

COM(79) 412 final.

Brussels, 19 July 1979

Proposal for a  
COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of  
a Community tariff quota for wines from fresh grapes and  
grape must with fermentations arrested by the addition of  
alcohol falling within heading No 22.05 of the Common Customs  
Tariff, originating entirely in Greece (1980)

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(submitted to the Council by the Commission)

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EXPLANATORY MEMORANDUM

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1. Pending a decision by the Association Council under Article 35 36(1) of the EEC-Greece Association Agreement, the Council has laid down the arrangements applicable as from 29 April 1977 to imports of wines of fresh grapes and grape must with fermentation arrested by the addition of alcohol, falling within CCT heading N° 22.05 and wholly obtained in Greece. The arrangements provide for the opening for these products of a Community tariff quota, at rates of duty corresponding to 15% of those specified in the Common Customs Tariff.
2. The annexed proposed Regulation has as its aim to renew for 1980 the regime decided on for 1978 and 1979 that is a Community tariff quota of 430 000 hl, divided into two tranches. This shall be the first, of 90% of the volume, being divided between the Member States on the basis of the percentages used in 1979, the second, of 10% of the volume, being the Community reserve.

The method of administration proposed is the same as that used in the context of the 1979 quota. The authorization given to the Member States to divide on an indicative basis three quota shares into two parts, one for table wines and the other for wine to be used for making vermouth, has also been included in this proposal.

Proposal for a  
COUNCIL REGULATION (EEC)

**opening, allocating and providing for the administration of a Community tariff quota for wines from fresh grapes and grape must with fermentation arrested by the addition of alcohol, falling within heading No 22.05 of the Common Customs Tariff and originating entirely in Greece (1980)**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 43 and 113 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Whereas, pending a Decision by the Association Council pursuant to Article 35 or 36 (1) of the EEC-Greece Association Agreement, a Community tariff quota of 430 000 hectolitres should be opened at a reduced duty in 1980 for wines from fresh grapes and grape must with fermentation arrested by the addition of alcohol, originating entirely in Greece, complying with Regulation (EEC) No 337/79 and in particular with Article 7 thereof; whereas it is necessary in these circumstances to open the Community tariff quota as from 1 January 1980;

Whereas it is in particular necessary to guarantee all importers of the Member States equal and uninterrupted access to the said quota and uninterrupted application of the rate laid down for that quota to all imports into such States of the products concerned until the quota has been used up; whereas having regard to the above principles the Community nature of the quota can be respected by allocating the Community tariff quota among the Member States; whereas, to reflect most accurately the actual development of the market in the products concerned, such allocation should be in proportion to the needs of the Member States, assessed by reference both to the statistics relating to imports from Greece over a representative period, and to the economic outlook for the quota period concerned;

Whereas, on the basis of the statistics at present available, imports from Greece into the Member States in 1976, 1977 and 1978 of the product concerned have developed as follows and represent the following percentages of total imports into the Community:

Member States	1976	1977	1978
Benelux	71.69	68.57	63.67
Denmark	0.17	0.01	0.01
Germany	19.90	25.23	29.38
France	4.06	5.23	5.43
Ireland	0	0.01	0.02
Italy	2.63	0.06	0.11
United Kingdom	1.55	0.89	1.38

Whereas, taking into account these figures and the foreseeable development of the market in the product concerned during 1980 the initial shares in the volume of the quota may be fixed approximately at the following percentages:

Benelux	62.91
Denmark	0.52
Germany	29.35
France	4.43
Ireland	0.35
Italy	0.35
United Kingdom	2.09

Whereas in order to take into account the import trends for the product concerned in the Member States, the quota volume should be divided into two instalments, the first instalment being allocated among the Member States and the second forming a

reserve intended ultimately to cover the requirements of the Member States, should their initial share be used up; whereas, in order to ensure a certain degree of security to importers, the first instalment of the Community quota should be determined at a relatively high level, which under present circumstances could be 90 % of the quota volume;

