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Report

drawn up on behalf of the Committee on Agriculture

on the proposal from the Commission of the European Communities to the Council (Doc. 646/78) for a regulation amending Regulation (EEC) No 816/70 laying down additional provisions for the common organization of the market in wine and Regulation (EEC) No 817/70 laying down special provisions relating to quality wines produced in specified regions

Rapporteur : Mr F. PISONI

1.2.1.

By letter of 26 February 1979 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 amending Regulation (EEC) No. 816/70 laying down additional provisions for the common organization of the market in wine and Regulation (EEC) No. 817/70 laying down special provisions relating to quality wines produced in specific regions.

The President of the European Parliament referred this proposal to the Committee on Agriculture for its opinion.

On 22 March 1979 the Committee on Agriculture appointed Mr PISONI rapporteur.

It considered this proposal at its meeting of 4/5 April 1979 and at the same meeting it adopted the motion for a resolution by 11 votes to 8, with 1 abstention.

Present: Mr Liogier, vice-chairman and acting chairman; Mr Ligios, vice-chairman; Mr Pisoni, rapporteur; Mr Albertini, Mr Andersen, Mr Baas (deputizing for Mr Caillavet), Mrs Dunwoody, Mr Durand, Mr Fuchs (deputizing for Mr Früh), Mr Hansen, Mr Hoffmann, Mr Joxe, Mr Lamberts (deputizing for Mrs Krouwel-Vlam), Mr L'Estrange, Mr W. Müller, Mr Ney, Mr Nielsen, Mr Pistillo, Mr Tolman and Mr Vitale.

C O N T E N T S

	<u>Page</u>
A. MOTION FOR A RESOLUTION	5
B. EXPLANATORY STATEMENT.....	6

The Committee on Agriculture 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 amending Regulation (EEC) No. 816/70 laying down additional provisions for the common organization of the market in wine and Regulation (EEC) No. 817/70 laying down special provisions relating to quality wines produced in specified regions

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council¹,
- having been consulted by the Council pursuant to Article 43 of the EEC Treaty (Doc. 646/78),
- having regard to the report of the Committee on Agriculture (Doc. 87/79),
- whereas the Commission has not given sufficient justification for its proposal to extend the authorization to add sucrose in aqueous solution for a further two years,
- whereas it is desirable to encourage the use of concentrated grape must, obtained naturally or by physical processes and produced within the Community, for the enrichment of wine, Community aid being granted for this purpose²,
- whereas it is essential to encourage the production of high quality Community wine if the objectives set out in the wine action programme, currently under discussion within the Council of Ministers, are to be achieved,

Requests the Commission to withdraw its proposal.

¹ OJ No. C52 of 27.2.1979, p.7

² See Article 14 of Regulation No. 337/79 - OJ No. L 54, 5.3.1979

EXPLANATORY STATEMENT

1. Article 33 of Regulation No. 337/79, which has replaced Regulation No. 816/70, lays down that 'until 30 June 1979, sucrose may be added in aqueous solution in certain wine-growing regions of wine growing zone A¹, provided that the increase in volume of the product to which the solution is added does not exceed 15%'.

Moreover, in Regulation No. 338/79, replacing Regulation No. 817/70, on quality wines p.s.r., a similar rule is laid down, but limited to an increase in volume of 10%.

On the basis of the 1971 German law on wine, this form of sugaring can be carried out in wine-growing zone A (excluding Franconia and Württemberg) only when the degree of acidity of the must is more than 12 pro mille.

2. The aim of this proposal is to extend the deadline of 30 June 1979 to 15 March 1981. However, there are two restrictions, whereby this type of sugaring can be carried out only:

- (a) for products which are made from varieties of vine which yield relatively acidic grapes, that is to say only for the Riesling and Elbling varieties;
- (b) in the Northern part of wine-growing zone A in Germany, that is to say in the 'Regierungsbezirke' (districts) of Trier, Koblenz and Cologne and in the Landkreis Merzig.

3. The second part of the Commission's proposal is intended to prohibit the use of specific descriptions from the wine sector for products which have nothing to do with that sector, such as cider or powders used in making drinks. This prohibition is intended to protect both consumers and the producers of wines of the type or geographical area whose name is improperly used.

