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(Acts whose publication is obligatory)

COMMISSION REGULATION (EC) No 508/97

of 20 March 1997

opening distillation as referred to in Article 41 (2) of Regulation (EEC) No 822/87 for the 1996/97 wine year

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 822/87 of 16 March 1987 on the common organization of the market in wine [1], as last amended by Regulation (EC) No 1592/96 [2], and in particular Articles 41 (2) and 41 (10) and Article 83 thereof,

Whereas Commission Regulation (EEC) No 2721/88 [3], as last amended by Regulation (EEC) No 2181/91 [4], lays down detailed rules for voluntary distillation as provided for in Articles 38, 41 and 42 of Regulation (EEC) No 822/87; whereas Commission Regulation (EC) No 1650/96 [5] fixes the prices and the aid as also certain other elements applicable to distillation as referred to in Article 41 of Regulation (EEC) No 822/87 for the 1996/97 wine year;

Whereas the situation on the market in wine in the 1996/97 wine year does not justify the opening of compulsory distillation; whereas, however, on the market in certain categories of product problems of imbalance exist which cannot be overcome by a single preventive distillation measure; whereas these problems should be solved by applying an appropriate measure; whereas such a measure could take the form of a specific type of distillation; whereas, for reasons of efficiency, this type of intervention should be restricted solely to white wines whose prices fell considerably and, in the case of France, in addition, to certain regions experiencing market difficulties; whereas an overall volume should be fixed for Community production regions likely to benefit from the distillation in question and that volume should be broken down by region;

Whereas, in the circumstances, the measure in question should apply only to those producers who have already made an effort by entering into contracts for the purposes of preventive distillation as provided for in Article 1 of Commission Regulation (EC) No 2177/96 [6];

Whereas, if the overall volume applied for exceeds the quantities contemplated, provision should be made for a correction mechanism to be applied by Member States in respect of all the contracts submitted;

Whereas, for the purposes of sound management of the volumes in question, it is necessary to derogate from certain specific provisions of Regulation (EEC) No 2721/88;

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

HAS ADOPTED THIS REGULATION:

Article 1

1. The distillation of table wines referred to in Article 41 (2) of Regulation (EEC) No 822/87 shall be opened for the 1996/97 wine year. Such distillation, to be opened for all white table wines obtained from the production regions referred to in Article 4 of Commission Regulation (EEC) No 441/88 [7], shall be limited to 555 000 hl.

(1) OJ No L 84, 27. 3. 1987, p. 1.
(2) OJ No L 206, 16. 8. 1996, p. 31.
(3) OJ No L 241, 1. 9. 1988, p. 88.
(4) OJ No L 202, 25. 7. 1991, p. 16.
(5) OJ No L 207, 17. 8. 1996, p. 10.
(6) OJ No L 291, 14. 11. 1996, p. 17.
(7) OJ No L 45, 18. 2. 1988, p. 15.

2. This quantity shall be broken down by the production regions referred to above as follows:

— region 3 (France):	300 000 hl
— region 4 (Italy):	100 000 hl
— region 5 (Greece):	25 000 hl
— region 6 (Spain):	100 000 hl
— region 7 (Portugal):	30 000 hl.

For region 3, France, distillation shall be reserved for white table wines produced in the demarcated region of Cognac, the geographical area of the controlled designation of origin Armagnac and the vineyards of Val de Loire.

3. For the purposes of Article 41 (3) of Regulation (EEC) No 822/87, every producer of the aforementioned wines who has signed contracts under preventive distillation as referred to in Article 38 of Regulation (EEC) No 822/87 for the 1996/97 wine year, opened under Article 1 of Regulation (EC) No 2177/96 may, until 25 April 1997 at the latest, sign a distillation contract or declaration with the competent authorities of the Member States.

4. The distillation contract or declaration shall be accompanied by a copy of the preventive distillation contract or declaration approved by the competent authorities for the 1996/97 wine year.

5. Member States may limit the number of contracts a producer may enter into for the distillation operation in question.

6. Member States shall determine the reduction rate to be applied to contracts and declarations if the overall volume of contracts or declarations exceeds that pre-established per region. They shall take the administrative steps required to approve, by 23 May 1997 at the latest, the aforementioned contracts or declarations, with an indication of the reduction rate applied and the volume of wine agreed per contract or declaration. Member States shall notify the quantities of those wines, under contract, before 30 May 1997.

7. The quantities agreed per contract or declaration must be delivered for distillation not later than 15 July 1997.

Article 2

Regulation (EEC) No 2721/88 shall apply with the exception of Articles 3 and 6 (1) and 6 (4).

Article 3

This Regulation shall enter into force on the third day following 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, 20 March 1997.

For the Commission

Franz FISCHLER

Member of the Commission