COMMISSION REGULATION (EEC) No 2665/86

of 25 August 1986

laying down detailed rules for implementing the system of aid for the use of grapes, grape must and concentrated grape must for the manufacture of grape juice and fixing the aid for the 1986/87 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 3805/85 (2), and in particular Article 14a (4), 48 (6) and 65 thereof,

Having regard to Council Regulation (EEC) No 1676/85 of 11 June 1985 on the value of the unit of account and the conversion rates to be applied for the purposes of the common agricultural policy (3),

Having regard to Council Regulation (EEC) No 1678/85 of 11 June 1985 fixing the conversion rates to be applied in agriculture (4), as last amended by Regulation (EEC) No 2332/86 (5),

Whereas under the first indent of the first subparagraph of Article 14a (1) of Regulation (EEC) No 337/79, an aid system was introduced for the use, for the manufacture of grape juice, of grape must and concentrated grape must produced from grapes grown in the Community; whereas paragraph 2 of that Article provides that the aid scheme may also be applied to the use of grapes of Community origin; whereas juice manufacturing practices are such that the aid should also be given for the use of such grapes;

Whereas application of the aid scheme requires administrative provisions for checking the origin and use of the products for which aid is given;

Whereas the purpose of the aid scheme is to promote the use of vine products of Community origin for the manufacture of grape juice in place of imported products; whereas the aid should therefore be given to users of the raw material, that is to processors;

Whereas, in order to ensure proper functioning of the aid scheme and the control arrangements, processors concerned should be required to lodge written declarations giving the information necessary to identify the product and to enable checks on the operations to be carried out;

Whereas, in order for the aid scheme to have an appreciable effect on the quantity of Community products used, a minimum quantity which may be covered by a declaration should be set for each product;

Whereas it should be specified that aid will be granted only for products having the quality characteristics required for processing into grape juice; whereas it is consequently necessary to specify, in particular, that grapes and grape must covered by a declaration must have a density of between 1,055 and 1,085 g/cm³ at 20 °C;

Whereas Article 14a (3) of Regulation (EEC) No 337/79 sets out criteria to be observed in fixing the amount of the aid; whereas paragraph 3a of that Article states that part of the aid is to be used for mounting compaigns to promote the consumption of grape juice and that the amount of the aid may be increased to allow for this; whereas in the light of these criteria and of the need to finance such campaigns the aid should be fixed at a level that will provide adequate funds for an effective promotion effort;

Whereas, to enable the competent authorities of the Member States to perform the necessary checks, obligations on processors in regard to the keeping of stock records should be laid down, in addition to the provisions of Title II of Commission Regulation (EEC) No 1153/75 (6), as last amended by Regulation (EEC) No 3203/80 (7);

Whereas it should be laid down that entitlement to aid is established at the time when the processing operations are completed; whereas a shortfall should be allowed of up to 10 % in the quantity actually used compared to that stated in the declaration;

Whereas, in order to avoid unnecessary expenditure, and for the purposes of supervision, a maximum ration should be laid down between the products used and the grape juice obtained, based on normal processing methods;

(1) OJ No L 54, 5. 3. 1979, p. 1.
(2) OJ No L 367, 31. 12. 1985, p. 39.
(3) OJ No L 164, 24. 6. 1985, p. 1.
(4) OJ No L 164, 11. 6. 1985, p. 11.
(5) OJ No L 204, 28. 7. 1986, p. 1.
(6) OJ No L 113, 1. 5. 1975, p. 1.
(7) OJ No L 333, 11. 12. 1980, p. 18.

Whereas, in order to be paid aid, applicants must lodge an application accompanied by a number of supporting documents; whereas to ensure that the system operates uniformly in all Member States, time limits for lodging applications and for payment of aid to processors should be laid down;

Whereas the second subparagraph of Article 48 (5) of Regulation (EEC) No 337/79 states that grape juice may not be made into wine or added to wine; whereas, in order to ensure that this prohibition is complied with, special obligations and checks should be specified for processors of and bottlers of grape juice;

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

1. For the 1986/87 wine year, aid shall be granted in accordance with the conditions laid down in this Regulation to processors:

— who purchase grapes grown in the Community, or grape must or concentrated grape must produced entirely from grapes grown in the Community, from producers or producer groups for the purpose of manufacturing grape juice, or

— who, being themselves producers or producer groups, use their own production of those products for the purpose of manufacturing grape juice.

2. For the purposes of this Regulation, 'product' shall mean grapes grown in the Community, excluding Portugal, and grape must and concentrated grape must produced entirely from grapes grown in the Community excluding Portugal.

3. Processing operations must be carried out between 1 September 1986 and 31 August 1987.

Article 2

1. Processors wishing to receive the aid provided for in Article 1 shall submit a written declaration to the competent authority/authorities of the Member State in which processing takes place.

If the declaration relates to the processing of grape must, or concentrated grape must, it must reach the competent authority/authorities at least three working days before processing begins.

2. Declarations must be submitted in at least two copies, at least one of which shall be duly stamped by the competent authority/authorities and returned to the processor.

3. Declarations shall include the following particulars:

(a) the name or business name and address of the processor;

(b) the wine-growing zone, as defined in Annex IV to Regulation (EEC) No 337/79, in which the product originated;

(c) the following technical details:

— the type of product (grapes, grape must or concentrated grape must),

— the place of storage,

— the place where processing is to be carried out,

— the quantity (in quintals for grapes and in hectolitres for grape must and concentrated grape must),

— the colour,

— the density.

The Member States may require additional particulars for identification of the product.

Article 3

1. Declarations may not be made for less than:

— 13 quintals of grapes,

— 10 hectolitres of grape must,

— 3 hectolitres of concentrated grape must.

