

COMMISSION OF THE EUROPEAN COMMUNITIES

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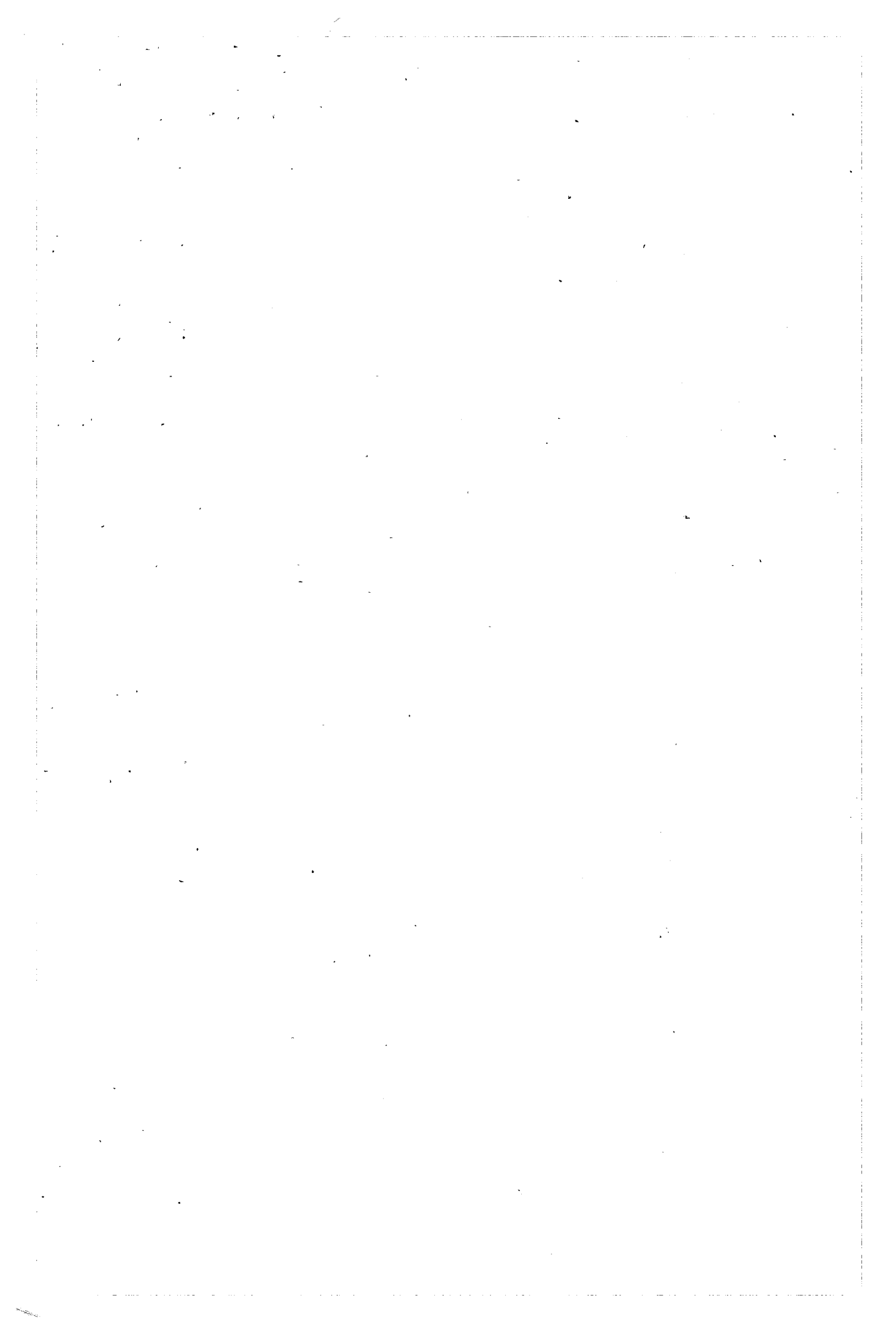
Proposal for a

COUNCIL REGULATION (EEC)

concerning the allocation of a Community quota of wine of fresh grapes, intended to be fortified for distillation, originating in Algeria (1978/79)

(submitted to the Council by the Commission)

COM(78) 151 final



EXPLANATORY MEMORANDUM

The Cooperation Agreement between the European Economic Community and the Peoples Democratic Republic of Algeria, signed on 26 April 1976 and which will enter into force on (1st July 1978), makes provision for a tariff concession, for four years, consisting of an 80 % reduction in the customs duties for imports of wine of fresh grapes, intended for fortifying and originating in Algeria, subject to an annual quota of 500.000 hecto-litres, on condition that a special import price is observed.

