

EUROPEAN PARLIAMENT

# Working Documents

1981-1982

---

11 November 1981

DOCUMENT 1-667/81

## Report

drawn up on behalf of the Committee on Agriculture

on the proposals from the Commission of the European Communities to the Council (Doc. 1-351/81) concerning

- I. a regulation amending Regulation (EEC) No 337/79 on the common organization of the market in wine and Regulation (EEC) No 950/68 on the Common Customs Tariff
- II. a regulation amending Regulation (EEC) No 338/79 laying down special provisions relating to quality wines produced in specified regions

Rapporteur: Mr A. COLLESELLI



By letter of 26 June 1981 the Council of the European Communities requested the European Parliament, pursuant to Article 43 of the EEC Treaty, to deliver an opinion on the proposals for Council regulations (EEC) amending respectively:

- Regulation (EEC) N° 337/79 on the common organization of the market in wine and Regulation (EEC) N° 950/68 on the Common Customs Tariff,
- Regulation (EEC) N° 338/79 laying down special provisions relating to quality wines produced in specified regions.

The President of the European Parliament referred these proposals to the Committee on Agriculture as the committee responsible.

On 23 June 1981 the Committee on Agriculture appointed Mr COLLESELLI rapporteur.

At its meeting of 20 and 21 October 1981 the Committee on Agriculture considered these proposals and adopted the motion for a resolution with 9 votes in favour and 8 abstentions.

Present: Mr Früh, vice-chairman and acting chairman; Mr Colleselli, vice-chairman and rapporteur; Mrs Barbarella, Mr Curry, Mr Dalsass, Mr Diana, Mr Eyraud, Mr Gatto, Mr Gautier, Mr Helms, Mr Hord, Mr Key (deputizing for Miss Quin), Mr Kirk, Mr Ligios, Mr Maher, Mr d'Ormesson and Mr Wettig.

C O N T E N T S

	<u>Page</u>
Amendments .....	5
A. MOTION FOR A RESOLUTION .....	9
B EXPLANATORY STATEMENT .....	10
ANNEX: definition of rosé wine .....	19

On the basis of the attached explanatory statement, the Committee on Agriculture hereby submits the following amendments and motion for a resolution to the European Parliament:

A M E N D M E N T    N o .    1

Article 1, paragraph 2, of the proposal for a regulation amending Regulation No. 337/79:

2. Article 8 is amended to read as follows:

'Article 8

1. A system of aid is hereby instituted for the private storage of grape must, concentrated grape must and rectified concentrated grape must.

Private storage aid should be granted subject to the conclusion with the intervention agencies, on terms and conditions to be determined, of one of the following types of storage contract:

- contracts valid for a period of three months, hereinafter called 'short-term contracts',
- contracts valid for a period of nine months, hereinafter called 'long-term contracts'.

If the need arises for the immediate utilization of grape must, concentrated grape must and rectified grape must, long-term contracts may be suspended by the producer during the final two months without loss of acquired rights.

It may be decided that long-term contracts concluded in respect of grape musts are to remain valid where the musts are processed into concentrated grape musts or rectified concentrated grape musts.

2. If the market situation so requires, and in particular:
  - where preventive distillation is decided on pursuant to Article 11, the conclusion of short-term contracts may be permitted between 1 September and 15 December following;
  - where a decision is taken to allow long-term private storage contracts for table wines to be concluded, the conclusion of long-term contracts may be permitted between 16 December and 28 February following; grape musts and concentrated grape musts intended for the production of grape juice may be excluded.