2. The product in respect of which the declaration is made must be of sound, fair and merchantable quality and suitable for the manufacture of grape juice. Grapes and grape must should have a density of between 1,055 and 1,085 g/cm^3 at 20 °C.

Article 4

1. The aid throughout the Community is hereby fixed at:

— 6,4 ECU per quintal of grapes,

— 8,0 ECU per hectolitre of grape must,

— 28,0 ECU per hectolitre of concentrated grape must.

2. The proportion of the aid to be used for the financing of promotional campaigns shall be 35 % of the amounts specified in paragraph 1. It shall be deducted when the aid is granted. The competent authority shall pay the processor 65 % of the aid specified in paragraph 1.

Article 5

Processors shall keep stock records in accordance with Title II of Regulation (EEC) No 1153/75, indicating in particular:

— the lots of product purchased and entering their premises each day, with the details referred to in Article 2 (3) (b) and (c) and, where appropriate, the name(s) and address(es) of the seller(s),

— the quantities and wine-growing zone of origin of the products processed each day,

— the quantities of grape juice obtained each day after processing,

— the lots of grape juice leaving their premises each day with the name(s) and address(es) of the consignee(s).

Article 6

1. Not later than three months after processing is completed, processors shall submit an application for aid to the competent authority, accompanied by :

— the copy of the declaration that they hold,

— except in the cases referred to in the first and second subparagraphs of paragraph 4, a copy or summary of the stock records referred to in Article 5 relating to the product in question ; the Member States may require that the copy or summary be stamped by an official inspector.

2. Applications shall indicate the quantity of product actually processed and the date on which processing was completed. The quantity of product actually used may not be less than 90 % of the quantity specified in the declaration.

3. In cases as referred to in the first indent of Article 1 (1) applications shall also be accompanied by a copy of the document that accompanied the product when it was transported from the premises of the producer to those of the processor or by a summary of the said documents. The Member States may require that that copy or summary be stamped by an official inspector.

In cases as referred to in the second indent of Article 1 (1), processors must furnish proof that the products for which aid is requested were :

— in the case of grapes, grown in the Community,

— in the case of grape must and concentrated grape must, wholly produced from grapes grown in the Community.

4. In addition, where bottling of grape juice is carried out in the Community by a person other than the processor, the latter shall submit to the competent authority a copy of the accompanying document.

In accordance with Article 10, paragraph 4 of Regulation (EEC) No 1153/75, the control copy of this document is returned by the competent authority in the place of unloading to the competent authority in the place of loading, within a time limit of one month after the unloading.

If bottling was carried out outside the Community, processors shall submit to the competent authority a copy of the accompanying document showing in box 23 the customs stamp certifying exportation.

The supporting documents referred to in the first and second subparagraphs and the copy or summary referred to in the second indent of paragraph 1 shall be submitted not later than six months after the bottler has taken over the grape juice or after the grape juice has been exported, as appropriate.

5. In cases as referred to in the first subparagraph of paragraph 4, the bottler shall keep stock records as prescribed in Title II of Regulation (EEC) No 1153/75, showing :

— the quantities of grape juice entering their premises each day and the name and address of processors,

— the quantities of grape juice bottled each day,

— the quantities of bottled grape juice leaving their premises each day and the name and address of each consignee.

Article 7

The competent authority shall pay aid for the quantity of product actually processed not later than three months after receipt of all the supporting documents specified in Article 6.

Article 8

1. Entitlement to the aid shall be acquired when the grapes, grape must or concentrated grape must have been used for the purpose indicated in Article 1.

2. The amounts indicated in Article 4 shall be converted into national currencies at the agricultural conversion rate applying on 1 September 1986.

Article 9

1. Except in case of *force majeure*, if the processor does not process the quantity of product covered by the declaration (allowing for the tolerance mentioned in Article 6 (2)), no aid shall be payable.

2. Except in case of *force majeure*, aid shall be payable only in respect of quantities of products actually used which do not exceed the following ratio between the said products and the grape juice obtained :

— 1,3 for grapes in quintals/hectolitres,

— 1,05 for grape must in hectolitres,

— 0,30 for concentrated grape must in hectolitres.

3. Except in case of *force majeure*, if the processor does not fulfil any of the obligations under this Regulation other than that to process into grape juice the product covered by the declaration, the aid payable shall be reduced by an amount fixed by the competent authority in proportion to the seriousness of the infringement.

4. In cases of *force majeure*, the competent authority shall take such action as it considers necessary having regard to the circumstances invoked.

5. The Member States shall inform the Commission of cases in which paragraph 2 has been applied and the outcome of claims as to *force majeure*.

Article 10

1. The Member States shall adopt the measures necessary for the implementation of this Regulation, and in particular measures for checking the identity of the product in respect of which aid is applied for.

2. To that end the competent authorities shall perform in particular :

— checks, or at least spot checks, on processors' and, where appropriate, bottlers' premises,

— an inspection of each processor's stock records as referred to in Article 5 and, where appropriate, of each bottler's stock records as referred to in Article 6 (5).

Article 11

The Member States shall notify the Commission before the 20th of each month in respect of the preceding month :

(a) of the quantities of products for which aid has been requested, broken down by type and the wine-growing zone in which they originated ;

(b) of the quantities of products for which aid has been granted, broken down by type and the wine-growing zone in which they originated.

Article 12

The Member States shall appoint one or more competent authorities to implement this Regulation, and shall notify the Commission without delay of their names and addresses.

Article 13

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

It shall apply with effect from 1 September 1986.

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

Done at Brussels, 25 August 1986.

For the Commission

Frans ANDRIESSEN

Vice-President