

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(74) 1995 final

Brussels, 3 December 1974

Proposal for a
REGULATION (EEC) OF THE COUNCIL
on agriculture in the Grand Duchy of Luxembourg

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

1. Article 2 of Regulation (EEC) N° 541/70 (1) of the Council of 20 March 1970 on agriculture in the Grand Duchy of Luxembourg provides that the provisions of the second subparagraph of Article 1(1) of the Protocol on the Grand Duchy of Luxembourg are to remain applicable until full harmonization of specific duties on wine in the Community is achieved;

The second subparagraph of Article 1(1) of the Protocol referred to above provides that Belgium, the Grand Duchy of Luxembourg and the Netherlands are to apply the system provided for in the third paragraph of Article 6 of the Convention of the Economic Union of Belgium and Luxembourg of 25 July 1921;

The second paragraph of Article 2 of Regulation (EEC) N° 541/70 provides that if such harmonization is not achieved, and in any event not later than 31 December 1973, the Council, acting by a qualified majority on a proposal from the Commission, is to decide to what extent these provisions must be retained, amended or abolished;

Article 1 of Regulation (EEC) N° 3535/73 of the Council of 17 december 1973 (3) remains applicable until 31.12.74.

2. With regard to specific duties, the Commission has submitted to the Council a proposal for a Directive (2) on the harmonization of excise duties on wine, but the Council has not yet taken any decision in this matter.

(1) OJ N° L 68, 25 March 1970

(2) OJ N° C 43, 27 April 1972

(3) OJ N° L 361, 29 december 1973

3. In 1970 the Council adopted Regulation (EEC) N° 816/70 (1) laying down additional provisions for the common organization of the market in wine, which includes, inter alia, rules governing intervention measures for table wines. For the next few years, however, it will continue to benefit the agricultural income of the Grand Duchy of Luxembourg in the sector concerned if wines of Luxembourg origin remain exempt from excise duties on the Benelux market.

The more favourable treatment granted to Luxembourg has not had any appreciable effect on the free circulation of wines of other origins in the Benelux countries. On the contrary, the markets are showing an ever-growing capacity for absorption.

Pending Community decisions in this matter, and so that the Grand Duchy of Luxembourg may continue its efforts to improve production and marketing in its wine industry, it is proposed that the derogation provided for in the second subparagraph of Article 1(1) of the Protocol should remain in force until the harmonization of specific duties on wines in the Community takes place, or until 31 December 1975 at the latest.

4. Should the harmonization of specific duties on wine not take place before 31 December 1975, it is proposed that the Council, acting by a qualified majority on a proposal from the Commission, should decide to what extent these provisions must be retained, amended or abolished.

(1) OJ N° L 99, 5 May 1970.

Proposal for a
Regulation (EEC) of the Council
on agriculture in the Grand Duchy of Luxembourg

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to the Protocol on the Grand Duchy of Luxembourg;

Having regard to Regulation (EEC) N° 541/70 (1) of the Council of 20 March 1970 on agriculture in the Grand Duchy of Luxembourg;

Having regard to Regulation (EEC) N° 3535/73 of the Council of 17 december 1973 on agriculture in the Grand Duchy of Luxembourg (2), and in particular the second paragraph of Article 1 thereof;

Having regard to the proposal from the Commission;

Whereas, under the second subparagraph of Article 1(1) of the Protocol on the Grand Duchy of Luxembourg, Belgium, Luxembourg and the Netherlands are to apply the system provided for in the third paragraph of Article 6 of the Convention on the Economic Union of Belgium and Luxembourg of 25 July 1921; whereas Regulation (EEC) N° 541/70 and Regulation (EEC) N° 3535/73 provide that such system is to remain applicable until full harmonization of specific duties on wine in the Community is achieved not later than 31 December 1974; whereas, however, the Council is to decide to what extent these provisioss must be retained, amended or abolished from this date;

Whereas at the present time the harmonization of specific duties on wine in the Community has not been achieved; whereas the application of the said system in favour of Luxembourg wines will continue to be of considerable benefit in the next few years to the agricultural income of the Grand Duchy of Luxembourg in the sector concerned;

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(1) OJ N° L 68, 25 March 1970, p.3

(2) OJ N° 361, 29 december 1973

Whereas, for the other reasons also, which were given in the Regulation EEC N° 541/70 the said system should now continue to be applicable for the period during which it is expected that the Directive on the harmonization of excise duties on wine will be brought into operation;

HAS ADOPTED THIS REGULATION :

Article 1

1. The provisions of the second subparagraph of Article 1(1) of the Protocol on the Grand Duchy of Luxembourg shall remain applicable until full harmonization of specific duties on wine in the Community is achieved, and in any event not later than 31 December 1975.
2. The Council, acting by a qualified majority on a proposal from the Commission, shall decide to what extent these provisions must be retained, amended or abolished from that date.

Article 2

This Regulation shall enter into force on 1 January 1975.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council,
The President