3. Unchanged.

A M E N D M E N T    N o .    2

Article 6, paragraph 2, of the proposal for a regulation amending Regulation No. 337/79:

2. Additional Note 3A to Chapter 22 is amended to read as follows:

'3A. For the purposes of heading No. 22.05:

'Sparkling wine' (sub-heading 22.05 A) means a product having a developed alcoholic strength of not less than 8.5%, obtained:

- either by first or second alcoholic fermentation of fresh grapes, grape must or wine, and releasing, when the container is opened, carbon dioxide derived exclusively from fermentation,
- or from wine and releasing, when the container is opened, carbon dioxide derived wholly or partly from the addition of this gas,

and having, when kept at a temperature of 20°C in closed containers, an excess pressure of not less than 3 bar and containing at least 5.9 g/l of carbon dioxide in solution;'

A M E N D M E N T    N o .    3

Proposal for a regulation amending Regulation No. 338/79

Article 1, paragraph 2

2. Article 12(5) is amended to read as follows:

'5. Notwithstanding paragraph 3 above, for quality sparkling wines p.s.r. produced in Italy whose preparation began before 1 September 1982 the duration of the preparation process may be less than nine months but not less than six months, provided the quality sparkling wine p.s.r. in question was defined by national rules adopted before 1 September 1981.

By the above-mentioned date the Commission will submit proposals to the Council establishing a positive and limitative list of quality sparkling wines p.s.r. produced in Italy, the quality characteristics of which require a preparation period of less than that laid down in paragraph 3.'

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposals from the Commission of the European Communities to the Council for:

- I a regulation (EEC) amending Regulation (EEC) No. 337/79 on the common organization of the market in wine and Regulation (EEC) No. 950/68 on the Common Customs Tariff,
- II a regulation (EEC) amending Regulation (EEC) No. 338/79 laying down special provisions relating to quality wines produced in specified regions.

The European Parliament,

- having regard to the proposals from the Commission of the European Communities to the Council (COM(81) 247 final),
  - having been consulted by the Council pursuant to Article 43 of the EEC Treaty (Doc. 1-351/81),
  - having regard to the report of the Committee on Agriculture (Doc. 1-667/81),
  - having regard to the resolution adopted by a large majority on 9 April 1981 on the situation in the Community wine-growing sector<sup>2</sup> on the basis of a report by Mr Colleselli,
  - whereas the Commission proposals have no implications for the Community budget,
1. Approves the Commission proposals subject to their amendment pursuant to this resolution;
  2. Emphasizes, however, that these proposals are of a mainly technical nature and still awaits, therefore, a reform of the basic regulation aimed at restoring the balance on the wine market and including:
    - the application to rosé wines of the common rules governing white and red wines;
    - the increase of the minimum natural alcoholic strength of wine to 9.5°;
    - the setting up of a system of Community checks to ensure the strict application of Community regulations;
    - the abolition of aids which are detrimental to price unity;

<sup>1</sup>OJ N° C 206, 14 August 1981, pp. 13 and 15

<sup>2</sup>OJ N° C 101, 4 May 1981, p. 52



3. Takes the view that, in submitting those proposals, the Commission should also endorse all the requests and suggestions contained in the above-mentioned resolution of 9 April 1981 which sets out, in the basis of a detailed analysis of the situation, an extremely valid course of action;
4. Calls upon the Commission to endorse the foregoing amendments pursuant to the second paragraph of Article 149 of the EEC Treaty.

EXPLANATORY STATEMENT

1. The document submitted for Parliament's consideration contains three proposed regulations amending:
  - Regulation (EEC) No. 337/79 on the common organization of the market in wine and Regulation (EEC) No. 950/68 on the Common Customs Tariff,
  - Regulation (EEC) No. 338/79 laying down special provisions relating to quality wines produced in specified regions, and
  - Regulation (EEC) No. 339/79 defining certain products falling within heading Nos. 20.07, 22.04 and 22.05 of the Common Customs Tariff and originating in third countries.

Regulation (EEC) No. 337/79

2. Experience gained in applying this regulation has indicated the need to introduce certain adjustments to ensure a more effective control of the market in table wine, to take account of technical problems, particularly with regard to oenological practices, and to facilitate the prevention of fraud in this sector.
3. The aim of the amendment to Article 6(2) is as follows: under the regulation in its present form, table wines other than types R III, A II and A III with an actual alcoholic strength by volume equal to, or below, 9.5% are excluded from all intervention measures, with the exception of those provided for in Article 11 (preventive distillation) and Article 13 (wine suitable for the production of certain wine-based spirits with registered designation of origin such as Cognac).

