# COMMISSION REGULATION (EEC) No 2729/88

## of 31 August 1988

## laying down detailed rules for the application of Regulation (EEC) No 1442/88 on the granting, for the 1988/89 to 1995/96 wine years, of permanent abandonment premiums of wine-growing areas

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1442/88 of 24 May 1988 on the granting, for the 1988/89 to 1995/96 wine years, of permanent abandonment premiums in respect of wine-growing areas [1], and in particular Article 20 thereof,

Having regard to the Act of Accession of Spain and Portugal, and in particular Article 90 thereof,

Whereas the conditions under which Member States may grant the premiums provided for in Regulation (EEC) No 1442/88 should be determined for all classes of wine-growing area;

Whereas the grape varieties referred to in the first indent to Article 2 (1) (c) of Regulation (EEC) No 1442/88 should be listed;

Whereas the levels of premium to apply to Spain in accordance with Article 2 (4) of Regulation (EEC) No 1442/88 should be determined;

Whereas in the interests of ensuring that the system runs efficiently and can be supervised, the nature of the information to be entered on the application for a premium must be laid down, and provision must be made for the checking of that information;

Whereas the applicant may be paid the premium in full as an advance, provided that the first furnishes a security amounting to 110 % of the premium;

Whereas before the premium is paid or, should an advance have been made, the security released, the production capacity of the areas to be grubbed up should be assessed, and whereas it should be verified that grubbing up of the said areas has actually taken place; whereas these finding must be certified in order to enable the applicant to prove that grubbing up has been carried out; whereas, however, an assessment of production capacity shall not be necessary in every case if growing is to cease on all wine-growing areas of a holding;

Whereas Article 8 of Regulation (EEC) No 1442/88 provides that growers entitled to the premium as a result of taking a wine-growing area out of production shall qualify for an exemption from the obligation referred to in Article 39 of Council Regulation (EEC) No 822/87 [2], as last amended by Regulation (EEC) No 2253/88 [3], varying in degree according to the reduction in production potential obtained; whereas the partial exemption is intended to encourage growers to grub up on a large scale, without being too small an incentive to be attractive to producers who wish to cease growing over a limited area; whereas an exemption factor of between 0,61 and 1 should therefore be applied to the figure denoting the decrease in production potential in the case of abandonment which accounts for between 20 and 50 % of the holding's potential;

Whereas the five-year period used for establishing the average production of a holding is too long to apply to Spain;

Whereas the method of calculation should be adjusted in the case of wine cooperatives or associations of wine-growers who make a production declaration applying to their members as a body;

Whereas Member States should forward to the Commission yearly details of the results of grubbing up, including, in particular, information relating to the exemption from the obligation referred to in Article 39 of Regulation (EEC) No 822/87, before these measures begin to operate for the wine year in question;

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*

This Regulation lays down detailed rules for applying the system of permanent abandonment premiums introduced by Regulation (EEC) No 1442/88.

*Article 2*

The varieties referred to in the first indent of Article 2 (1) (c) of Regulation (EEC) No 1442/88 are listed in Annex I.

*Article 3*

The levels of premium applicable to Spain for the 1988/89 to 1991/92 wine years are listed in Annex II.

[1] OJ No L 132, 28. 5. 1988, p. 3.
[2] OJ No L 84, 27. 3, 1987, p. 1.
[3] OJ No L 198, 26. 7. 1988, p. 35.

*Article 4*

1. Applications for premiums shall include the following information :

(a) as regards the holding :

— the applicant's name and address,

— the area he has under vines, whether these be a specialized crop or grown in a mixed system,

— the areas under vines, in hectares, ares and centiares, to be grubbed up,

— the age and method of training of the vines to be grubbed up,

— the varieties concerned,

— the date of scheduled grubbing up,

— the request for an advance, if applicable ; if this is the case, proof that the secujrity has been furnished shall accompany the request ;

(b) as regards the owner(s) :

— his/her/their name(s) and address(es),

— the information needed to identify the plot on which wine growing is to cease definitively and for which the premium is being requested,

— the written agreement of the owner of the area, as mentioned in Article 4 (3) of Regulation (EEC) No 1442/88, where applicable.

2. On receiving the application, the competent body shall :

— verify the information mentioned in paragraph 1,

— register the declaration provided for in Article 4 (2) of Regulation (EEC) No 1442/88,

— determine the production capacity of the wine-growing area to be grubbed up on the basis of its age, its state of upkeep and the proportion of missing vines, among other considerations,

— calculated the yield per hectare of the areas concerned, in accordance with Article 2 (3) of Regulation (EEC) No 1442/88,

— notify the applicant of the level of premium granted, after allowing him to submit his own observations.

