

## COUNCIL REGULATION (EEC) No 567/76

of 15 March 1976

laying down general rules governing the distillation of table wines for which the distillation contract must be approved before 15 April 1976

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 816/70 of 28 April 1970 laying down additional provisions for the common organization of the market in wine <sup>(1)</sup>, as last amended by Regulation (EEC) No 1932/75 <sup>(2)</sup>, and in particular Article 7 (1) thereof,

Having regard to the proposal from the Commission,

Whereas Article 7 of Regulation (EEC) No 816/70 provides that measures may be adopted for the distillation of table wines if the granting of aid for private storage alone is unlikely to be effective in restoring price levels;

Whereas aid for the private storage of table wines is at present granted for all types of table wines; whereas the prices for most of these wines are below the activating price;

Whereas the possibility of concluding nine-month storage contracts for table wines of types R I, R II and A I during the period 16 December 1975 to 15 February 1976 has still not brought about any substantial restoration of price levels;

Whereas the harvest for the current year and the large stocks from the previous year have yielded supplies in excess of the normal requirements of this wine marketing year;

Whereas the conditions for the commencement of a distillation operation are fulfilled;

Whereas it is necessary to lay down the conditions under which this operation should take place; whereas the price for wines to be distilled should not act as an encouragement to the production of wines primarily for the purpose of distillation, but should nevertheless be sufficiently attractive for the operation to be effective;

Whereas it is necessary to provide for a mechanism to enable, in particular, part of the purchase price to be paid immediately in order to encourage producers who wish to have their wine distilled to take a decision;

Whereas it is necessary to provide the possibility for producers who have entered into a distillation contract to renounce this where the market situation enables wine producers to obtain better returns;

Whereas, in order to limit the scope of the measure, its duration should be restricted;

Whereas the prices for wines to be distilled will not permit the products thereby obtained to be marketed on normal terms; whereas aid should therefore be paid and its amount determined, taking account of normal costs, at a level which will make it possible to market the products of distillation;

Whereas in each Member State concerned there must be a body responsible for applying the provisions in question,

HAS ADOPTED THIS REGULATION:

*Article 1*

1. Producers who wish to have all or part of their harvest of table wine distilled shall conclude revocable delivery contracts with the distillers of their choice before 31 March 1976.

<sup>(1)</sup> OJ No L 99, 5. 5. 1970, p. 1.

<sup>(2)</sup> OJ No L 198, 29. 7. 1975, p. 19.

These contracts shall be valid only if they are approved by the intervention agency before 15 April 1976.

2. Under such contracts:

- (a) the distiller shall purchase the quantity of table wine stated in the contract;
- (b) the distiller shall distil such wine and shall pay for it at a price which shall not be less than the price referred to in Article 2.

3. The contracts shall specify:

- (a) the quantity, colour and actual alcoholic strength of the table wines to be distilled;
- (b) the name and address of the producer;
- (c) the place at which the wine is stored;
- (d) the name of the distiller or the registered business or company name of the distillery;
- (e) the address of the distillery.

#### Article 2

1. The minimum buying-in price for table wines to be distilled is fixed at 1.40 units of account per degree and per hectolitre.

2. The price referred to shall apply in respect of an unaltered product, ex-producer's premises.

3. Within 15 days of approval the intervention agency shall pay to the producer 40% of the buying-in price of the quantity of wine indicated in the approved contract referred to in Article 1 (1), to be deducted from the aid provided for in Article 6 (2).

4. When the quantity of wine indicated in the contract referred to in Article 1 (1) reaches the distillery, the latter shall pay to the producer the difference between the minimum buying-in price referred to in paragraph 1 and the aid referred to in Article 6 (2).

5. When the conditions laid down in Article 6 (3) are fulfilled, the intervention agency shall pay to the producer the difference between the aid referred to in Article 6 (2) and the amount referred to in paragraph 3 of this Article.

6. The Member States may decide that the payment referred to in paragraph 3 shall be made by the distiller.

#### Article 3

Distillation may not take place before 1 April or after 31 July 1976.

#### Article 4

If the weighted average price of table wines of type A I for a certain number of quotations exceeding 50% of the quantities quoted is higher than 90% of the activating price, it may be decided that distillation contracts or a part of these may be annulled on request. Annulment of contracts shall be permissible only in cases where the amount paid by the intervention agency and referred to in Article 2 (3) is refunded.

#### Article 5

Products of the distillation of table wines may have an alcoholic strength:

— of 86° or more,

— of 85° or less,

with a tolerance of 0.4% above or below.

#### Article 6

1. For each hectolitre of distilled wine aid shall be paid by the intervention agency of the Member State where distillation took place.

2. The amount of aid is hereby fixed at:

— 0.95 unit of account per degree and per hectolitre if the wine was processed into a product referred to in Article 5, first indent;

— 0.81 unit of account per degree and per hectolitre if the wine was processed into a product referred to in Article 5, second indent.

3. Without prejudice to Article 4, the difference referred to in Article 2 (5) shall be paid when proof has been furnished that the full amount of the wine indicated in the contract has been distilled.

4. Where a Member State has exercised the option provided for in Article 2 (b), the amount paid to the producer by the distiller shall be refunded to the distiller by the intervention agency at the same time as the amount referred to in paragraph 5 of that Article is paid to the producer.

#### Article 7

1. Member States shall designate an intervention agency to be responsible for applying this Regulation.

2. The competent intervention agency shall be the agency of the State in whose territory distillation takes place.

*Article 8*

1. The measure provided for in this Regulation shall constitute intervention within the meaning of Article 3 (1) of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy <sup>(1)</sup>, as last amended by Council Regulation (EEC) No 2788/72 <sup>(2)</sup>.

2. The detailed rules for the financing of the measures provided for in this Regulation shall be

adopted in accordance with the procedure laid down in Article 13 of Regulation (EEC) No 729/70.

*Article 9*

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, 15 March 1976.

*For the Council*

*The President*

R. VOUEL

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<sup>(1)</sup> OJ No L 94, 28. 4. 1970, p. 13.

<sup>(2)</sup> OJ No L 295, 30. 12. 1972, p. 1.