COMMISSION REGULATION (EEC) No 2964/81

of 15 October 1981

laying down detailed rules for the application of the additional measures applicable to holders of long-term storage contracts for table wine for the 1980/81 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 last amended by Regulation (EEC) No 3456/80 [2], and in particular Articles 12a (5) and 65 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 2923/81 [4], and in particular Article 5 thereof,

Whereas the measures employed to support the wine market have not altogether yielded the desired results; whereas, in particular, the representative prices for table wines of types A I, R I and R II have remained lower than the respective activating prices since the beginning of the wine-growing year; whereas therefore the first condition required under Article 12a (1) of Regulation (EEC) No 337/79 for the adoption of additional measures applicable to holders of long-term storage contracts is satisfied; whereas the second condition, namely that the representative price should remain lower than the activating price for three consecutive weeks, is likely to be fulfilled for table wines of types A I, R I and R II during the reference period;

Whereas these measures should provide for the possibility of removing 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 2852/81 [5]; whereas, pursuant to Articles 2, 3 and 10 of that Regulation, time limits should be fixed for the submission of applications for approval of supply contracts and declarations, for approval by the intervention agencies and for the distillation operations; whereas Article 4 of that Regulation specifies that the amount of the aid to be paid is to be fixed so as to enable the products obtained to be disposed of;

Whereas additional information which should appear in the supply contract and in the declaration should also be specified;

Whereas in the wine sector all intervention measures are applied in Greece at the same price levels as in the other Member States; whereas, in this case, any deflection of trade seems unlikely because of Greece's limited distillation capacity and the lack of trade flows towards that country of wine for distillation; whereas, in order to ensure uniform application of the intervention measures throughout the Community, prices and amounts should therefore be fixed in respect of distillation operations carried out in Greece on the basis of the guide prices applicable to the Community of Nine;

Whereas Article 5 of Regulation (EEC) No 2852/81 provides that the aid is to be paid within a time limit so as to enable recipient 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 Article 5 (4) of Regulation (EEC) No 2852/81 introduced a system of securities with a view to bringing forward the payment of aid while guaranteeing intervention agencies against the risk of undue payment; whereas, therefore, the time limits for advance payment should be specified as well as the time limits and procedures for releasing the security;

Whereas technical conditions for the approval of distillers should be laid down;

(1) OJ No L 54, 5. 3. 1979, p. 1.
(2) OJ No L 360, 31. 12. 1980, p. 18.
(3) OJ No L 106, 29. 4. 1977, p. 27.
(4) OJ No L 291, 12. 10. 1981, p. 1.
(5) OJ No L 280, 2. 10. 1981, p. 2.

Whereas the intervention agencies referred to in Article 16 of Regulation (EEC) No 2852/81 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 2600/79 of 23 November 1979 on storage contracts for table wine, grape must and concentrated grape must [1], as last amended by Regulation (EEC) No 2629/81 [2];

Whereas during the storage period there is a natural alteration in the volatile acidity of the wine which might exceed the limit provided for in Commission Regulation (EEC) No 3243/80 [3], which was laid down with a storage period of nine months in view; whereas it seems appropriate to permit that, when a storage contract is concluded for four months, and provided the wine covered by the new contract is the same as the wine covered by the previous contract, the wine should be considered to have fulfilled the required conditions even if the volatile acidity content is higher than that laid down by the said Regulation, provided that the limit laid down for table wine of the type in question has not been exceeded, and that all other administrative and technical conditions are complied;

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

Whereas, in accordance with Article 2 of Regulation (EEC) No 878/77, the new representative rate fixed for the German mark by that Regulation is to be applied from 16 December 1981 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 1981; 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 1980/81 wine-growing year, the last representative rate applicable during the said wine-growing year should be used;

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 12a of Regulation (EEC) No 337/79, in respect of holders of long-term storage contracts for table wine for the 1980/81 wine-growing year.

Article 2

1. The period of three consecutive weeks referred to in Article 12a (1) of Regulation (EEC) No 337/79 shall fall between 15 July and 30 November 1981.

