

European Communities

EUROPEAN PARLIAMENT

441.2 (318)

Working Documents

1976 - 1977

31 March 1976

DOCUMENT 34/76

Report

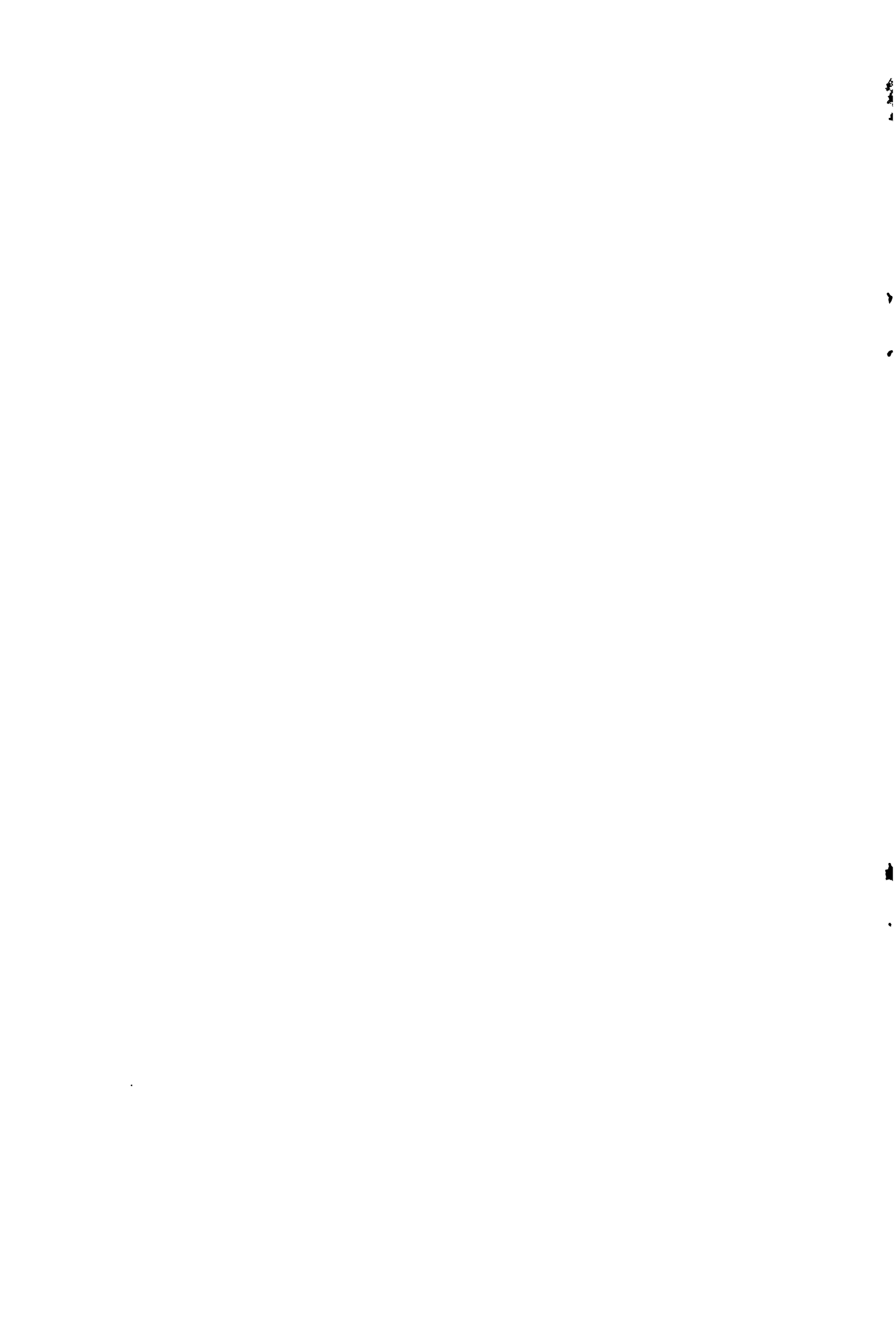
drawn up on behalf of the Committee on External Economic Relations

on the proposal from the Commission of the European Communities to the Council (Doc. 499/75) for a regulation opening, allocating and providing for the administration of the Community tariff quota for certain wines, falling within subheading ex 22.05 of the Common Customs Tariff, originating in Cyprus (1976)

Rapporteur: Mr M. VETRONE

1.2.2

PE 43.628/fin.



