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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 1441/88

of 24 May 1988

amending Regulation (EEC) No 822/87 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).

Whereas Article 39 of Regulation (EEC) No 822/87 (3), as last amended by Regulation (EEC) No 3992/87 (4), provides for compulsory distillation to establish balance on the table wine market;

Whereas the price applicable at present to table wine delivered for compulsory distillation is 50 % of the guide price up to a volume of 12,5 million hl and 40 % for further quantities;

Whereas the degree of support thus granted does not sufficiently discourage the production of wine not suiting market requirements and consequently hinders disposal of the major structural surplus in the sector; whereas that degree of support should therefore be reduced;

Whereas to that end the price should be fixed, progressively between now and the beginning of the 1990/1991 wine year, by using, for quantities exceeding 10 % of normal utilization, a progressively lower percentage of the guide price,

HAS ADOPTED THIS REGULATION:

Article 1

Article 39 of Regulation (EEC) No 822/87 is amended as follows:

1. Paragraph 4 is replaced by the following:

'4. The quantity for distillation determined in accordance with paragraph 3 shall be shared between table wine producers in each wine-growing region.

For producers subject to the obligation to distil, the quantity for distillation shall be equal to a percentage to be determined of their production, as indicated in their production declarations, of table wine and of products upstream of table wine to be determined.

That percentage shall be obtained from a progressive scale based on the yield per hectare and may vary between regions according to yields obtained in the past.

Except for the regions where yield is substantially lower than the average yield in the Community, this percentage:

— shall be zero for yields at least 70 % below the average yield in the region in question for table wine,

— may not be lower than 75 % for yields higher than 200 % of the average yield of the area in question for table wine.

The percentage of average yield referred to in the first indent of the fourth subparagraph may be modified under the procedure laid down in Article 83 depending on the volume of production and the total quantity to be distilled in the Community and in each wine-growing region.

The quantity of table wine to be delivered for distillation by each producer shall be equal to that determined in accordance with the third, fourth and fifth subparagraphs; however, the producer may deduct from that quantity, in whole or in part, the quantity of table wine or wine suitable for yielding table wine delivered for distillation as referred to in Article 38.'

2. Paragraph 6 is replaced by the following:

'6. From 1990/91 the purchase price for table wines delivered for compulsory distillation shall be fixed according to the quantities to be distilled and:

(1) OJ No C 100, 15. 4. 1988, p. 9.
(2) Opinion delivered on 20 May 1988 (not yet published in the Official Journal).
(3) OJ No L 84, 27. 3. 1987, p. 1.
(4) OJ No L 377, 31. 12. 1987, p. 20.

— where the total quantity for distillation does not exceed 10 % of normal utilization for the wine year concerned as determined in the forward estimate referred to in Article 31, it shall be equal to 50 % of the guide price fixed for the wine year in question, for each of the types of table wine,

— where the total quantity for distillation is more than 10 % of normal utilization as referred to in the first indent, it shall be equal to the percentage of the guide price of each of the types of table wine fixed for the wine year in question, given by the weighted average of the percentage referred to in the first indent, applied to the quantity corresponding to 10 % of normal utilization, and 7,5 % of the guide price of each of the types of table wine applied to quantities exceeding that volume.

For the 1988/89 and 1989/90 wine years :

— the 50 % of the guide price shall apply to the quantity referred to in the first indent of the first subparagraph,

— where the total quantity to be distilled is more than the said quantity, the percentage of the guide price to be used for determining the purchase price shall be fixed in with the procedure laid down in Article 83, in such a way as to ensure a smooth transition between the percentages of the guide price applying for the 1987/88 and 1990/91 wine years respectively.

The purchase price to be paid by distillers to producers for quantities delivered for compulsory distillation in excess of those delivered for preventive distillation may not be less than the price indicated in the preceding subparagraphs. It shall also apply to wines in a close economic relationship with each of the types of table wine.'

Article 2

Before the second stage of the transitional period laid down in the Act of Accession to the European Communites, the Council, acting by a qualified majority on a proposal from the Commission, shall decide on the appropriate adjustments to the compulsory distillation arrangements referred to in Article 39 of Regulation (EEC) No 822/87 applicable to Portugal.

Article 3

This Regulation shall enter into force on 1 September 1988.

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

Done at Brussels, 24 May 1988.

For the Council

The President

H.-D. GENSCHER