Article 3 (1) of Council Regulation (EEC) No 1516/76 on imports into the Community of wine of fresh grapes, intended to be fortified for distillation, originating in Algeria lays down that the allocation of the quota is to be effected by the Council, acting by a qualified majority on a proposal from the Commission. Such allocation must be effected in proportion to Member States' requirements, calculated on the basis of statistics of imports of the said wines originating in Algeria and the economic prospects for the quota period under consideration. However, in this particular case, there are no statistics - either Community or national - for the wines in question. In these circumstances, it would seem advisable on the basis of this regulation to review the quota shares for the Member States for a third period for 1 July 1978 to 30th June 1979.

The Commission therefore proposes that the Council should adopt the following proposal for a regulation concerning the allocation of a quota of wine of fresh grapes, intended for fortifying, originating in Algeria.

FINANCIAL IMPLICATION

This regulation does not involve any financial implication.

COUNCIL REGULATION (EEC)

concerning the allocation of a Community quota of wine of fresh grapes, intended to be fortified for distillation, originating in Algeria (1978/79)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1516/76 of 24 June 1976 on imports of wine of fresh grapes, intended to be fortified for distillation, originating in Algeria (1), and in particular Article 3 (1) thereof,

Having regard to the proposal from the Commission,

Whereas Regulation (EEC) N° 1516/76 lays down that, pursuant to the Cooperation Agreement between the European Economic Community and the Peoples Democratic Republic of Algeria signed on 26 April 1976 and which enters into force on (1 July 1978), wines of fresh grapes, intended for fortifying, falling within subheadings 22.05 C I ex b) and C II ex b) of the Common Customs Tariff, originating in Algeria, may be imported into the Community with a tariff concession consisting of an 80 % reduction in the customs duties and within the limits of a Community quota subject to observance of a special price; whereas the annual quota is 500 000 hectolitres per year for four years from the entry into force of the Interim Agreement (2) on 1 July 1976 which was aimed at implementing certain provisions of the Cooperation Agreement; whereas the third annual Community quota should be allocated for the period 1 July 1978 to 30 June 1979;

Whereas, in order to follow as closely as possible the actual development of the market in the products in question, such allocation must be effected in proportion to Member States' requirements, calculated on the basis of the statistics on imports of the said products from Algeria during a representative period and also on the basis of the economic prospects for the tariff period under consideration;

(1) J.O n° L 169, 28.6.1976, p. 29,

(2) J.O n° L 141, 28.5.1976, p. 2.

Whereas, however, in this case, there are no Community or national statistics for the wines in question; whereas, provision should consequently be made for allocating the total quota into shares which take account of the capacity of the markets of the Member States to absorb the said wines;

Whereas, in order to take account in these conditions of the uncertainty in trends in imports into the Member States of the product concerned, the quota should be divided into two instalments; the first to be allocated among all the Member States and the second to form a reserve intended to cover any subsequent requirements of Member States which have used up their initial shares;

Whereas Member States may use up their initial shares at different rates; whereas to provide for this eventuality and to avoid disruption of supplies, any Member State which has almost used up its initial share should draw an additional share from the reserve; whereas this should be done by each Member State when each of its additional shares has been almost used up, and so on as many times as the reserve allows; whereas the initial and additional shares should be valid until the end of the quota period;

Whereas if, at a given date in the quota period, a considerable quantity of a Member State's initial share remains unused, it is essential that that Member State should return it to the reserve so as to prevent a part of the quota from 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 shares allocated to that economic union may be carried out by any one of its members,

HAS ADOPTED THIS REGULATION :

Article 1

The 500 000 hectolitres quota opened for wine of fresh grapes intended for fortifying, originating in Algeria, under the conditions laid down by Regulation (EEC) No 1516/76, shall be allocated as follows among the Member States for the period 1 July 1978 to 30 June 1979.

(in hectolitres)

Benelux	30 000
Denmark	1 250
Germany	115 000
France	100 000
Ireland	1 250
Italy	100 000
United Kingdom	7 500

The remaining 145 000 hectolitres shall constitute the reserve.

Article 2

1. If 90 % or more of any Member State's initial share as fixed in Article 1 is used for fortifying as part of its initial share, that Member State shall forthwith, by notifying the Commission, draw a second share which may amount to the total quantities actually used for fortifying, to the extent that the reserve so permits.
2. Other shares may be drawn in accordance with the same conditions until the reserve is used up.
3. Member States shall return to the reserve, not later than 1 April 1979, the unused share of their quota. The reserve shall be used in accordance with paragraph 2.

.../...

Article 3

This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Communities.

It shall apply with effect from 1 July 1978.

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

Done at Brussels,

For the Council

The President