

REGULATION (EEC) No 1437/70 OF THE COMMISSION

of 20 July 1970

on storage contracts for table wine

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to Council Regulation (EEC) No 816/70¹ of 28 April 1970 laying down additional provisions for the common organisation of the market in wine, as amended by Regulation (EEC) No 1253/70,² and in particular the second subparagraph of Article 5 (6), Article 6 (4), Article 35 and Article 37 thereof;

Whereas the intervention measures provided for by Regulation (EEC) No 816/70 consist normally in the granting of aid for the private storage of table wines; whereas, in accordance with Article 5 (5) of Regulation (EEC) No 816/70, the granting of aid is subject to the conclusion of storage contracts; whereas Article 6 (1) of that Regulation provides that such contracts are to be concluded between the intervention agencies and producers applying for them; whereas Community rules should be adopted so that these contracts may be concluded on the same basis throughout the Community;

Whereas, taking into account the fact that contracts are concluded solely with producers of table wine, it should be laid down that a contract may be concluded only for a wine of which the producer is also the owner and which has been produced by, or on the responsibility of, the producer or producers concerned; whereas, in order to ensure that the conclusion of contracts has an influence on the development of prices on the market, it should be provided that a contract may be concluded only for an appreciable quantity;

Whereas it is necessary to keep an effective check on the quantities which are the subject of storage contracts; whereas, for this purpose, it is necessary to

provide in particular that an intervention agency of a Member State may conclude contracts only in respect of quantities stored on the territory of that Member State, and that it must be informed of any change concerning the wine in storage;

Whereas intervention measures should be extended only to products which influence the development of market prices; whereas only wines in bulk should therefore qualify for private storage aid; whereas, moreover, the purpose of intervention measures requires that they should only apply to wines of a reasonably high quality; whereas, for the same reason, application of these measures should be limited to wines the preparation of which is already advanced and there should be no interference with any oenological treatments or processes necessary to ensure the keeping quality of a wine which is the subject of a storage contract;

Whereas, however, in order to prevent wines which are the subject of a contract from affecting the market, marketing and certain actions preparatory thereto should be prohibited during the period for which the contract is concluded;

Whereas it is necessary for Community administration of contracts that they should be concluded according to a formula which is broadly the same throughout the Community and sufficiently precise to allow identification of the wine in question;

Whereas the amount of private storage aid should take into account technical storage costs and interest; whereas these costs differ very little according to the type of wine while interest does vary in view of the different values of wines; whereas, to take account of this situation and simplify administration, the amount of aid should be fixed per day and per hectolitre, separating table wine into two groups;

Whereas, to be able to take account of the development of the market situation, provision should be made for amending certain conditions of contracts during the period for which the contracts

¹ OJ No L 99, 5.5.1970, p. 1.

² OJ No L 145, 1.7.1970, p. 1.

were concluded, in particular the amount of aid and the duration of the contract;

Whereas the duration of the contract should be curtailed, in particular, if and appreciable change in the quality of the wine which is the subject of the contract makes it necessary for the wine to be sold immediately or renders it unfit for consumption in that state;

Whereas, if at the time of the termination of a contract the conditions for the conclusion of a new contract exist and the producer applies for it, the conclusion formalities may be simplified;

Whereas, so that application may not vary as between Member States, time limits for the payment of aid due to the producer should be provided for;

Whereas, to prevent a possible fall in the prices of table wine on the Community market, certain wines made before the entry into force of Regulation (EEC) No 816/70 and which do not conform to the definition of table wine should, for a transitional period, be eligible for storage contracts on condition that these wines meet the requirements set out in Article 27 (2) (b) of that Regulation;

Whereas the measures provided for in this Regulation are in accordance with the Opinion of the Management Committee for Wine;

HAS ADOPTED THIS REGULATION:

Article 1

This Regulation lays down detailed rules for the conclusion of the storage contracts referred to in Articles 5 and 6 of Regulation (EEC) No 816/70 (hereinafter called 'contracts').

Article 2

1. Intervention agencies shall conclude contracts only with producers, whether as individuals or in groups.

For the purposes of this Regulation, 'producer' means any natural or legal person who turns fresh grapes, grape must or grape must in fermentation into wine.

2. A producer may conclude a contract only for a wine produced by him or on his responsibility and of which he is still the owner.

Article 3

1. Intervention agencies shall conclude contracts only for table wines.

However, until 15 May 1971, intervention agencies shall conclude contracts also for wines meeting the requirements set out in Article 27 (2) (b) of Regulation (EEC) No 816/70.

Where a long-term contract has been concluded for a wine referred to in the preceding subparagraph, the period of validity of that contract may not, by way of derogation from the second subparagraph of Article 5 (5) of Regulation (EEC) No 816/70, extend beyond 30 June 1971.

2. Intervention agencies shall conclude a contract only for a quantity of 100 hectolitres or more.

However, Member States may fix a higher limit.

Article 4

Until Community provisions on the control of wines which are the subject of a storage contract enter into force, the intervention agency of a Member State may conclude a contract only for a wine stored in the territory of that Member State.

Article 5

1. Only wines in bulk at the time of the conclusion of a contract may be the subject of that contract.

2. Only wines which are of sound and fair marketable quality may be the subject of a contract.

An analysis report, dated not more than a month previously, shall accompany the application for the conclusion of a contract. This report shall include the information specified in Article 9 (2) (c).

3. The Member States may provide for additional requirements concerning the quality of wines which may be the subject of a contract.