3. In cases where the application relates to the entire area producing wine grapes on a given holding, Member States may rule that the production capacity mentioned under the third indent of paragraph 2 need not be determined.

*Article 5*

Payment of the advance referred to in Article 6 of Regulation (EEC) No 1442/88 may take place only if the applicant has first furnished a security equal to 110 % of the aid applied for. The advance shall be paid within three months of the lodging of the application.

The advance applied for may not exceed the premium for the average yield declared for the holding in question over the preceding three wine years.

*Article 6*

1. The competent body shall, at the applicant's request and within two months of the complete grubbing up of the wines located on the plots identified in accordance with Article 3, verify that the operation has taken place and certify when it took place.

The declaration referred to in the first subparagrpah of this Article shall constitute the proof of grubbing up referred to in the first subparagraph of Article 6 of Regulation (EEC) No 1442/88.

2. The security shall be released by the end of the calendar year following that in which the application for a premium was submitted.

*Article 7*

1. For the purpose of calculating the exemption provided for in Article 8 (1) of Regulation (EEC) No 1442/88 :

— the decrease in the production potential of the grower who has grubbed up his vines shall be the product of the yield determined in accordance with Article 2 (3) of Regulation (EEC) No 1442/88 and the corresponding grubbed-up area,

— the percentage decrease in potential table-wine shall be as described in Article 8 (2) of Regulation (EEC) No 1442/88.

The average table-wine production declared for the holding in question over the five years preceding the grubbing-up operation shall be calculated by multiplying the grower's total wine-growing area at the time the application for grubbing up is made by the average wine yield for the holding as a whole ; the average shall be obtained using the harvest declarations, production declarations or declarations of deliveries to wine cooperatives, as appropriate, covering the five wine years preceding grubbing up, but disregarding the highest and lowest yield figures for that period.

2. The size of the exemption entitlement for decreases in production potential as provided for in Article 8 (1) of Regulation (EEC) No 1442/88 shall be calculated by multiplying the decrease in production potential by the exemption factor corresponding to the percentage of capacity that decrease represents, as listed in Annex II hereto.

The size of the exemption shall under no circumstances exceed that of the potential remaining once grubbing up has been carried out.

3. The exemption provided for in Article 8 (1) of Regulation (EEC) No 1442/88 shall apply with effect from the wine year following that in which grubbing up has taken place, and shall be granted to the grower who performed this operation and submitted an application by the end of the August preceding the beginning of that wine year.

For each wine year, the obligation referred to in Article 39 of Regulation (EEC) No 822/87 shall apply to the size of the grower's output less the size of the exemption.

*Article 8*

By way of derogation from Article 8 (2) of Regulation (EEC) No 1442/88 and from Article 7 of this Regulation, the period of five wine years shall be decreased, in the case of Spain, to three wine years for the 1988/89 wine year, and to four wine years for the 1989/90 wine year. The requirement that the highest-producing and lowest-producing years be disregarded shall also be waived.

*Article 9*

In the case of wine cooperatives or associations of wine-growers which make a single production declaration for their members as a body, the size of the exemption from the obligation referred to in Article 39 of Regulation (EEC) No 822/87 shall be equal to the sum of the individual exemptions granted to each of the members who has grubbed up ; in cases where a member has not turned his entire production over to the cooperative, each exemption shall be weighted according to the average annual contribution the member has made to the cooperative expressed as a percentage of the quantity declared as harvested over the five wine years preceding grubbing up. However, the highest and lowest percentages shall be disregarded for the purposes of calculating the average.

*Article 10*

Member States shall communicate to the Commission the total extent of exemption from the obligation referred to in Article 39 of Regulation (EEC) No 822/87 at the latest by 31 October of the year in which grubbing up has taken place. The figures shall be broken down according to wine production per hectare and area grubbed up per administrative unit.

*Article 11*

In the title of Commission Regulation (EEC) No 2475 (1), '1989/90' is replaced by '1987/88'.

*Article 12*

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, 31 August 1988.

*For the Commission*

Frans ANDRIESSEN

*Vice-President*

(1) OJ No L 234, 31. 8. 1985, p. 80.

