

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(81) 439 final

Brussels, 9 September 1981

Proposal for a
COUNCIL DIRECTIVE

amending, as regards the special conversion grant and
the monetary unit utilized, Directive 78/627/EEC
on the programme to accelerate the restructuring
and conversion of vineyards in certain
Mediterranean regions in France

(submitted to the Council by the Commission)

COM(81) 439 final

EXPLANATORY MEMORANDUM

Article 4 (1) of Directive 78/627/EEC states that expenditure related to the special conversion grant shall be eligible for aid from the Guidance Section of the EAGGF provided that it does not exceed 2 000 units of account per converted hectare and is reduced by at least 10 % each year from the third year onwards.

The reduction in the premium from the third year onwards was specified in order to speed up conversion operations in the areas concerned. But as a result of the Council's adoption of Regulation (EEC) n° 456/80 the effect of the reduction is now likely to be the contrary of that intended, since :

- the Regulation, which will apply to the areas covered by Directive 78/627/EEC after that Directive expires, provides for aid equal in amount to the special conversion grant, but with no time-related reduction ;
- from the third year onwards, therefore, winegrowers could well find it more advantageous not to ask for the conversion grant but to await the expiry of the Directive and receive the higher rate provided for in the Regulation.

This situation could compromise, at least in part, the success of the common measure introduced by Directive 78/627/EEC, despite the very good current prospects for implementing it.

Moreover, a reduction in the premium from the third year onwards constitutes unjustified discrimination against the areas covered by Directive 78/627/EEC in comparison with other areas in the Community with similar problems. The general and structural situations in these areas demand treatment at least equal to that provided for other areas.

Given the situation indicated above, the Commission proposes withdrawal of the reduction in the special conversion grant.

In 1979 the outline programme provided for in the Directive was presented by the French Government and approved by the Commission.

The French Government has already applied to the Commission for reimbursement of advance payment for the restructuring of 4 000 ha and the conversion of 2 300 ha.

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PROPOSAL

for a

Council Directive amending, as regards the special conversion grant and the monetary unit utilized, Directive 78/627/EEC on the programme to accelerate the restructuring and conversion of vineyards in certain Mediterranean regions in France

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the proposal from the Commission ¹,

Having regard to the opinion of the European Parliament ²,

Whereas Article 4(1) of Council Directive 78/627/EEC³ states that expenditure related to the special conversion grant is eligible for aid from the Guidance Section of the EAGGF provided that it does not exceed 2 000 units of account per converted hectare and is reduced by at least 10 % each year from the third year onward ;

Whereas the purpose of the reduction was to speed up conversion operations ; whereas, however, as a result of adoption of Council Regulation (EEC) No 456/80 of 18 February 1980 on the granting of temporary and permanent abandonment premiums in respect of certain areas under vines and of premiums for the renunciation of replanting⁴, this reduction is likely to have an effect opposite to that intended ; whereas the abovementioned Regulation, which is to apply to the areas covered by Directive 78/627/EEC when the validity of that Directive expires, provides for the granting of a premium for the permanent abandonment of viticulture, of the same amount as the abovementioned conversion grant but without a time-related reduction ; whereas, consequently, from the third year onwards winegrowers may find it more profitable to await expiry of the validity of the Directive instead of applying for the conversion grant ;

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3 OJ N° L 206, 29.07.1978, p. 1

4 OJ N° L 57, 29.02.1980, p. 16

Whereas, moreover, in view of the adoption of the abovementioned Regulation, the areas covered by Directive 78/627/EEC, which suffer very seriously from the structural surplus on the market in table wine, should be granted aid at least as advantageous as that provided for the other areas in the Community experiencing similar problems ;

Whereas the amounts laid down in Directive 78/627/EEC should be expressed in the monetary unit now being used for the common agricultural policy,

HAS ADOPTED THIS DIRECTIVE :

Article 1

Directive 78/627/EEC is hereby amended as follows:

1. The third indent of Article 4(1) is replaced by the following:

"- expenditure related to the special conversion grant referred to in the fourth indent of Article 3 (1) (b) provided that it does not exceed 2 410 ECU (A) per converted hectare".

2. The amounts specified in the following provisions shall be as follows :

- (a) Article 4 (1), first indent : 3 143 ECU (A) instead of 2 600 units of account ;
- (b) Article 4 (2), second subparagraph : 2 410 ECU (A) instead of 2 000 units of account ;
- (c) Article 5 (2) : 105 million ECU instead of 105 million units of account.

Article 2

This Directive is addressed to the French Republic.

Done at Brussels,

For the Council

