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Vine products in the European Economic Community

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VINE PRODUCTS IN THE EUROPEAN ECONOMIC COMMUNITY

The EEC Commission recently submitted to the Council a proposal for a regulation on supplementary arrangements for the common organization of the market in vine products.

This new proposal, which is in line with previous common policy measures for wine, was keenly awaited by the wine trade, especially by Community growers. The proposal is concerned with common table wines - the largest and most sensitive item of European wine production.

The introduction of the proposal is particularly welcome at the moment since certain regions of the Community in which wine is the main source of income are currently undergoing a very acute crisis marked by persistently low producer prices.

Before examining the content of this proposed regulation, however, we should endeavour to fit it into the European context by analysing the situation of the wine industry in the Community and giving a brief account of how a common wine policy has been developed.

. The situation in the Community

A. Production

1. Vineyards

The Community's vineyards cover approximately 2 869 000 ha (see Table 2) - something under a third of the world's total wine-growing area. The Community total is broken down as follows between the producing member countries :

Germany (Federal Republic)	67 000 ha
France	1 245 000 ha
Italy	1 556 000 ha
Luxembourg	1 200 ha.

For Italy, the vineyards included in areas under mixed crops have been computed as areas of specialized culture.

Since 1957/58 the area under vines has declined in Italy and France, remained the same in Luxembourg and increased (by 8 000 ha) in Germany.

The Community's vineyards are extremely fragmented, the 2 869 000 hectares under wine-grape vines being spread over 3 569 000 separate holdings. However, the reduction in the area under vines in France and Italy is accompanied by an even greater reduction in the number of holdings. The number of crop declarations in France, for instance, fell from 1 365 000 in 1958/59 to 1 237 000 in 1965/66, for a reduction in area of only 30 000 ha.

2. Crops

Over the last five years Community crops have averaged 127 500 000 hl, which is about 50% of world production during the same period. There has been a distinct upward trend, with the Community's share of world production remaining much the same. Although it is difficult to make out how much of the trend is due to good climatic conditions, the overall increase in the Community's yield is a factor which will have to be borne in mind.

The situation does, however, differ considerably from one member country to another. Table 2 shows that the highest yields are in Luxembourg and Germany, the figures for France and Italy (because they are relatively low) suggesting great potential for growth in these two countries.

B. Consumption

With 134 800 000 hl on average over the last five years and 139 000 000 hl in 1966 (see Table 3), the Community is in the front rank of world consumption, just as it is in respect of area and production.

Like production, consumption is very irregularly distributed among the member countries, the producing countries being at the same time the largest consumers.

Among the producing countries, it is important to note that in France, Italy and Luxembourg consumption per head is fairly stable, with occasional fluctuations. A tendency, itself variable, for consumption per head to increase can be discerned only in Belgium, Germany and the Netherlands.

Over the Community as a whole, the average per capita consumption of about 69 litres per year has remained virtually stable since 1957/58, with the total increase of consumption in direct proportion to the increase in population.

With regard to type of wine, consumers in those countries where wine is traditionally an everyday drink are increasingly turning to better-quality wine, while in the countries where wine consumption is still occasional, with quality wines normally drunk by knowledgeable consumers, a market for ordinary table wines is building up as well.

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C. Supplies

Since 1961 there has been an average gross deficit of 7.3 million hl a year in the Community's wine supply. This deficit is mainly quantitative, but it is also qualitative to the extent that the production of wines with a high alcohol content is often inadequate, at least in some member countries.

Net imports from outside the Community averaged approximately 11.3 million hl over the last five years. The bulk of these wines are imported under preference arrangements - conventional in the case of Greece and autonomous in the case of Algeria, Morocco and Tunisia.

It should be borne in mind, however, that higher yields have kept the increase in production much higher than the rise in consumption. Table 4 shows that, all other things being equal, the production curve and the consumption curve will meet in a few years' time.

A policy for the long term must take these facts into account.

D. The market

In order to show how wine-growing compares with other agricultural commodities in the Community, the total value at current prices of wine production (except figures for Luxembourg, which are not available) and of cereal production is given below. The value of wine output is seen to be more than half the value of cereals output in the member countries.

