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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 536/87

of 23 February 1987

amending Regulation (EEC) No 337/79 on the common organization of the market in wine

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 (1),

Having regard to the opinion of the European Parliament (2),

Having regard to the opinion of the Economic and Social Committee (3),

Whereas Article 3a of Regulation (EEC) No 337/79 (4), as last amended by Regulation (EEC) No 3805/85 (5), lays down that the intervention measures in the wine sector are designed to ensure that there is a balance on the table wine market and a guaranteed minimum price for such wines equivalent to a certain percentage of the guide price; whereas, in order to outline more clearly the basic function of support distillation as referred to in Article 15 of the said Regulation, which is to ensure that the producer receives the said price for the wine he delivers, it should be stipulated that the buying-in price for the wine under such distillation operations should be set at the same percentage of the guide price as that referred to in the aforementioned Article 3a;

Whereas Article 41 of Regulation (EEC) No 337/79 lays down strict time limits and rules for the implementation of the compulsory distillation scheme for table wines; whereas, however, provision has been made for the extension of some of these time limits for the first year of application;

Whereas Article 2 of Council Regulation (EEC) No 775/85 of 26 March 1985 amending Regulation (EEC) No 337/79 on the common organization of the market in wine (6) also provided for the possibility for the Commission to adopt certain transitional measures for the first year so as to ensure smooth transition from the old to the new arrangements governing this distillation scheme;

Whereas, when the system was first implemented, numerous serious difficulties, in particular as regards the time allowed for communication of the quantities of table wine produced in each production area, were encountered in certain Member States; whereas, in order to ensure the actual execution of the operation, those difficulties could be overcome only by having recourse to existing transitional measures;

Whereas this experience demonstrates the danger that the rules and timetable laid down may be impossible to apply as they stand; whereas, therefore, to ensure the effective and fair application of the compulsory distillation operation, the transitional arrangements enabling the Commission to adopt the measures necessary to overcome any difficulties likely to jeopardize the execution of the distillation operation without affecting the basic components of the system should be reintroduced;

Whereas the purpose of these changes is to ensure the proper functioning of the compulsory distillation system and to alleviate the difficulties that were encountered on its first application; whereas allowing for those difficulties could, if appropriate, lead to the alteration of the system itself by the Council further to a possible proposal by the Commission,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No 337/79 is hereby amended as follows:

1. Article 15 (5) is replaced by the following:

'5. The percentage of the guide price for each type of table wine used to determine the price paid for the wine delivered for distillation in the context of the application of paragraphs 1, 2 and 4 shall be that referred to in the first subparagraph of Article 3a.'

(1) OJ No C 287, 14. 11. 1986, p. 3.
(2) Opinion delivered on 19 February 1987 (not yet published in the Official Journal).
(3) Opinion delivered on 16 December 1986 (not yet published in the Official Journal).
(4) OJ No L 54, 5. 3. 1979, p. 1.
(5) OJ No L 367, 31. 12. 1985, p. 39.
(6) OJ No L 88, 28. 3. 1985, p. 1.

2. The following paragraph is added to Article 41 :

'10a. If, during the 1986/87 wine year, difficulties likely to jeopardize the execution or balanced application of the compulsory distillation operation referred to in paragraph 1 occur, the measures necessary in order to ensure effective application of the distillation scheme shall be adopted in accordance with the procedure laid down in Article 67.

Such measures may relate only to the provisions contained in this Article to the exclusion of those relating to :

— the quantities to be distilled,

— the prices to be paid for the distilled wine,

— the figure of 85 % to be applied in each production region,

— the reference years.

The Council, acting by a qualified majority on a proposal from the Commission, may extend the validity of this paragraph until the end of the 1989/90 wine year.'

Article 2

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

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

Done at Brussels, 23 February 1987.

For the Council

The President

P. DE KEERSMAEKER