2. If the decision referred to in Article 12a (5) of Regulation (EEC) No 337/79 is adopted, holders of long-term storage contracts for the types of table wine in respect of which the decision is adopted and for wines in close economic relationship with such wines may:

(a) for a quantity of wine subject to contract not exceeding a percentage to be determined of the total quantity of table wine which they have produced during the 1980/81 wine-growing year, undertake distillation under the conditions referred to in Articles 3 to 9;

(b) for a quantity of wine subject to contract to be determined and which is not subject to the measure provided for at point (a), conclude a storage contract under the conditions referred to in Article 10, for a period to be determined.

3. The total quantity of table wine to which the percentage referred to in Article 12a (3) of Regulation (EEC) No 337/79 is to apply shall be:

— for producers subject to the obligation referred to in Article 2 (1) of Regulation No 134, the total of the quantities given in their harvest declarations and the quantities given in the records referred to in Article 14 of Regulation (EEC) No 1153/75 and obtained by themselves after the date of submission of the harvest declaration, from products listed in the said declaration,

— for producers who are not subject to the obligation referred to in the first indent, the quantity given in the records referred to in Article 14 of Regulation (EEC) No 1153/75 and obtained by themselves by vinification of purchased must.

(1) OJ No L 297, 24. 11. 1979, p. 15.
(2) OJ No L 258, 11. 9. 1981, p. 14.
(3) OJ No L 341, 16. 12. 1980, p. 12.

4. 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 if the representative price for that type of table wine has remained lower than the activating price during the period between the date of adoption of the decision referred to in Article 12a (5) of Regulation (EEC) No 337/79 and 15 January 1982.

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 2852/81 and of this Regulation.

2. The wines which may be distilled are either:

— those which have been the subject of long-term storage, or

— other wines of the same type which have been produced by the holder of the storage contract.

In the case referred to in the second indent, the quantity of wine which is the subject of the contract referred to in Articles 2 (1) or 10 (1) of Regulation (EEC) No 2852/81 or in the declaration referred to in Article 3 (1) of that Regulation may be greater than the percentage referred to in Article 2 (2) (a) of the wine under storage contract, provided that the actual alcoholic strength of the wine to be distilled is not less than 10 % vol and that the total quantity of alcohol contained in that wine is not greater than the total quantity of alcohol contained in the proportion of the wine under storage contract which may be distilled.

Article 4

1. Applications for approval of the contracts referred to in Articles 2 (1) and 10 (1) of Regulation (EEC) No 2852/81 and the declarations referred to in Article 3 (1) of that Regulation shall be submitted not later than 15 January 1982.

2. The competent intervention agency shall inform the persons concerned, not later than 30 days after receiving the application for approval or the declaration referred to in paragraph 1, of the result of the approval procedure.

3. Distillation shall be carried out between 1 October 1981 and 30 June 1982.

Article 5

1. The contracts referred to in Articles 2 (1) and 10 (1) of Regulation (EEC) No 2852/81 shall state:

(a) the quantity, colour and actual alcoholic strength of the table wines to be distilled or to be processed into wine fortified for distillation;

(b) the name and address of the producer;

(c) the place where the wine is stored;

(d) the name of the distiller or the fortifier or of the distillery or the undertaking fortifying wine for distillation;

(e) the address of the distillery or the undertaking fortifying wine for distillation.

2. The declaration referred to in Article 3 (1) of Regulation (EEC) No 2852/81 and the supply contract referred to in the second indent of Article 3 (2) of that Regulation shall contain the following information:

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

(b) the name and address of the producer;

(c) the place where the wine is stored;

(d) the address of the distillery.

