



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 18.12.2002
COM(2002) 741 final

Proposal for a

COUNCIL REGULATION

**authorising the offer and delivery for direct human consumption of certain wines
imported from Argentina which may have undergone oenological processes
not provided for in Regulation (EC) No 1493/1999**

(presented by the Commission)

EXPLANATORY MEMORANDUM

Wines originating in third countries which have undergone oenological processes not allowed by Community rules may not, except by way of specific derogation to be decided by the Council, be offered for direct human consumption in the Community. The derogation procedure is provided for in Article 45(2) of Council Regulation (EC) No 1493/1999 on the common organisation of the market in wine. Wines originating in Argentina may have malic acid added to control their acidity, an oenological process permitted by Argentina but prohibited in the European Union.

Negotiations on the respective oenological processes of the two parties are currently underway between the Community, represented by the Commission, and the Argentine Republic with a view to concluding an agreement on trade in wine. With a view to ensuring the smooth progress of these negotiations, certain Argentine oenological processes should be authorised on a transitional basis until the entry into force of the agreement resulting from the above negotiations, but not later than 30 September 2003.

The Commission proposes that the presence of malic acid in wines originating in Argentina be authorised until the close of the negotiations currently underway between the Community and the Argentine Republic to conclude an agreement on trade in wine, but not later than 30 September 2003.

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authorising the offer and delivery for direct human consumption of certain wines imported from Argentina which may have undergone oenological processes not provided for in Regulation (EC) No 1493/1999

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1493/1999 of 17 May 1999 on the common organisation of the market in wine¹, and in particular Article 45(2) thereof,

Having regard to the proposal from the Commission²,

Whereas:

- (1) Article 45(1) of Regulation (EC) No 1493/1999 offers the possibility of adopting derogations for imported products which have undergone oenological practices not authorised by Community rules.
- (2) Wines produced on the territory of Argentina may be subject to acidification with malic acid, an oenological practice not authorised by Community rules.
- (3) Negotiations are currently underway between the Community, represented by the Commission, and Argentina on an agreement on trade in wine. These involve in particular the respective oenological processes of the two parties and the protection of geographical indications.
- (4) With a view to ensuring the smooth progress of these negotiations, a derogation allowing the addition of malic acid to wines produced on the territory of Argentina and imported into the Community should be authorised on a transitional basis until the entry into force of the agreement resulting from the above negotiations, but not later than 30 September 2003,

¹ OJ L 179, 14.7.1999, p. 1. Regulation last amended by Regulation (EC) No 2585/2001 (OJ L 345, 29.12.2001, p. 10).

² OJ C ..., ..., p. ...

HAS ADOPTED THIS REGULATION:

Article 1

1. Notwithstanding Article 45(1) of Regulation (EC) No 1493/1999, products falling within CN codes 2204 10, 2204 21, 2204 29 and 2204 30 10 and derived from grapes harvested and vinified on the territory of Argentina to which malic acid may have been added during manufacturing operations in accordance with Argentine provisions may be offered or delivered for direct human consumption in the Community.

However, this authorisation shall only be valid until the entry into force of the agreement resulting from the negotiations with Argentina on an agreement on trade in wine, and not later than 30 September 2003.

2. Member States may not prohibit the offer or delivery for direct human consumption of wine derived from grapes harvested and vinified on the territory of Argentina in accordance with the provisions in force in that country on the grounds that malic acid may have been added to it.

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,

For the Council
The President

FINANCIAL STATEMENT

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1. BUDGET HEADING: B1-16		APPROPRIATIONS: (PDB 2003) EUR 1 381 million		
2. TITLE: Proposal for a Council Regulation authorising the offer and delivery for direct human consumption of certain wines imported from Argentina which may have undergone oenological processes not provided for in Regulation (EC) No 1493/1999				
3. LEGAL BASIS: Article 133 of the Treaty				
4. AIMS: To grant a derogation for the import of Argentine wines until 30 September 2003.				
5. FINANCIAL IMPLICATIONS		12 MONTH PERIOD (EUR million)	CURRENT FINANCIAL YEAR 2003 (EUR million)	FOLLOWING FINANCIAL YEAR 2004 (EUR million)
5.0 EXPENDITURE		p.m.	p.m.	-
- CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS)				
- NATIONAL AUTHORITIES				
- OTHER				
5.1 REVENUE		-	-	-
- OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)				
- NATIONAL				
		2005	2006	2007
5.0.1 ESTIMATED EXPENDITURE		-	-	-
5.1.1 ESTIMATED REVENUE		-	-	-
5.2 METHOD OF CALCULATION:				
6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?		YES / NO		
6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?		YES / NO		
6.2 WILL A SUPPLEMENTARY BUDGET BE NECESSARY?		YES / NO		
6.3 WILL APPROPRIATIONS NEED TO BE ENTERED IN FUTURE BUDGETS?		YES / NO		
OBSERVATIONS: The derogation allows Argentina to import wine into the Community. This measure could have an impact on Community expenditure, as a result of the additional quantities of wine on the market. However, this impact cannot be measured.				