By adding the measures provided for in Article 15a (minimum price), the Commission extends the possibility of distillation under this article to wines with an actual alcoholic strength equal to, or below, 9.5%. Hitherto these wines could be made subject to a minimum price and could not, therefore, be marketed or distilled owing to their insufficient alcoholic strength.

The proposed amendment eliminates this anomaly and thus makes it possible to open up the market in table wine.

4. The aim of the amendment to Article 8 is to take account of progress achieved in oenological practices by authorizing the storage of rectified concentrated grape must and, secondly, to end a technical anomaly.

Under the regulation as it stands, long-term contracts for must may be concluded between 16 December and 28 February of the following year. The duration of these contracts is nine months.

Experience has shown that the duration of contracts, together with the date of 28 February for their conclusion, had certain disadvantages inasmuch as must became available at the end of November whereas it should have been available for the harvest.

To improve the operation of the market and ensure compliance with contracts, the Commission proposes to replace the date of 28 February by 31 January and to reduce the duration of contracts to eight months. In this way, must will be made available for the end of September, which is when the wine harvest usually begins.

However, this solution appears too restrictive.

In recent years a much simpler and more effective solution has been applied through the voluntary suspension of long-term storage contracts for grape must, concentrated grape must and rectified concentrated grape must shortly before the harvest and the utilization of these products for the enrichment of table wines, by granting the producer the full right to the premiums due in advance of the date on which the contracts expire.

In this way a permanent form of recognition is given to a measure which the Commission currently has the power to decide.

In addition, with this simple system, which involves neither the bringing forward to 31 January of the final deadline for the drawing up of storage contracts (as proposed by the Commission) nor - and this is even more significant - the fixed expiry of long-term storage contracts, the objective can also be achieved of permitting a more flexible expiry of contracts between the seventh and ninth month of storage.

5. The amendments to Article 11 merely update the basic regulation. The deletion of the second indent of paragraph 1 is explained by the fact that the growing of direct hybrid producers not included in the classification of vine varieties is prohibited within the Community (see Article 31(3)(a)). The deletion of the second subparagraph of paragraph 2 removes reference to a measure which applied only to the year 1978.
6. The amendment to Article 14a (1) and (2) abolishes aid for non-concentrated grape must which might be used in making 'British', 'Irish' and 'home-made' wines. Legislation in the United Kingdom and Ireland does not allow the manufacturing of these products with non-concentrated grape must.

The proposed amendment to the basic regulation takes account of this particular situation. However, aid for normal and concentrated grape must to be used in the manufacturing of grape juice is maintained.

Although the Commission proposal can be accepted, it should be pointed out that the production of so-called British and Irish wines is the source of a series of problems due in particular to their appellation and production methods and the lack of Community rules in this field.

The Commission should therefore study the possibility of including more specific rules on the above-mentioned labelling and appellation in the basic regulation.

- 
7. The amendment to Article 24 (1) deletes Annex V entitled 'Amendment of the Common Customs Tariff'.

Pursuant to Articles 28 and 113 of the EEC Treaty, the CCT is amended by the Council, on a proposal from the Commission. To amend the CCT it suffices to amend directly Regulation (EEC) No. 950/68 without modifying the basic regulation on the organization of the market, in this case the wine market.

Consequently, there is no longer any need to maintain Annex V which sets out the CCT for wine products.

8. The proposed amendment to Article 30b (2) simplifies the administrative procedure.

Henceforth, natural or legal persons or a group of persons will no longer have to inform the responsible authorities of their intention to grub up, replant or plant new vines, but must inform them once the operation has been completed. This will simplify the administrative procedures considerably.

This is justified by the fact that grubbing up or replanting does not lead to an increase in the Community area under vine. A retroactive declaration would therefore appear sufficient.