	Cereals	Wine	%
	(million u.a.)		
1962	3 003.1	1 722.1	57.3
1963	2 834.4	1 473.8	52.0

It can also be calculated that in 1964 the value of wine accounted for 6.1% of the total value of Community agricultural production.

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II. Common organization of the vine-products market

1. The basic regulation adopted in 1962

The foundations of the common organization of the vine-products market were laid on 4 April 1962 by Council Regulation No. 24,[1] which stipulated that:

(a) the Member States should compile a vineyard register by 30 June 1963;

(b) crops and stocks should be evaluated and declared each year, beginning in 1962;

(c) the Commission should draw up a forecast at the beginning of each year in order to determine resources and assess foreseeable requirements;

(d) a Community regulation for quality wines produced in specified areas should be adopted by 31 December 1962.

These stipulations were inspired by the fact that joint regulation of the market required the following prior operations:

(a) taking stock of the viticultural potential of the Community - as regards both quantity and quality;

(b) annual evaluation of resources and needs in order to provide a basis on which to assess each wine year;

(c) the immediate introduction of a policy designed to improve quality, which would also have the advantage of facilitating the assessment of volumes of wines to be covered by the common organization of the market, other than quality wines produced in specified areas.

At the same time, it was felt that in order to fulfil one of the fundamental aims of the Treaty, trade between the Member States should be expanded by the opening of quotas with a priority allocation to wines conforming to certain quality standards.

2. Developments since 1962

(a) The vineyard register

Because of the scale of the difficulties raised by the compilation of the vineyard register, the deadline initially set by the basic regulation had to be postponed to 31 December 1964.

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[1] Official gazette of the European Communities No. 30, 20 April 1962, page 989.

Despite the further period allotted, it proved impossible to complete the work in all the member countries, and compilation is still in progress. Nevertheless, substantial results have been obtained: Germany and Luxembourg have in fact completed their registers, Italy's is well on the way, and France already had a register in 1962 so that it only required bringing up to date.

The Commission has recently proposed 31 December 1968 as the final date for completion of the register.

(b) Crop and stock assessments and declarations

Arrangements for assessments and declarations of crops and stocks had already been laid down in an implementing regulation issued by the Commission in 1962.

In pursuance of this regulation, the Commission has been notified of the member countries' estimates of their wine resources each year since 1963/64.

(c) The annual forecast

On the basis of the data supplied by the Member States in their assessments of crops and stocks, the Commission has compiled a forecast of the Community's wine resources and needs annually since 1964/65.

Although this had no practical application, because the common market organization was not yet in force, it nevertheless enabled the administrative staff concerned to familiarize themselves with the problems raised by the compilation of such forecasts, and this will facilitate future operations, the results of which will be one of the most important factors in the assessment of the market situation at the beginning of the wine year.

(d) Quality wines produced in specified areas

Owing to the complexity of the problems to be solved, it was not until 15 April 1964 that the Commission was able to pass to the Council its proposal on quality wines produced in specified areas.

The basic principle is that natural factors and methods of wine-making must be taken into account when quality wines produced in specified areas are assessed; at the same time, there should be analysis and assessment of organoleptic characteristics.

The proposal therefore lays down joint standards for the six countries concerning the demarcation of areas, vine stocks, yields, minimum alcohol content, oenological practices, etc.

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There has been extensive discussion of this proposal by the various responsible bodies in the Council, and considerable progress towards an agreement has been made. It would be desirable for this regulation to come into force at the same time as the regulation on common table wines.

(•) Trade

When the Treaty came into force, all the Member States with the exception of the Benelux countries were operating quotas for wine imports.

Bearing in mind the need to expand trade - one of the fundamental aims of the Treaty - the Council, acting under Article 43 of the Treaty, replaced these national quotas by Community quotas. This decision was adopted on 4 April 1962, on a Commission proposal.

It was stipulated that these quotas should be valid only for quality wines produced in specified areas or for wines regarded as such, except in the case of Germany, where the national quotas had also included common table wines and wines used as a basis for sparkling wines; this feature was retained in the new quotas for Germany.

The Community quotas were widened in 1963 and 1964. They have since remained at the 1964 level.