Whereas the initial shares may be used up fairly quickly; whereas, therefore, to avoid disruption of supplies any Member State which has almost used up its initial share should draw a supplementary share from the Community reserve; whereas this must be done by each Member State as each one of its supplementary shares is almost used up, and as many times as the reserve allows; whereas the initial and supplementary shares must be valid until the end of the quota period; whereas this form of administration requires close collaboration between the Member States and the Commission, and the Commission must be in a position to follow the extent to which the tariff quota has been used up and to inform the Member States thereof;

Whereas if, at a specified date in the quota period, a considerable quantity of the initial quota share remains in any Member State, it is essential that that Member State should return a certain proportion

thereof to the reserve, in order to avoid part of the Community quota remaining unused in one Member State when it could be used in others;

Whereas, since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united within and jointly represented by the Benelux Economic Union, any measure concerning the administration of the quota shares allocated to that economic union may be carried out by any one of its members,

HAS ADOPTED THIS REGULATION:

*Article 1*

1. From 1 January to 31 December 1980, a Community tariff quota of 430 000 hectolitres shall be opened in the Community for wine of fresh grapes and grape must with fermentation arrested by the addition of alcohol, falling within heading No 22.05 of the Common Customs Tariff and originating entirely in Greece.

2. Within this tariff quota, the Common Customs Tariff duty shall be reduced to the levels indicated in the table below:

CCT heading No	Description	Rate of duty
22.05	Wine of fresh grapes; grape must with fermentation arrested by the addition of alcohol:	
	A. Sparkling wine . . . . .	6 ECU per hl
	B. Wine in bottles with 'mushroom' stoppers held in place by ties or fastenings, and wine otherwise put up with an excess pressure of not less than one bar but less than three bar, measured at a temperature of 20 °C . . . . .	6 ECU per hl
	C. Other:	
	I. Of an actual alcoholic strength by volume not exceeding 13 % vol, in containers holding:	
	a) Two litres or less . . . . .	1.2 ECU per hl ( 1 )
	b) More than two litres . . . . .	1.6 ECU per hl ( 1 )
	II. Of an actual alcoholic strength by volume exceeding 13 % vol but not exceeding 15 % vol, in containers holding:	
	a) Two litres or less . . . . .	2.5 ECU per hl ( 1 )
	b) More than two litres . . . . .	2.0 ECU per hl ( 1 )

CCT heading No	Description	Rate of duty
22.05 (cont'd)	III. Of an actual alcoholic strength by volume exceeding 15 % vol but not exceeding 18 % vol, in containers holding :	
	a) Two litres or less :	
	2. Other . . . . .	3. 1 ECU per hl (1)
	b) More than two litres :	
	3. Other . . . . .	2. 5 ECU per hl (1)
	IV. Of an actual alcoholic strength by volume exceeding 18 % vol but not exceeding 22 % vol, in containers holding :	
	a) Two litres or less :	
	2. Other . . . . .	3. 5 ECU per hl (1)
	b) More than two litres :	
	3. Other . . . . .	3. 5 ECU per hl (1)
	V. Of an actual alcoholic strength by volume exceeding 22 % vol, in containers holding :	
	a) Two litres or less . . . . .	0. 29 ECU per hl, and per % vol + 1. 8 ECU per hl (1)
	b) More than two litres . . . . .	0. 29 ECU per hl and per % vol (1)

(1) The exchange rate to be applied in converting into national currencies the ECU in which the customs duty is expressed shall be the representative rate applicable to wine, if such a rate is fixed for the purposes of the common agricultural policy.

*Article 2*

1. The tariff quota referred to in Article 1 (1) shall be divided into two instalments.

2. A first instalment, amounting to 387 000 hectolitres, shall be shared among the Member States; the shares, which subject to Article 5 shall be valid until 31 December 1980 shall be as follows :

	(hectolitres)
Benelux	243 450
Denmark	2 000
Germany	113 600
France	17 150
Ireland	1 350
Italy	1 350
United Kingdom	8 100

3. The second instalment of 43 000 hectolitres shall constitute the reserve.

*Article 3*

1. If 90 % or more of any Member State's initial share, as laid down in Article 2 (2), or 90 % or more of that share less the amount returned to the reserve where Article 5 has been applied, has been exhausted,

that Member State shall without delay, by notifying the Commission, draw a second share equal to 15 % of its initial share, rounded up to the next unit where appropriate, to the extent that the amount in the reserve allows.