9. The amendment of Article 36 (1), second subparagraph, is designed to strengthen Commission control of enrichment or deacidification measures.

Under the regulation as it stands, the Commission is unable to obtain from the Member States information concerning, for example, the quantities of sucrose or grape must used to enrich wine during a given wine year.

From now on, these quantities must be entered in registers to be held by the producers, bottlers, processors and certain dealers. This information will then be sent, by a date to be decided, to each Member State, which will inform the Commission by 1 September of the volume of wine affected by the abovementioned oenological practices and that of the substances used.

This measure will make it possible to identify fraud.

10. The proposed amendment to Article 40 (additional rate of distillation) essentially concerns paragraph 2 thereof. All wine producers are compelled to distill the products derived from wine production (grape marcs and wine lees) to prevent the uncontrolled manufacturing of wine or spirits. However, in the event of the producer obtaining less than 10 litres of pure alcohol following this distillation, the Commission proposes that this obligation should be waived.
11. The amendment to Article 41 (2), second subparagraph, is designed to update the basic regulation by deleting a provision which was in force for the 1978/79 wine-growing year.
12. The amendment to Article 46 (1) simply adds a reference to rectified concentrated grape must to take account of new oenological practices. No further comment is therefore required.
13. The amendment to Article 46 (3) is designed to eliminate two oenological practices which have not been in use for oenocyanin since 31 August 1980, and for silver chloride since 31 August 1979.  
  
Oenocyanin was used for correcting the colour of red wine, and silver chloride for removing defects of taste or odour.
14. The aim of the proposed amendment to Article 64 (1), fourth subparagraph, is to extend collaboration between the authorities of the Member States responsible for control to the authorities of third countries interested in such cooperation with a view to identifying fraud. For example, a draft designation protection agreement is in the process of being adopted by the Community and Austria. Switzerland might also be interested in such an agreement.

The United States also wishes to conclude a collaboration agreement with the Community, particularly following a case of fraud which occurred 18 months ago concerning wine which dealers tried to sell as Burgundy.

15. The amendments to Annex II of Regulation (EEC) No. 337/79 may be divided into three categories:

(a) As regards uncaramelized grape must (point 5), rectified concentrated grape must (point 5a), concentrated grape juice and uncaramelized grape juice (point 7), the Commission has replaced the former method of measuring concentration (density) by that of the refractometer generally used by the national authorities and traders.

This method, which is simpler to use than the density method, also has the advantage of already existing under Community law in Annex 3 of Regulation (EEC) No. 516/77 on the common organization of the market in processed products derived from fruit and vegetables. Nevertheless, your rapporteur would request that a specific refractometer scale for wine products be introduced as soon as possible.

(b) The purpose of the new definition of grape juice (point 6) is to take account of the provisions of Directive 75/726/EEC on the approximation of the laws of the Member States concerning fruit juices and certain similar products, thereby permitting the use of concentrated grape must for the manufacture of grape juice.

(c) The new definitions of sparkling wine (point 13), aerated sparkling wine (point 14), semi-sparkling wine (point 15) and aerated semi-sparkling wine (point 16) describe these wines more clearly by specifying the amount of carbon dioxide they must contain. The sole criterion of excess pressure is insufficient to identify these wines with any certainty. This is why cases of fraud have occurred in the granting or payment of MCMs.

With this new criterion, such fraud can no longer occur as customs administrations will always be able to establish the carbon dioxide content.

16. The amendments to Annex III of Regulation (EEC) No. 337/79 are of a technical nature (oenological practices) and are essentially designed to clarify the texts in force in order to prevent any possibility of fraud. Oenocyanin, use of which is no longer allowed, is deleted (point 2(t)). The use of silver chloride is also no longer allowed. At the request of the German authorities, potassium bitartrate to assist the precipitation of tartar has been added (point 2(w)).