Former bilateral quotas opened by Germany, France and Italy which had not been either abolished after liberalization or replaced by the new quotas opened under Community rules have been globalized and gradually widened (see Tables 1a, b and c).

3. Prices

Since a single, Community-wide market has not yet been established, wine prices are largely subject to the influences peculiar to each of the markets of the producing member countries. A general observation can be made, however: in viticulture, more perhaps than elsewhere, price fluctuations may be considerable.

A study of the prices on the French market might suggest that this statement does not hold good for France. This is because the fluctuations are largely controlled by action under the national market organization.

Although a fall in prices is effectively checked by the existing machinery, prices hardly ever reflect the favourable trend which should affect the product from time to time. It seems, however, that arrangements governing imports are much more to blame for this than the regulatory machinery.

It is, of course, the volume of supplies and the standard of quality which to a great extent determine the trend of prices. But quality does not seem to have as direct an influence on table wine prices as quantity. At least, its impact is not immediate and in any case does not appear to be as great. Take German wines of 1965, for instance: although these were of poor quality and in short supply, they were nevertheless more expensive than the 1964 vintage - an excellent year with a bumper crop.

It should not be concluded, however, that quality is a negligible factor. On the contrary, its effects can make themselves felt for a very long time, particularly when the quality is poor, as was found with the 1963 wines in France.

III. Commission proposal on common table wines

In 1960, in the chapter on wine in its proposals for working out and putting into effect the common agricultural policy, the Commission had already stressed the three basic features of a common market organization for wine, namely:

(a) the adjustment of supply to demand,

(b) the improvement of quality,

(c) the harmonization of legislation.

These three objectives, which are closely interdependent and on which internal measures and measures at the Community frontier are based, are the essential factors in the new proposed regulation.

Scope

The proposed regulation includes arrangements governing prices and trade, together with common rules of quality.

It applies to the following products:

(a) Grape must
(b) Wine of fresh grapes
(c) Fresh grapes for wine-making
(d) Grape juice
(e) Wine vinegar
(f) Wine lees and argol

A. Prices and market support

1. Basic prices

By 1 August each year the Council fixes a basic price for each of the most representative types of table wine in the Community.

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This price is valid for the period from 15 December to 14 December of the following year. It is calculated on average producer prices during the last two wine years and on price changes during the current year.

Prices are noted on the reference markets in surplus areas in the Community where prices for the types of wine under consideration have been lowest.

The types of wine to which the basic prices apply are to be determined by the Council, on a Commission proposal (a procedure stipulated in Article 43(2) of the Treaty).

2. Intervention prices

By 15 December each year the Council, on a Commission proposal, fixes an intervention price for each type of wine ranging between 75% and 90% of the relevant basic price.

The exact amount of the intervention price is determined with due regard to:

(a) market characteristics,

(b) the need to stabilize prices while avoiding the formation of structural surpluses,

(c) the quality of the crop,

(d) the results of the annual forecast.

The Commission is also required to watch the trend of the market and to fix each week the average producer prices in each marketing centre. Whether action is taken to support the market depends on the comparison of these prices with the appropriate intervention prices (see sec. 3(b) below).

3. Market support

In order to adjust resources to requirements, with stabilization of prices as a corollary, support measures may be introduced depending on the market situation.

There are two possible cases:

(a) If the forecast made by 25 November each year indicates that supplies will be more than a third in excess of requirements for the wine year about to begin, measures of support will be introduced from 15 December to 31 January. They consist of three types of aid granted by the intervention agencies designated by the Member States:

(1) aids to producers for long-term private stocks (nine months) of table wines conforming to certain quality requirements,

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(2) purchase of alcohol distilled from wines handed over voluntarily to distilleries by producers,

(3) granting of a distilling subsidy for the manufacture of spirits.

(b) In the course of the wine year, i.e. between 15 December and 31 October, or only between 31 January and 31 October if aid has been granted as described above, support measures are also introduced when the average price for a type of wine specified for a marketing centre remains lower for two consecutive weeks than the corresponding intervention price.

These measures are similar to those set out under (a) above, but with the difference that aid to stocks can only be short-term (three months). Once the average price has been the same as or higher than the corresponding intervention price for two consecutive weeks, the support measures are stopped.