3. The person on whose account distillation is carried out shall be treated on the same basis as the distiller.

Article 6

1. The price provided for in the second indent of Article 12a (3) of Regulation (EEC) No 337/79 shall be:

— 2·26 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,

— 2·45 ECU per % vol per hectolitre in the case of tables 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 4 of Regulation (EEC) No 2852/81 shall be as follows:

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

— 1·64 ECU per % vol per hectolitre, if the wine has been processed into a product referred to in the first indent of Article 4 (3) of that Regulation,

— 1·59 ECU per % vol per hectolitre, if the wine has been processed into a product referred to in the second indent of Article 4 (3) of that Regulation;

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

— 1·83 ECU per % vol per hectolitre, if the wine has been processed into a product referred to in the first indent of Article 4 (3) of that Regulation,

— 1·78 ECU per % vol per hectolitre, if the wine has been processed into a product referred to in the second indent of Article 4 (3) of that Regulation.

3. The payments to be made pursuant to Article 5 (1) and (3) of Regulation (EEC) No 2852/81 shall be made not later than 30 days after the necessary conditions have been satisfied.

4. Where Article 5 (2) of Regulation (EEC) No 2852/81 applies and where the procedure referred to in Article 5 (5) (b) of that Regulation is not followed, payment of the minimum purchase price shall be made not later than 30 days after the total quantity of wine appearing in the contract has entered the distillery.

5. The advance referred to in Article 5 (4) of Regulation (EEC) No 2852/81 shall be paid within 30 days after presentation of the proof that the security has been lodged and, where applicable, of the proof referred to in Article 5 (5) (a) of that Regulation.

6. For the release of the security referred to in Article 5 (4) of Regulation (EEC) No 2852/81, the proof that the total quantity of wine has been distilled and, where applicable, the proof referred to in the second indent of Article 5 (6) of that Regulation shall be provided not later than the end of the fifth month following the second date specified in Article 4 (3) of this Regulation.

However, if the proof referred to in the first subparagraph is produced after the time limit laid down in that subparagraph but before 1 March 1983, 80 % of the security shall be released and the difference shall be forfeit.

If this proof is not provided before 1 March 1983 the entire security shall be forfeit.

7. The amounts specified in paragraphs 1 and 2 shall be converted into national currency using the representative rate for wine applicable on 31 August 1981.

Article 7

1. In the case referred to in Article 11 (1) of Regulation (EEC) No 2852/81, fortifying of the wine for distillation shall take place no later than 30 April 1982.

2. The payment referred to in Article 12 of Regulation (EEC) No 2852/81 shall be made not more than two weeks after the total quantity of wine covered by the contract has entered the fortifier's premises.

3. Distillation of the wine fortified for distillation, as referred to in Article 13 of Regulation (EEC) No 2852/81, shall take place no later than 30 July 1982.

4. The payments referred to in Article 14 (1) of Regulation (EEC) No 2852/81 shall be made :

— where the procedure referred to in Article 5 (3) of that Regulation is followed, no later than 30 days after production of proof that all the wine fortified for distillation produced from wine covered by the contract referred to in Article 10 (1) of that Regulation has been distilled,

— where the procedure referred to in Article 5 (4) and (5) (a) of that Regulation is followed, within two weeks following production of proof that the security has been lodged and the minimum purchase price has been paid.

Article 8

In order to be approved within the meaning of Article 15 of Regulation (EEC) No 2852/81, 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.

Article 9

1. Member States shall notify the Commission not later than 28 February 1982 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 4 (3) of Regulation (EEC) No 2852/81 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 30 September 1982 cases of distillers or fortifiers who 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 not later than 15 January 1982. The volatile acidity of the table wine covered by the contracts referred to in the first subparagraph may exceed the limits required by Regulation (EEC) No 3243/80 when long-term storage contracts are concluded.

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 1980/81 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 the case :

— the storage aid shall remain payable for the period during which the wine was placed under such a contract,

— wine subject to the contract may not be distilled as described in Article 2 (2) (a).

Article 11

1. Regulation (EEC) No 2515/81 is hereby repealed.

2. References to the Regulation repealed pursuant to paragraph 1 shall be construed as references to this Regulation.

Article 12

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 1981.

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

Done at Brussels, 15 October 1981.

For the Commission

Poul DALSAGER

Member of the Commission