As regards the Community rules on the oenological practice of deacidification, German producers are likely to request a derogation permitting a second deacidification (prohibited under Article 36(1)) and enabling deacidification through the addition of tartaric acid by an appropriate amendment to Annex III to Regulation No. 337/79. This request can be agreed to, as it is of limited significance and concerns no more than 100,000 hl of German wine. However, its acceptance should be subject to the maintenance of the date of 15 March 1984 as the final deadline for the elimination of deacidification through the addition of sugared water (still authorized in wine-growing zone A).

17. The amendment to Annex IV of Regulation (EEC) No. 337/79 takes account of a German problem.

The Land of Baden-Württemberg is divided into wine-growing zone A and wine-growing zone B (which includes the 'Regierungsbezirke' Nordbaden and Südbaden).

Following a new division of this Land, the former administrative divisions no longer exist.

To maintain the demarcation between wine-growing zones A and B, the Commission proposes to add to Annex IV a point 8 specifying that the demarcation in force on 1 January 1978 remains valid for the definition of these wine-growing zones.

18. The definitions of products in the Common Customs Tariff are amended to take account of changes made by this proposal for a regulation (Article 6 of the proposal).

As regards sparkling wine, to avoid confusion the text should refer specifically to developed alcoholic strength. In addition, the important sparkling wines coming from third countries must meet minimum requirements comparable to those applied to sparkling wines produced in the Community (see Article 2(e) of the proposal amending Regulation 339/79).

Regulation (EEC) No. 338/79

19. Under the provisions of Regulation (EEC) No. 338/79, the processing of grapes into quality wines produced in specified regions (quality wines p.s.r.) and the preparation of quality sparkling wines produced in specified regions (quality sparkling wines p.s.r.) may take place only within the specified region of which these wines bear the name. However, these operations may take place outside the specified region in cases where

- (a) they are allowed under the rules in force in the Member State on whose territory the grapes used have been harvested, and
- (b) production control is ensured.

For example, such practices are allowed under current legislation in Germany and Italy (Asti spumante).

20. However, the Commission wishes to be able to control these practices more effectively in order to prevent fraud.

It, therefore, proposes to amend Article 6(2) of Regulation (EEC) No. 338/79 so that the production of quality wines p.s.r. or quality sparkling wines p.s.r. may take place only within a geographical area neighbouring the specified region. This geographical area must be strictly demarcated, taking into account the limits of local or regional geographical units.

In addition, the Commission proposes that products designated by the name of the specified region and made from grapes harvested in that region should be distinguished from wines or musts which are not entitled to bear that name throughout the operations of wine production, preparation and storage, and that it should be possible to prove the identity of these products at any time, in particular by the goods-inwards and outwards registers.

21. Nevertheless, the Commission feels that these practices should be brought to an end after a sufficiently long period (10 years), in order that persons having equipment located outside the abovementioned geographical areas can continue to produce quality wine p.s.r. or prepare sparkling quality wine p.s.r. while having sufficient time to adapt to the new situation. This derogation applies to equipment which was located outside the geographical area of which the wine bears the name when the area was demarcated, and cannot therefore give rise to new recognitions of quality sparkling wines p.s.r.

By proposing a ten-year period, the Commission wishes to avoid the economic and legal problems (compensation) which would undoubtedly arise if these practices were banned at short notice.



22. The proposed amendment to Article 12(5) is designed to settle a divergence of opinion concerning the duration of the maturing of quality sparkling wines p.s.r. Article 12(3) of Regulation (EEC) No. 338/79 stipulates that the duration of the preparation process for quality sparkling wines p.s.r., including ageing in the production undertaking, shall not be less than nine months from the start of the fermentation designed to make them sparkling.

Article 12(5) of the existing regulation present form provides for a derogation in respect of Italy until 31 August 1981, together with somewhat cumbersome rules of application (reference to the management committee). This enables the duration of the preparation process to be between six and nine months.

The Commission now proposes that this derogation should be maintained for one more year, until 31 August 1982, taking account of current practices and the difficulties for Italian producers in making the necessary technical and commercial adjustments.

