COMMISSION REGULATION (EC) No 2774/2000
of 18 December 2000
suspending the notification of new contracts for an optional distillation of table wine

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Commission Regulation (EC) No 1623/2000 of 25 July 2000 laying down detailed rules for implementing Council Regulation (EC) No 1493/1999 on the common organisation of the market in wine with regard to market mechanisms [1], as amended by Regulation (EC) No 2409/2000 [2], and in particular Article 63(6) thereof,

Whereas:

(1) Article 63 of Regulation (EC) No 1623/2000 lays down the conditions for the application of the distillation arrangements for wines referred to in Article 29 of Council Regulation (EC) No 1493/1999 [3]. Those arrangements provide for subsidised, voluntary distillation in order to support the wine market and help ensure continued supplies to the potable alcohol sector, which traditionally uses this type of alcohol. To that end, wine producers and distillers conclude contracts, which the Member States notify to the Commission twice a month.

(2) Article 63(6) lays down the conditions under which the Commission must intervene in the contract-approval procedure, setting a percentage for acceptance of contracts concluded for distillation and/or suspending the notification of new contracts, notably where the available budgetary resources or the absorption capacity of the potable alcohol sector is exceeded or may be exceeded.

(3) On the basis of the quantities of wine for which the Member States notified distillation contracts to the Commission on 5 December 2000, the Commission considers that, without intervention, the available budget resources will be exceeded. The Commission should therefore suspend the notification of new contracts,

HAS ADOPTED THIS REGULATION:

Article 1

Notification to the Commission of new contracts under Article 63(4) of Regulation (EC) No 1623/2000 is suspended until 31 August 2001.

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, 18 December 2000.

For the Commission

Franz FISCHLER

Member of the Commission

[1] OJ L 194, 31.7.2000, p. 45.
[2] OJ L 278, 31.10.2000, p. 3.
[3] OJ L 179, 14.7.1999, p. 1.