The granting of aid to stocks is subject to the conclusion of contracts specifying the quality of the wine and the duration of storage. The contract may in the case of long-term storage stipulate that aid will be stopped if the average Community prices for the type of wine in question exceed the basic price by more than a certain percentage.

The amount of aid may cover only the expenses of the storage process and interest at a flat rate.

Finally, the Council fixes each year by 15 December the buying-in price of alcohol and the minimum price of wine handed over for distilling.

The purchase of alcohol and the payment of the distilling subsidy are conditional on the producer having been paid at least the fixed minimum for the distilled wine.

B. Trade with non-member countries

1. Import and export licences

Every import of grape must or wine of fresh grapes into the Community must be covered by an import licence. Licences are issued by the Member States and are valid throughout the Community.

The Council may on a proposal of the Commission stipulate:

(a) that a bond be put up,

(b) a minimum period for the issue of licences,

(c) import licences for the other products (e.g. vinegar),

(d) export licences, if required.

2. Sluice-gate prices

Each year by 15 December, the Commission fixes a sluice-gate price for white wine and a sluice-gate price for red wine in accordance with general rules to be adopted by the Council. These prices are expressed in u.a. per degree and per hl and are valid for the whole wine year. They are calculated on the basic prices of the wines having the highest alcohol content, plus an amount which may not exceed 15% of these basic prices. The amount added is to cover marketing expenses from the wine-growing area to the sales point (handling and packing, pumping, transport, etc.). This enables, say, a wine produced in Sicily to compete in Hamburg with a wine from the world market.

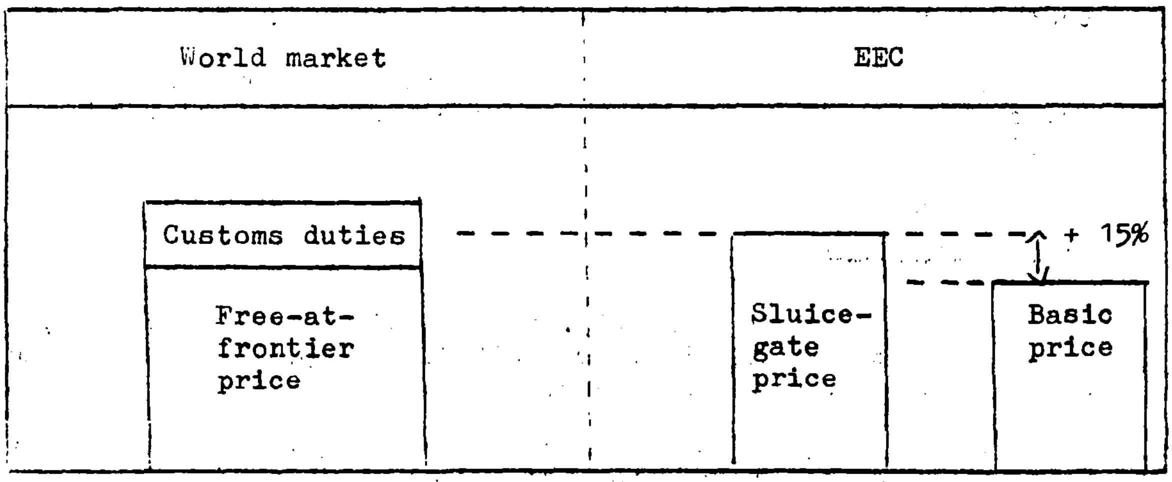
Derived sluice-gate prices may be fixed for wines with special characteristics or wines for special purposes.