2. If, after its initial share has been exhausted, 90 % or more of the second share drawn by that Member State has been exhausted, it shall, in the manner provided for in paragraph 1, draw a third share equal to 7.5 % of its initial share.

3. If, after its second share has been exhausted, 90 % or more of the third share drawn by that Member State has been used up, it shall, in the manner provided for in paragraph 1, draw a fourth share equal to the third.

This process shall be applied until the reserve is exhausted.

4. By way of derogation from paragraphs 1, 2 and 3, Member States may draw smaller shares than those fixed in those paragraphs if there is reason to believe that those shares might not be used up. They shall inform the Commission of their reasons for applying this paragraph.

*Article 4*

Each of the additional shares drawn pursuant to Article 3 shall be valid until 31 December 1980.

*Article 5*

Member States shall return to the reserve, not later than 1 October 1980, the unused portion of their initial share which, on 15 September 1980, is in excess of 20 % of the initial amount. They may return a greater portion if there are grounds for believing that such portion may not be used in full.

The Member States shall, not later than 1 October 1980, notify the Commission of the total imports of the products concerned effected under and charged against the Community quota up to and including 15 September 1980 and, where appropriate, of the proportion of their initial shares that they are returning to the reserve.

*Article 6*

The Member States shall be authorized to divide the shares allocated to them or which they have drawn from the reserve into two parts, according to their foreseeable use, reserving one part for wine intended for direct consumption and the other for wines intended for processing.

However, during the marketing year and according to the actual needs which arise, they shall make the necessary adjustments to the original allocations.

*Article 7*

The Commission shall keep account of the shares opened by Member States in accordance with Articles 2 and 3 and shall inform each of them of the extent to which the reserve has been used as soon as it receives the notification.

The Commission shall, not later than 5 October 1980, notify the Member States of the state of the reserve after the return of shares pursuant to Article 5.

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

Done at Luxembourg,

The Commission shall ensure that any drawing which uses up the reserve is limited to the balance available and, for this purpose, shall specify the amount thereof to the Member State which makes the final drawing.

*Article 8*

1. Member States shall take all measures necessary to ensure that supplementary shares drawn pursuant to Article 3 are opened in such a way that charges may be made without interruption against their combined shares of the Community quota.

2. Member States shall ensure that importers of the said products established in their territory have free access to the shares allocated to them or drawn from the reserve.

3. The extent to which a Member State has used up its share shall be determined on the basis of the imports of the products in question submitted to the customs authorities under the cover of declarations that they have been made available for home use.

*Article 9*

At the request of the Commission, Member States shall inform it of imports of the products in question actually charged against their shares.

*Article 10*

The Member States and the Commission shall cooperate closely in order to ensure that this Regulation is complied with.

*Article 11*

This Regulation shall enter into force on 1 January 1980.

*For the Council*

*The President*

# FINANCIAL STATEMENT

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1. Budget line concerned : Ch. 12 Art. 120

2. Legal basis : Articles 43 and 113 of the Treaty

3. Title of the tariff measure :

Proposal for a Council Regulation (EEC) opening, allocating and providing for the administration of a Community tariff quota for wines from fresh grapes and grape must with fermentation arrested by the addition of alcohol falling within heading No 22.05 of the Common Customs Tariff, originating entirely in Greece (1980)

4. Objectives :

To assure, for Greek wines, a preferential treatment in the context of an interim regime between the national regimes provided for in Protocol 14 to the Agreement EEC-Greece and the regime to be defined in accordance with Article 35 or Article 36(1) of the Agreement

5. Method of calculation :

- No of CCT : 22.05
- Quota volume : 430 000 hl
- Quota duty rate : 15% of CCT duty rates
- Duty rate CCT : from 9 to 40 EUA/hl

6. Loss of receipts :

On the basis of foreseeable use of the quota  $15 \text{ EUA} \times 320 \text{ 000 hl} = 4 \text{ 800 000 EUA}$ .  
In relation to the preceding quota period (1979) a reduction of loss of requests of  $6 \text{ 600 000 EUA} - 4 \text{ 800 000 EUA} = 1 \text{ 800 000 EUA}$ .