4. On the second part of the proposal your committee is in complete agreement, although it is clear that there are a number of serious legal difficulties in the way of its implementation: it is doubtful whether the Community can find a

¹ Wine-growing zone A comprises, in addition to the Luxembourg wine-growing region, the areas under vines in the following Lander of Germany: Baden-Württemberg, (excluding Nordbaden and Südbaden), Bayern, Hessen, Nordrhein-Westfalen, Rheinland-Pfalz, Saarland.

proper legal basis to take measures for products which do not fall within either the organization of the market in the wine-growing sector or the relevant basic regulation. Furthermore, there is the problem of how to regulate imports from third countries, as well as that of finding precise definitions of the products in question¹. In spite of these difficulties, this second part of the proposal should be proceeded with and approved as soon as possible.

Your committee must, however, express the greatest reservations about the first proposal, and indeed calls upon the Commission to withdraw it. However, before going in detail into the reasons for this opposition, the statistical background to the question must be considered.

Areas under vines and production of must in wine-growing zone A in Germany (1977)

Production zone	Areas under vines (ha)	Production of wine must (hl)	Average hl/ha
(1) Ahr	508	47,824	94.1
(2) Hessische Bergstrasse	358	32,290	90.1
(3) Mittelrhein	871	71,805	82.4
(4) Mosel-Saar-Ruwer	11,939	1,437,253	120.3
(5) Nahe	4,385	442,945	101
(6) Rheingau	2,913	209,944	72
(7) Rheinhessen	20,593	2,348,011	114
(8) Rheinpfalz	20,920	2,482,180	118.6
(9) Franken	3,847	450,484	117.1
(10) Württemberg	7,893	1,181,981	149.7
	74,227	8,704,717	

¹ It is absolutely essential to specify precisely the descriptions which are to be prohibited if prohibition of definitions such as 'biere d'Alsace' and 'Amaro Lucano' is to be avoided. The proposal should therefore specifically state that the descriptions concerned are authorized only in cases where there is no danger of confusion and the consumer cannot be misled as to the nature and origin of the drink.

² Areas in which the addition of sucrose in aqueous solution is permitted by Article 19(3) of Regulation 816/70 (= Article 33 of Regulation 337/79).

Use of sucrose in aqueous solution on the basis of the Commission proposal (Doc. 646/78)

(1977)

Production zone	Areas under vines (ha)	Wine musts (hl)	Breakdown			
			<u>Riesling</u>		<u>Elbling</u>	
			% area	hl ¹	% area	hl ¹
Ahr	508	47,824	24	11,477	-	-
Mosel-Saar-Ruwer	11,939	1,437,253	68	977,332	10	143,725
Mittelrhein ²	520	42,917 ³	80	34,333	-	-
Nahe ⁴	4,020	406,136 ³	24	97,472	-	-
TOTAL	16,987	1,934,130		1,120,614		143,725

¹ Quantities calculated on the basis of the percentage of the total area

² Only those parts situated in the 'Regierungsbezirke' of Cologne and Koblenz

³ Quantities calculated on the basis of the percentage of the total area of the production zone

⁴ Only for those parts situated in the 'Regierungsbezirk' of Koblenz

Production of must and wine in Germany (1965-77)

	Wine must (hl)	Wine (hl)
1965	5,035,473	5,085,668
1966	4,809,358	5,121,521
1967	6,069,506	6,237,861
1968	6,047,598	6,226,458
1969	5,947,354	6,084,848
1970	9,889,019	10,010,624
1971	6,027,328	6,292,842
1972	7,456,463	7,853,964
1973	10,696,780	10,644,766
1974	6,805,291	6,895,066
1975	9,241,274	9,014,505
1976	8,658,762	8,837,155
1977	10,388,969	11,166,323

5. As can be seen from the tables, the quantity of must which would continue to qualify for the addition of sucrose in aqueous solution is approximately 1.27 million hl, approximately 10% of total must production (10.4 million hl) in wine-growing zone A of Germany, and approximately 17.8% of the quantity of must for which this operation is at present permitted (7.072 million hl). However, in spite of this significant reduction, the proposal cannot be accepted for a number of reasons which can be summarized as follows.

6. Firstly, the Community is at present pursuing in the wine sector a policy of promoting quality, and of converting or restructuring vineyards in areas where high yields per hectare, climatic conditions and other factors prevent the production of good quality wine. There is no reason why this policy should not be extended to the areas concerned in Germany, through the granting of Community aid, for example, for the replacement of unsuitable vines, as is happening in vast areas of the Community. The proposal is therefore in sharp contrast with the extensive action programme at present being discussed in the Council.

No sector in the Community is as strictly regulated as the wine-growing sector: new planting and replanting is permitted only under specific conditions, there are rigorous rules in force as regards quality, alcoholic strength, substances used and the wine-making processes permitted. There is also discussion at the moment on the introduction of the criterion of geographical and climatic suitability for wine-production.