3. Levy

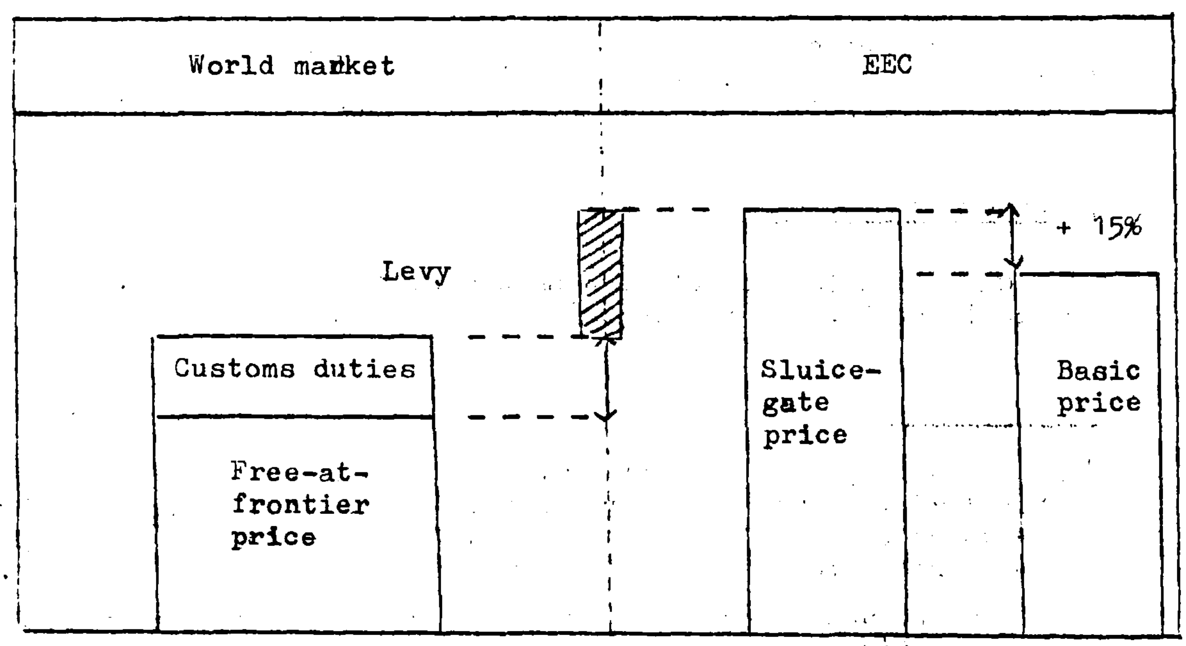
If the free-at-frontier price of a wine imported into the Community, plus customs duty, falls below the appropriate sluice-gate price, a levy is imposed to make up the difference.

The free-at-frontier offer price is normally standard for all non-member countries. In certain cases, however, (where certain countries make abnormally low offers) a second free-at-frontier price may be fixed.

Standard method (no levy)



Method for abnormally low offer price



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4. Refunds

If unfair practices by non-member countries distorting competition on the world market or stabilization measures adopted on the internal market seem likely to cut the Community off from its markets, refunds may be granted on exports.

The amount of the refund may, however, not be greater than the customs duty plus the import levy if applicable.

The refund thus defined is standard throughout the Community but can if necessary discriminate according to destination and type of wine.

5. Processing traffic

Should it prove advisable, the Council may subsequently, on a proposal of the Commission, prohibit "inward processing traffic" arrangements[1] for vine products.

In any case, the relevant Community measures must be adopted by 1 July 1968. This involves fixing :

(a) the yield obtained when imported products are processed,

(b) the quantities of products resulting from processing and placed in free circulation, i.e. not re-exported to the world market.

6. Tariff measures

The common customs tariff must be applied as soon as the regulation comes into force, charges equivalent in effect to customs duties and quantitative restrictions (quotas) being prohibited.

7. Safeguard clause

On the analogy of other common market organizations, the proposal for table wines contains a general safeguard clause.

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[1] Measures adopted by importing member countries authorizing duty-free or levy-free imports of a raw material for processing and subsequent re-exportation to the world market. Processed products thus re-exported are not eligible for the usual refunds on exports.

When a product imported under these arrangements is to remain on the domestic market because of a change in the purpose for which it is intended, the customs duty or the levy normally applicable to it must be paid.

C. General provisions

1. Intra-Community trade

The following are prohibited in trade between Community countries as soon as the regulation comes into force :

(a) all quantitative restrictions (quotas) or measures equivalent in effect,

(b) all customs duties and charges equivalent in effect,

(c) minimum-price arrangements.

2. Classification of vine stocks and orientation of production

By 1 September 1968 the Council must, on a proposal of the Commission, adopt a classification of vine stocks into recommended, authorized and prohibited categories, together with provisions for the compulsory declaration of planting and uprooting of vines.