*ANNEX I*

**List of varieties referred to in Article 2**

1. SPAIN

Aledo
Alfonso Lavallée
Cardinal
Dominga
Imperial Napoléon, Don Mariano
Italia
Moscatel de Málaga, Moscatel de Alejandría, Moscatel Romano
Ohanes
Planta Mula
Planta Nova
Ragol
Roseti, Rosaki, Regina, Dattier de Beyrouth
Valenci Blanco
Valenci Negro

2. FRANCE

Alphonse Lavallée
Cardinal
Dattier de Beyrouth
Ignea
Italia (Ideal)
Muscat d'Alexandrie
Olivette blanche
Olivette noire
Dabouki

3. GREECE

Alphonse Lavallée
Cardinal
Italia (Ideal)
Muscat d'Alexandrie
Ohanez
Dattier de Beyrouth (Rozaki)
Fraoula

4. ITALY

Almeria (Ohanez)
Alphonse Lavallée
Angela
Baresana (Turchesa, Lattuario bianco, Uva di Bisceglie)
Cardinal
Regina (Mennavacca bianca)
Italia (Ideal)
Olivetta Vibonese
Perlona
Red Emperor
Regina nera (Mennavacca nera, Lattuario nero)
Zibibbo

*ANNEX II*

**Levels of premium applicable to Spain**

| Type of premium | 1988/89 wine year | 1989/90 wine year | 1990/91 wine year | 1991/92 wine year |
|---|---|---|---|---|
| 1. As mentioned in Article 2 (1) (a) of Regulation (EEC) No 1442/88 | 2 971 | 3 128 | 3 286 | 3 443 |
| 2. As mentioned in Article 2 (1) (b) of Regulation (EEC) No 1442/88 : | | | | |
| — first indent | 1 086 | 1 114 | 1 143 | 1 171 |
| — second indent | 2 286 | 2 414 | 2 543 | 2 671 |
| — third indent | 2 928 | 3 071 | 3 214 | 3 357 |
| — fourth indent | 3 400 | 3 500 | 3 600 | 3 700 |
| — fifth indent | 4 250 | 4 500 | 4 750 | 5 000 |
| — sixth indent | 5 921 | 6 228 | 6 536 | 6 843 |
| — seventh indent | 7 486 | 7 914 | 8 343 | 8 771 |
| — eighth indent | 8 086 | 8 614 | 9 143 | 9 671 |
| 3. As mentioned in Article 2 (1) (c) of Regulation (EEC) No 1442/88 : | | | | |
| — first indent | 8 164 | 8 823 | 9 482 | 10 141 |
| — second indent | 6 350 | 6 862 | 7 375 | 7 887 |
| — third indent | 5 268 | 5 751 | 6 234 | 6 717 |
| — fourth indent | 4 390 | 4 792 | 5 195 | 5 597 |
| 4. As mentioned in Article 2 (1) (d) of Regulation (EEC) No 1442/88 | 6 514 | 6 686 | 6 857 | 7 028 |
| 5. As mentioned in Article 2 (1) (e) of Regulation (EEC) No 1442/88 | 4 571 | 5 028 | 5 486 | 5 943 |
| 6. As mentioned in Article 2 (1) (f) of Regulation (EEC) No 1442/88 | 4 571 | 4 928 | 5 286 | 5 643 |
| 7. As mentioned in Article 2 (2) of Regulation (EEC) No 1442/88 | 428 | 471 | 514 | 557 |

*ANNEX III*

**Exemption factors for use in determining the size of the exemption mentioned in Article 7 (2)**

| Decrease in production potential | Factor by which the decrease in production potential should be multiplied |
|---|---|
| 20 % | 0,610 |
| 21 % | 0,623 |
| 22 % | 0,636 |
| 23 % | 0,649 |
| 24 % | 0,662 |
| 25 % | 0,675 |
| 26 % | 0,688 |
| 27 % | 0,701 |
| 28 % | 0,714 |
| 29 % | 0,727 |
| 30 % | 0,740 |
| 31 % | 0,753 |
| 32 % | 0,766 |
| 33 % | 0,779 |
| 34 % | 0,792 |
| 35 % | 0,805 |
| 36 % | 0,818 |
| 37 % | 0,831 |
| 38 % | 0,844 |
| 39 % | 0,857 |
| 40 % | 0,870 |
| 41 % | 0,883 |
| 42 % | 0,896 |
| 43 % | 0,909 |
| 44 % | 0,922 |
| 45 % | 0,935 |
| 46 % | 0,948 |
| 47 % | 0,961 |
| 48 % | 0,974 |
| 49 % | 0,987 |