Article 6

1. The amount of aid for storing table wines shall be uniform throughout the Community. It shall be at fixed rates per day and per hectolitre.

2. The amount of aid shall be fixed for the contracts concluded during the period from 1 December of one year to 30 November of the following year.

During that period it may be altered for future contracts.

3. For the period ending 30 November 1970 the amount of aid shall be fixed:

- (a) for table wines of types R I, R II, R III and A I and for table wines which stand in close economic relationship to those types of table wine: at 0.004 units of account;
- (b) for table wines of types A II and A III and for table wines which stand in close economic relationship to those types of table wine: at 0.005 units of account.

Article 7

1. Member States shall take all measures to provide the necessary inspection and in particular to permit the identity of the wine which is the subject of the contract to be verified and to ensure that the volume of wine stored agrees with what is stated in the contract.

2. The producer shall be under the obligation to allow the inspection referred to in paragraph 1 at any time during the period for which the contract is concluded.

Article 8

1. A contract may not be concluded for a period beginning before the date of the conclusion of the contract.

2. A contract may not be concluded before the date of the first racking of the wine in question.

Article 9

1. The contract shall be drawn up in at least two copies. One copy shall be for the producer, the other shall be kept by the intervention agency.

2. The contract shall include the following information:

- (a) the name and address of the producer/s concerned;
- (b) the name and address of the intervention agency;
- (c) as regards the wine for which it is concluded:
 - the place of storage,
 - particulars enabling the containers in which the wine is stored to be identified;

— the quantity,

— the colour,

— the total alcoholic strength,

— the actual alcoholic strength,

— the total acidity content, expressed in g/l,

— the volatile acidity content, expressed in g/l,

— the total sulphur dioxide content, expressed in mg/l;

(d) the amount of aid;

(e) the dates between which the contract is in operation, taking into account the provisions of Articles 13 and 14.

3. Member States may:

(a) require additional information to identify the wine, in particular:

— the vine variety,

— the production region of the grapes; and

(b) as regards white wine, dispense with particulars of the volatile acidity content.

Article 10

1. During the period for which the contracts is valid, the producer may not put up for sale, sell, or market in any other way, the wine which is the subject of the contract.

2. During that period, the wine which is the subject of the contract may undergo only such oenological treatments or processes as are necessary for its preservation.

3. During that period, the wine which is the subject of a contract may not be drawn off into containers of less than 50 litres capacity.

Article 11

The producer shall inform the intervention agency in advance of any change made during the period for which the contract is concluded as regards:

(a) the place of storage; or

(b) the drawing off of the wine, if such a change means an increase in the number of containers in which the wine is stored.

Article 12

1. If, at the end of a period for which a contract has been concluded, the conditions for the conclusion of contracts are still fulfilled with regard to both the price situation and the requirements referred to in this Regulation, a new contract may be concluded for the same wine.

2. In such case, intervention agencies may, on application by the producer, extend the old contract for the further period by amending the wording of that contract.

Article 13

1. Contracts shall stipulate that the intervention agency will terminate the payment of aid and the corresponding obligations of the producer when the conditions referred to in the second subparagraph of Article 6 (2) of Regulation (EEC) No 816/70 are fulfilled.

2. If such is the case, the intervention agency shall, by any appropriate means, inform the producers concerned thereof without delay.

The contract shall terminate on the date on which the conditions referred to above are fulfilled.

Article 14

1. If, during the period for which a contract is concluded, there is an appreciable change in the quality of the wine which is the subject of the contract, the producer shall inform the intervention agency without delay. The information must be supported by an analysis report.

2. If, at the time of an inspection carried out by the intervention agency or any other inspecting agency, it appears that a wine which is the subject of a contract has, during the period for which the contract was concluded, undergone an appreciable change in quality, the inspecting agency, if it is not the intervention agency itself, shall inform the latter of such a change.

The intervention agency shall inform the producer without delay. This information must be supported by an analysis report.

3. The intervention agency may, on the basis of the information available to it, decide that the contract shall be terminated. It may, for this purpose, call for such information to be rechecked.

Article 15

1. The intervention agency shall pay the amount of the aid:

- (a) in the case of a short-term contract, not more than four weeks after the expiry date of the contract;
- (b) in the case of a long-term contract, in instalments paid not more than four weeks after the last day of each quarter. A 'quarter' means the period of three months following the date on which the contract took effect. The amount to be paid shall be that due for the last quarter.

However, where the contract is terminated on a date which does not coincide with the last day of a quarter, the last instalment shall be paid not more than four weeks after the expiry date of the contract.

The amount to be paid shall be that due for the period from the last day of the previous quarter to the expiry date of the contract.

2. If the contract is curtailed, the payment of the proportionate amount due for the actual period of validity of the contract shall be made not more than four weeks after the expiry date of the contract.

3. However, in respect of contracts terminating before 1 September 1971, a period of eight weeks shall be substituted for the period of four weeks referred to in the preceding paragraphs.

Article 16

1. Except in a case of *force majeure*, if the producer does not fulfil his obligations under the contract, the aid shall not be paid.

2. In a case of *force majeure*, the intervention agency shall determine the measures which it considers necessary under the circumstances invoked.

Article 17

1. Each Member State shall appoint an intervention agency to implement the measures provided for in Articles 5 and 6 of Regulation (EEC) No 816/70 and in this Regulation.

2. It shall inform the Commission without delay of the name and address of that agency.

Article 18

Done at Brussels, 20 July 1970.

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

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

For the Commission

The President

Franco M. MALFATTI