The Commission is also to keep the Community wine market and viticulture under regular review. Should it appear that production of certain wines is likely to become excessive, the Commission will propose suitable measures to the Council. These may include specific restrictions on further planting of vines or existing areas under vines.

3. Harmonization of legislation

One of the essential aims of any common market organization is free movement of goods. Obviously, if measures stopped at the mere abolition of customs duties and quotas, this objective would not be fully attained. Domestic legislation on wine very often includes protective measures which constitute obstacles to trade.

Quite apart from this state of affairs, strict measures must be adopted with respect to oenological practices if quality is to be improved.

Hence provision is made for the Council, on a proposal of the Commission, to adopt Community measures for the harmonization of legislation relating to the production, composition and marketing of vine products.

With regard more particularly to the definition of products and the treatments and processes they may undergo, these provisions must be adopted by 1 September 1968.

In order to facilitate inspection, none of the products may continue to circulate after that date unless accompanied by a descriptive document indicating the type, origin and purpose.

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Finally, wine growers and dealers will be obliged to record all incoming and outgoing items.

4. Stabilization of markets in the event of excessive price increases

When an excessive rise in price for a particular type of wine is noted on the Community market, appropriate measures may be adopted to stabilize prices, it being a legitimate aim to protect the consumer from extreme price increases.

5. Vineyard register

The vineyard register must be compiled by 31 December 1968 at the latest.

6. Financial aspects

Expenditures arising from the operation of the new market organization, such as action to stabilize prices (aids to stocks, purchase of alcohol, payment of distilling subsidies) and refunds on exports, are borne by the European Agricultural Guidance and Guarantee Fund (EAGGF).

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Conclusions

The Commission proposal on table wines will certainly elicit a great deal of comment in the Member States. Some will say it is too flexible, while others will find too much central planning in it for their taste.

In any case, it will have to be recognized that national systems which have grown up independently of one another over the years cannot be merged into a common system without some sacrifices by way of compromise.

This compromise must take into account not only the very different situations in the member countries but also objectives which can really be reconciled only with difficulty. Although the essential objectives in accordance with Article 39 of the Treaty are to re-organize the market and to ensure a fair standard of living for the agricultural population, it has been necessary, as in the case of all common market organizations, to take into account another important Article of the Treaty - Article 110 - which stipulates that the Community must contribute to the harmonious development of world trade. These two apparently contradictory courses of action have been reconciled in the proposed regulation.

In fact, the Commission has sought to make the arrangements as liberal as possible and to make them meet overriding economic requirements as far as possible. With regard to non-member countries, the common customs tariff should normally suffice to protect Community production from competition from the world market. The sluice-gate price acts as an additional safeguard in the event of unfair practices on external markets - such as have often been observed - since it permits the imposing of a levy if necessary.

Although there is no provision for a guaranteed minimum price to the producer, the arrangements provide adequate means of imposing a certain pattern on price formation and of stabilizing markets. The machinery is the more flexible in that market support measures are introduced only by the voluntary decision of producers.

Price guarantees borne by public agencies would involve two considerable risks : the financial burden on the EAGGF would probably be excessive, and the formation of structural surpluses would be encouraged.

Apart from the recommended machinery, it is to be expected from the outset that a certain price stabilization effect will occur automatically on the internal market after customs barriers and quotas have been eliminated. Full unification of the markets will undoubtedly help to balance supply and demand and will hence counteract extreme price fluctuations.

This is of course an outline regulation, the essential purpose of which is to lay down the general lines of a new market organization on a Community-wide scale. Many problems will still present themselves to the experts in the near future and will require

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implementing regulations to be introduced either by the Council or by the Commission.

When the organization of the wine market is completed by the introduction of the supplementary measures recently proposed, considerable progress will have been made towards putting the market on a sound footing and improving the situation of wine-growers.

It would be a mistake, however, to think that there will then be nothing left to do. The patterns of production and marketing still leave much to be desired in many regions. An effective structure policy should therefore be worked out concurrently with the organization of markets. It should among other things seek to encourage the formation of more rational, because larger and better-equipped, enterprises.

