COMMISSION REGULATION (EC) No 510/97

of 20 March 1997

amending Regulation (EC) No 2177/96 introducing preventive distillation as provided for in Article 38 of Council 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 Article 38 (5) 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, the aid and certain other factors applicable to preventive distillation for the 1996/97 marketing year;

Whereas since preventive distillation was introduced, the market situations for red and white table wines have diverged, being far more favourable for red wines than for white wines; whereas, under the circumstances, large quantities of red wines should not be distilled; whereas producers of red wine who have signed delivery contracts for this distillation should therefore be allowed to transfer their contractual rights and obligations to producers of white wine; whereas the ceilings laid down in Article 1 of Commission Regulation (EC) No 2177/96 (6) should not be applied to the quantities which the producers of white wine can have distilled; whereas new Articles must therefore be added to the above Regulation;

Whereas Regulation (EC) No 2177/96 introduces preventive distillation for the 1996/97 wine year; whereas the distillation contracts had to be signed by 25 January 1997 at the latest;

Whereas the preventive distillation as introduced, while having significant results, has nevertheless missed some wines that are unsuitable for the market and which adversely affect it; whereas, under the circumstances, these wines should be withdrawn from the market by reintroducing preventive distillation for a limited volume restricted to table wine with a view to improving in this manner the quality of the wines that should remain on the market;

Whereas, where the overall quantity applied for by region exceeds the quantities provided for, the Member States must apply a single rate of reduction for all new contracts submitted;

Whereas, with a view to the sound management of the quantities in question, provision must be made to derogate from specific provisions of Regulation (EEC) No 2721/88 and the quantities applied for in the contracts or declarations as submitted must be reduced;

Whereas to improve the effectiveness of the measure, distillation should take place over a short time scale, and the Member States should be permitted to impose more restrictive measures, in particular the introduction of a security to accompany the submission of the contract or declaration;

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

The following Articles 1a and 1b are hereby inserted in Regulation (EC) No 2177/96:

'*Article 1a*

1. Producers of white table wine may take over from the producers of red table wine holding contracts as referred to in Article 1, submitted for approval on the date indicated in Article 2 (1), the rights and obligations associated with those contracts for all or part of the quantities concerned.

2. This transfer, which must be for the delivery of white table wine, shall be submitted to the intervention agency for approval not later than 18 April 1997.

3. Article 2 (1) of Regulation (EEC) No 2721/88 notwithstanding, where producers of white table wine have taken over the rights and obligations under the contracts referred to in paragraph 1, the upper limits laid down in Article 1 (1) shall not apply to the quantities covered by those contracts.

(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.

Article 1b

1. Preventive distillation of table wine and wine suitable for yielding table wine as referred to in Article 38 of Regulation (EEC) No 822/87 is hereby reintroduced for the 1996/97 wine year.

The quantity of table wine or wine suitable for yielding table wine that the producers can have distilled in accordance with Regulation (EEC) No 2721/88 shall be no more than 1 820 000 hl. This quantity shall be broken down by production region as referred to in Article 4 of Commission Regulation (EEC) No 441/88 (*) as follows:

— Region 1 (Germany):	0 hl
— Region 3 (France):	0 hl
— Region 4 (Italy):	700 000 hl
— Region 5 (Greece):	0 hl
— Region 6 (Spain):	1 050 000 hl
— Region 7 (Portugal):	70 000 hl
— Austria:	0 hl.

2. Each producer who has produced table wine or wine suitable for yielding table wine can submit, at the latest by April 18 1997, a preventive distillation contract or declaration to the competent authorities of the Member States, specifying in particular:

(a) the surname, forename and address of the applicant;

(b) the quantity of wine he has produced and wants to distill in accordance with the Community rules on the quality of the products to be delivered for distillation;

(c) the name and address or company name of the distillery.

The distillation contract or declaration shall be accompanied by a copy of the production declaration submitted to the competent authorities for the 1996/97 wine year.

The applicant shall also provide proof that he holds the wine in question and shall specify the quantities already delivered for preventive distillation in the 1996/97 wine year. The Member States may limit the number of distillation contracts that a producer can sign under this Article.

3. The producer Member States shall establish the reduction rate to be applied to the above contracts and declarations if the total quantity of the contracts and declarations exceeds the quantity stipulated for each region. The Member States shall take the administrative measures necessary to approve the above contracts and declarations not later than 16 May 1997, indicating the reduction rate applied and the quantity of wine accepted per contract or declaration. The Member States shall notify the Commission of the quantities contracted for before 23 May 1997.

4. The deliveries to the distilleries must be made no later than 30 June 1997.

5. The Member States may stipulate that the contract or declaration be accompanied by proof of the lodging of a security as provided for in Article 2 (3).

6. Regulation (EEC) No 2721/88 shall apply, except for Article 6 (1) and (4).

(*) OJ No L 45, 18. 2. 1988, p. 15.'

Article 2

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