However, it is essential that all Community producers be placed on an equal footing as regards these obligations and that some producers should not be given privileges not accorded to others such as exceptional treatment and more favourable rules.

7. This is in fact a question of competition: normal sugaring in the dry is permitted only in restricted areas in the Community, in others it is completely prohibited, and alcoholic strength can be increased only with concentrated must, which involves significant extra costs. The addition of sucrose in aqueous solution, furthermore, increases the volume of wine by up to 15% for table wines and 10% for quality wines. This is an additional benefit to producers. Moreover, this advantage is brought out clearly in German official statistics: the 'AGRARBERICHT' of 1977 published by the German Bundestag, provides the following figures for the wine-growing area of the Moselle (Mosel-Saar-Ruwer), which is the principal area affected by the extension, compared with other German production areas¹:

Year	Mosel/Saar Ruwer	Rhein/Hessen	Rhein/Pfalz	Baden/Württemberg
	(a) Revenue from wine-growing		DM/ha under vines	
1974/75	34,070	23,475	25,155	22,279
1975/76	44,141	28,560	29,465	28,817
	(b) Gross farm revenue		DM/ha UAA	
1974/75	21,015	7,579	13,662	10,616
1975/76	32,083	9,769	15,046	15,632
	(c) Production hl/ha under vines			
1974/75	118.3	100.1	111.5	87.5
1975/76	143.8	116.4	109.7	99.1
	(d) Farm income		DM/ha UAA	
1974/75	9,626	4,101	7,011	5,979
1975/76	19,834	5,256	7,311	10,147
	(e) Net profit		DM/ha UAA	
1974/75	6,847	2,729	5,056	4,658
1975/76	16,864	3,656	5,136	8,482

8. It should also be remembered that wine produced in France and Italy is subject to the obligation to distil with the result that 10% of production must be sent for compulsory distillation. Furthermore, in Italy it is compulsory to distil wine derived from table grapes while in France an additional 6% must be distilled (additional rates) in accordance with the provisions of Articles 39 and 40 of Regulation No. 337/79. Producers whose vineyards are situated in wine-growing zone A or in the German part of wine-growing zone B (see paragraph 5 of Article 39) are expressly exempted from this obligation. The producers in these areas are thus given a further significant advantage.

¹ AGRARBERICHT 1977, Table 77, p.133

9. Nor does there appear to be much validity in the Commission's argument that not all producers are familiar with methods of deacidification other than the addition of sucrose in aqueous solution. Bearing in mind the limits which the Commission proposes for this type of sugaring, whereby only 10% of total production in zone A would continue to qualify, it seems unreasonable that all the other producers have managed to familiarize themselves with the various systems of deacidification and only a small proportion, for the most part situated in a specific region, the Moselle, has not managed to do so.

In fact, the harvesting of grapes which have not reached full maturity, and the use of varieties such as Riesling and Elbling, with high yields and high acidity, lead to the production of must with a very low alcoholic strength (5-6 degrees) and high acidity (more than 10 pro mille) which, before vinification, must be brought to a more or less normal level of acidity and alcoholic strength.

10. Moreover, there is a method of deacidification which has been used successfully in Switzerland and Austria for some years now. This is the 'double salt' method suitable for wines with a high level of acidity, which does not have the drawbacks of traditional methods and produces the same results as sugaring with aqueous solution. This method has not yet been included among the oenological practices and processes allowed (see Annex III of Regulation No. 337/79). In view of its proven effectiveness it should be included and used in the wine-growing areas concerned.

11. In addition to these objections in principle, the Commission's proposal also has a number of serious drawbacks and requires substantial amendment. In particular, it should lay down first of all that the additional quantities obtained by producers by adding sucrose and water to the must, which can amount to 15% for table wines and 10% for quality wines, must be sent for compulsory distillation and not put on the market. Furthermore, these percentages are very high and should be significantly reduced, for example to 10 and 7.5% respectively.

12. Secondly, the restrictions which are to be placed on future authorization for the use of this system, that is to say the limitation to certain geographical zones and certain varieties of vine, are not contained in the text of the proposal itself but appended in a draft Council declaration. Your committee believes that it would be advisable, for the sake of clarity, to include these points in the text itself.

13. In conclusion, your committee is firmly opposed to the Commission's proposal for the reasons set out above, and particularly because he believes that all Community producers should be placed on the same footing as regards the obligations imposed on the wine sector at Community level, such as rules on planting and replanting and quality standards.

For this reason the Committee on Agriculture rejects the Commission's proposal and asks the Commission to withdraw it.