By letter of 22 January 1976 the President of the Council of the European Communities requested the European Parliament, pursuant to Article 43 of the EEC Treaty, to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a regulation opening, allocating and providing for the administration of the Community tariff quota for certain wines, falling within subheading ex 22.05 of the Common Customs Tariff, originating in Cyprus (1976).

The President of the European Parliament referred this proposal to the Committee on External Economic Relations as the committee responsible and to the Committee on Agriculture for its opinion.

On 17 February 1976 the Committee on External Economic Relations appointed Mr Vetrone rapporteur.

It considered this proposal at its meeting of 23 March 1976.

At the same meeting the committee adopted the motion for a resolution and the explanatory statement with 11 votes in favour and one abstention.

Present: Mr Kaspereit, chairman; Mr Scott Hopkins, vice-chairman; Mr Vetrone, rapporteur; Lord Castle, Mr d'Angelosante, Mr Jahn (deputizing for Mr Dunne), Mr Laban, Mr Nyborg, Mr Radoux, Mr Schwörer, Mr Spicer and Mr Vandewiele.

The opinion of the Committee on Agriculture is attached.

C O N T E N T S

	<u>page</u>
A. MOTION FOR A RESOLUTION.....	5
B. EXPLANATORY STATEMENT.....	6
Opinion of the Committee on Agriculture.....	8

The Committee on External Economic Relations hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposal from the Commission of the European Communities to the Council for a regulation opening, allocating and providing for the administration of the Community tariff quota for certain wines, falling within subheading ex 22.05 of the Common Customs Tariff, originating in Cyprus (1976)

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council,¹
- having been consulted by the Council pursuant to Article 43 of the EEC Treaty (Doc. 499/75),
- having regard to the report by the Committee on External Economic Relations and the opinion of the Committee on Agriculture (Doc. 34/76),

approves the Commission's proposal.

¹OJ No. C 21, 30.1.1976, p. 7

B.

EXPLANATORY STATEMENT

1. The purpose of this regulation is to open a Community tariff quota for certain wines originating in Cyprus.
2. The Commission proposes that the annual tariff quota be fixed at 250,000 hectolitres. The Common Customs Tariff duties would be reduced by 60 % in the case of wines falling within subheading ex 22.05 C III a) and C IV a) of the CCT and by 52 % in the case of wines classified in subheadings ex 22.05 C III b) and C IV b) of the CCT¹.
3. Under the draft regulation the tariff quota is divided into two instalments, the first instalment of 200,000 hectolitres being allocated among the Member States according to a scale based on the most recent statistics for all wines imported from Cyprus during the years 1971 to 1973 inclusive. The United Kingdom would receive the lion's share, i.e. a good 98 %. The second instalment - 50,000 hectolitres - would form a reserve intended to cover any further requirements of Member States that have used up their initial quota shares.
4. The provisions of the common organization of the market in wine would remain fully applicable to these wines, subject to observance of a minimum price fixed by the Community for comparable wines from third countries.
5. It should be noted that this draft regulation cannot enter into force until three other measures have been taken, namely:
 - (a) the conclusion of an exchange of letters between the Community and Cyprus relating to wines from Cyprus;
 - (b) the amendment of Annex IV of Regulation (EEC) No. 816/70 (common organization of the wine market) with a view to amending the Common Customs Tariff². Parliament has already delivered a favourable opinion on this amendment, on the basis of the Schuijt report³;

¹ see OJ L 289 of 27.12.1972, p. 9 for details of this CCT subheading

² OJ L 289 of 27.12.1972, p. 1 et seq.