This will be the role of the Guidance Section of the EAGGF, and it may be stated here that the Commission has included a programme for vine products in the proposal concerning Community programmes which it recently passed to the Council. This provides for 40 million u.a. over three years for structural improvements : vine stocks, transfer of vines, wine-making or distilling plant, storage capacity, infrastructure, etc.

Finally, the role and responsibility of producers themselves should not be forgotten. Whereas demand is extremely concentrated, growers are still too dispersed and inadequately organized. They will have to be more dynamic and disciplined, co-operating more closely with each other and, where appropriate, setting up growers' associations.

Only through a concerted effort by public authorities and other interested parties can wholly satisfactory results be obtained that will benefit the Community as a whole.

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Description	1959 Quotas Volume (hl)	1959 Quotas Value (DM.'000)	1959 Imported from	1959 Actual imports Volume (hl)	1959 Actual imports Value (DM '000)	1966 Quotas Volume (hl)	1966 Quotas Value (DM '000)	1966 Imported from	1966 Actual imports Volume (hl)	1966 Actual imports Value (DM '000)
Sparkling wines[1] (litre bottles)	870 000 bts.	6 500	EEC	579 831 bts.	3 382	5 381 316 bts.		EEC	5 916 000 bts.	16 928
			France	570 771	3 350			France	5 686 000	16 364
			Italy	9 060	32			Italy	230 000	552
			Luxembourg	-	-					
Basis for sparkling wines[2]	257 900	13 283	EEC	142 202 hl	9 737	480 000		EEC	678 431 hl	40 183
			France	119 151	8 369			France	664 080	39 017
			Italy	19 897	1 008			Italy	9 235	540
			Luxembourg	3 154	360			BLEU	5 056	626
Red wines for blending			EEC	-	-	liberalized 31.12.60		EEC	153	11
			France	-	-			France		
			Italy	-	-			Italy		
			Luxembourg	-	-			BLEU		
Table wines[2]	651 400	38 270	EEC	577 871	50 044	950 000		EEC	1 130 533	111 473
			France	344 324	34 224			France	570 287	58 390
			Italy	233 547	15 820			Italy	560 246	53 083
of which			Luxembourg	-	-	of which		BLEU	-	-
White wines[2]	28%		EEC	140 842	13 052	245 000		EEC	452 993	39 286
			France	129 069	12 176			France	318 273	26 760
			Italy	11 773	876			Italy	134 719	12 526
			Luxembourg	-	-			BLEU	-	-
Dessert wines[1]	78 360	4 630	EEC	81 808	4 636	293 814			3	
			France	5 274	447					
			Italy	76 534	4 189					
			Luxembourg	-	-					
Basis for vermouth	230 000	10 480	EEC	214 720	9 357	liberalized 31.11.60		EEC	11 998	815
			France	21 900	886			France	3 400	207
			Italy	192 820	8 471			Italy	8 598	608

[1] In 1966 - quotas opened by globilization of old bilateral quotas.

[2] In 1966 - quotas opened on the basis of the Council decision of 4 April 1962.

[3] Customs returns do not distinguish dessert wines from red and white wines.

Table 1b: France

Description	1959 Quotas Volume (hl)	1959 Quotas Value (FF '000)	Imported from	Actual imports Volume (hl)	Actual imports Value (FF '000)	1966 Quotas Volume (hl)	1966 Quotas Value (FF '000)	Imported from	Actual imports Volume (hl)	Actual imports Value (FF '000)
Sparkling wines[1]	22 500	7 875	EEC	14 004	491 089			EEC	24 029	8 039
			Germany	161	8 662			Germany	-	-
			Italy	13 043	482 427			Italy	24 029	8 039
			Luxembourg	-	-			BLEU	-	-
Wines (other than dessert wines and vintage wines) in cask or bottled[1]		4 800	EEC	18 501	357 507 (11 031)			EEC	36 485[3]	6 905
			Germany	4 686	106 065			Germany	2 558	1 034
			Italy	13 815	251 442			Italy	33 500	5 838
			Luxembourg	-	-			BLEU	427	33
(for 1966, bottled only)										
Dessert wines[1]		700	EEC	321	9 811 (1 598)			EEC	184	60
			Germany	-	-			Germany	-	-
			Italy	321	9,811			Italy	163	55
			Luxembourg	-	-			Italy	-	-
Quality wines produced in specified areas in cask or bottled[2]		-				330 000			3	

[1] In 1966 - quotas opened by globilization of old bilateral quotas.