However, this derogation should be given permanent recognition, at least in respect of certain quality sparkling wines p.s.r. to be specified in a positive and limitative list. The justification for this request is not of a technical or commercial nature, but is based on the fact that certain quality sparkling wines p.s.r. diminish in quality following an extensive period of preparation.

23. Finally, the amendment to Article 16(4) second subparagraph, postpones for one year (until 31 August 1982) the date on which the name of certain specified regions may be used for the designation of table wines for which these names are traditionally used.

Examples include Luxembourg Moselle and Alcatico (Apulia) wines. It will be recalled that Regulation (EEC) No. 355/79<sup>1</sup> laid down the general rules for the designation and presentation of wines and grape musts.

Article 4 thereof contains the list of specified regions for which the names may be used until 31 August 1982 to designate table wines<sup>2</sup>.

These regions are:

- Moselle luxembourgeoise (Luxembourg Moselle)
- Puglie (Apulia)
- Abruzzi
- Sardegna (Sardinia)
- Romagna (
- Monferrato
- Friuli
- Ischia.

<sup>1</sup>OJ No. L 54, 5.3.1979, p.99

<sup>2</sup>See Reg.1016/81 of 9 April 1981 amending Regulation 355/79 - OJ No. L 103, 15.4.1981.

This regulation will, therefore, have to be amended jointly with Regulation (EEC) No. 338/79.

Regulation (EEC) No. 339/79

24. Owing to the amendment of the definitions of certain Community wine products under Regulation (EEC) No. 337/79, it is necessary to adapt the definitions of corresponding products from third countries governed by Regulation (EEC) No. 339/79.

This proposal therefore provides for:

- indication of the concentration of grape musts by refractometer,
- insertion of a definition of rectified concentrated grape must, and
- more precise definitions of sparkling wine, aerated sparkling wine, semi-sparkling wine and aerated semi-sparkling wine.

o

o o

25. The resolution contained in this report sets out some of the main reforms for which the new regulation should make provision. In particular, the resolution calls for the application to rosé wines of the common rules governing white and red wines; with this in view, a draft Community definition of rosé wines is attached to the present document.

26. Subject to the few observations set out above, and in particular to the amendments to the Commission proposals, your rapporteur approves the various measures proposed.

He would nonetheless repeat that these measures consist merely of essentially technical amendments which will not affect the underlying features of the common organization of the wine market.

The recent regrettable and dangerous events which have disturbed the internal wine market and constituted a further breach of the Treaties bear out the urgent need to take matters further and adopt definitive rules in this sector. The wine-growers, and all related economic categories, are waiting for the day when the wine sector can at last - thanks to a new body of rules - benefit from all the rights enjoyed by other Community products.

Annex

Draft definition of Rosé Wine

The definition must lay down the methods for producing rosé wines. It must also aim to prohibit illicit practices.

Finally, it must lay down analytical limits to be respected in a positive manner.

There are thus three complementary possibilities for the control of rosé wines:

- (a) at vinification,
- (b) at trade level by means of accounting records which will show any coupage of red and white wines
- (c) at marketing level by means of analysis.

The following definition is proposed:

'Rosé wine' means wine produced by special vinification either by fermentation off skins or by fermentation on skins with shortened fermentation, of red grapes alone or of red and white grapes mixed together in the vat.

Rosé wines may not be obtained by the blending of still wines of different colours (rosé wines blended with red wines - white wines blended with red wines).

Those wines of types R I and R II having the following analytical characteristics:

- (a) a Folin Ciocalteu index lower than 20,
- (b) a colouring intensity lower than 2 (under one centimetre) shall be considered as having the distinguishing characteristics of rosé wines.

The value of this definition would be increased if the definition of red wine was formulated as follows:

'The description "red wine" shall be applied only to those wines produced by fermentation on skins of red grape vintages or red and white grape vintages having the following analytical characteristics:

- (a) a Folin Ciocalteu index greater than or equal to 20
- (b) a colouring intensity greater than or equal to 2 (under one centimetre)'.  
'