³ Doc. 455/75

(c) the extension of Regulation (EEC) No. 1120/75 of the Commission laying down conditions for the entry of port, Madeira, sherry (xeres), Setubal muscatel and Tokay (Asyu and Syamarodni) wines falling within subheading 22.05 C III a) 1 and b) 1 and 2 and 22.05 C IV a) 1 and b) 1 and 2 of the Common Customs Tariff¹ to the area of application of the present proposal.

6. Although your rapporteur proposes that this draft regulation be approved, he cannot conceal his surprise at the size of the quota, which he considers very large.

The exchange of letters referred to above has not yet taken place because there is a difference of opinion between the Member States about the term 'Cyprus Sherry', which is in turn connected with certain bilateral commitments entered into with other third countries, in particular Spain.

¹OJ L 111 of 30.4.1975

OPINION OF THE COMMITTEE ON AGRICULTURE

Letter from the chairman to Mr G. KASPEREIT, chairman of the Committee on External Economic Relations

Brussels, 19 February 1976

Dear Mr Kaspereit,

At its meeting of 19 and 20 February 1976¹, the Committee on Agriculture considered the proposal for a regulation on the opening, for 1976, of a Community tariff quota for certain wines imported from Cyprus (Doc. 499/75), in point of fact 'Cyprus Sherry'.

For this quota, amounting to 250,000 hl, the CCT duties will be reduced by 60% for wines put up in containers holding 2 litres or less, and by 52% for those put up in containers holding more than 2 litres.

The granting of these preferences is subject to observance of the minimum price fixed by the Community and of the Community rules governing wine products.

A part of the quota, namely, 200,000 hl (equal to 80%, not 75% as stated by the Commission), is to be shared immediately among the Member States, while the remaining 50,000 hl will constitute the Community reserve, to be allocated subsequently according to need. Significantly, almost the entire quota (196,300 of the 200,000 hl, or 98.15%) is earmarked for the United Kingdom, while the shares of the other Member States are negligible.

Finally, it should be stressed that the entry into force of the regulation under consideration is subject to three conditions: actual exchange between the Community and the Republic of Cyprus of the letters ratifying the agreement between the two sides in respect of the wines in question; amendment of Annex IV to the basic wine regulation (No. 816/70) with a view to including in it the tariff headings for the wine known as 'Cyprus Sherry' (see Commission proposal (Doc. 416/75) and

¹Present: Mr Brégégère, Mr Creed (deputizing for Mr Lücker), Mr Gibbons, Mr Houdet, Mr Howell, Mr Hughes, Mrs Kellett-Bowman (deputizing for Mr Scott-Hopkins), Mr Kofoed, Mr de Koning, Mr Laban, Mr Liogier and Lord St. Oswald.

the Schuijt report (Doc. 455/75), on which Parliament voted at its December 1975 part-session; and lastly, amendment of Commission Regulation No. 1120/75 (OJ No. L 111, 30.4.75) concerning the certificates of origin and other conditions governing access to the Community of certain types of wines (port, Madeira, sherry, etc.), so that its provisions should also cover Cyprus wines.

Bearing in mind that Parliament has so far had no opportunity of voicing its views, other than in retrospect, on the terms of the trade agreements between the Community and the other countries; that in the present case too it can do no more than take formal note of an agreement which will take effect as soon as the relevant letters have been exchanged; and that the proposed regulation, in practice, merely incorporates the provisions of the agreement into existing Community regulations - the Committee on Agriculture confined itself to examining the guarantees attaching to the opening of Community quotas for 'Cyprus Sherry'. It concluded that these guarantees - observance of the minimum price and of the wine regulations in force, import conditions, etc. - seem adequate to safeguard Community products in direct or indirect competition with Cyprus wines.

The Committee on Agriculture has therefore endorsed the proposal under consideration.

(sgd.) Roger HOUDET, Chairman