[2] In 1966 - quotas opened on the basis of the Council decision of 4 April 1962.

[3] Statistics do not distinguish between imports under quotas 1 or 2.

Table 1c: Italy

Description	Quotas Volume (hl)	Quotas Value (Lit.'000)	1959 Imported from	Actual imports Volume (hl)	Actual imports Value (Lit. '000)	Quotas Volume (hl)	Quotas Value (Lit.'000)	1966 Imported from	Actual imports Volume (hl)	Actual imports Value (Lit.'000)
Sparkling wines[1]		915 840	EEC	6 611	855 513		1 946 520	EEC	17 136	2 394 123
			Germany	172	14 900			Germany	-	-
			France	6 439	840 613			France	17 136	2 394 123
			Luxembourg	-	-			BLEU	-	-
Dessert wines and mistelles[1]			EEC	36	1 915			EEC	-	-
		104 510	Germany	5	379			Germany	- 3	-
			France	31	1 536		264 260	France	-	-
			BLEU	-	-			BLEU	-	-
Other wines[1]			EEC	2 112	100 613			EEC	30 026	1 301 293
			Germany	192	10 221			Germany	-	-
			France	1 920	90 392			France	30 026	1 301 293
			BLEU	-	-			BLEU	-	-
Quality wines produced in specified areas, in cask or bottled[2]						330 000 of which 6 500 for sparkling wines				3

[1] In 1966 - quotas opened by globalization of old bilateral quotas.
[2] In 1966 - quotas opened on the basis of the Council decision of 4 April 1962.
[3] Statistics do not distinguish between imports under quotas 1 or 2.

Table 2: Area under wine-grape vines, yields per hectare and wine production in the Member States

	Member State	1957/58	1958/59	1959/60	1960/61	1961/62	1962/63	1963/64	1964/65	1965/66
Producing area under wine-grape vines ('000 ha)	Germany	59	59	61	64	66	67	68	69	67
	France	1 267	1 293	1 299	1 310	1 287	1 291	1 273	1 259	1 245
	Italy	1 624	1 633	1 637	1 638	1 642	1 615	1 592	1 576	1 556
	Netherlands	-	-	-	-	-	-	-	-	-
	Belgium	-	-	-	-	-	-	-	-	-
	Luxembourg	1	1	1	1	1	1	1	1	1
	EEC	2 951	2 986	2 998	3 013	2 996	2 974	2 934	2 905	2 869
Wine yield per ha of producing area under wine-grape vines (hl)	Germany	38.5	81.1	70.5	115.8	53.9	58.5	88.3	104.7	73.2
	France	25.8	35.9	44.7	46.5	36.1	56.3	44.4	48.5	53.5
	Italy	26.4	41.6	40.5	33.8	32.1	43.3	33.7	42.5	44.2
	Netherlands	-	-	-	-	-	-	-	-	-
	Belgium	-	-	-	-	-	-	-	-	-
	Luxembourg	45.1	130.1	127.7	119.3	102.3	108.0	136.0	142.0	97.0
	EEC	26.4	40.0	43.3	41.1	34.3	49.3	39.7	46.6	48.9
Wine production ('000 hl)	Germany	2 264	4 797	4 303	7 433	3 574	3 928	6 034	7 185	5 035
	France	32 666	46 491	58 317	61 150	46 468	72 718	54 511	60 170	66 568
	Italy	42 838	67 995	66 379	55 339	52 482	69 993	53 640	66 105	68 793
	Netherlands	6	5	5	5	5	7	8	6	9
	Belgium	3	4	4	4	4	4	4	3	4
	Luxembourg	50	144	143	136	117	127	158	165	113
	EEC	77 827	119 436	129 211	124 067	102 650	146 777	114 354	133 632	140 522

Source: SOEC, Agricultural Statistics No. 4/1962, No. 5/1965, No. 6/1966

Table 3: Wine consumption in the Member States

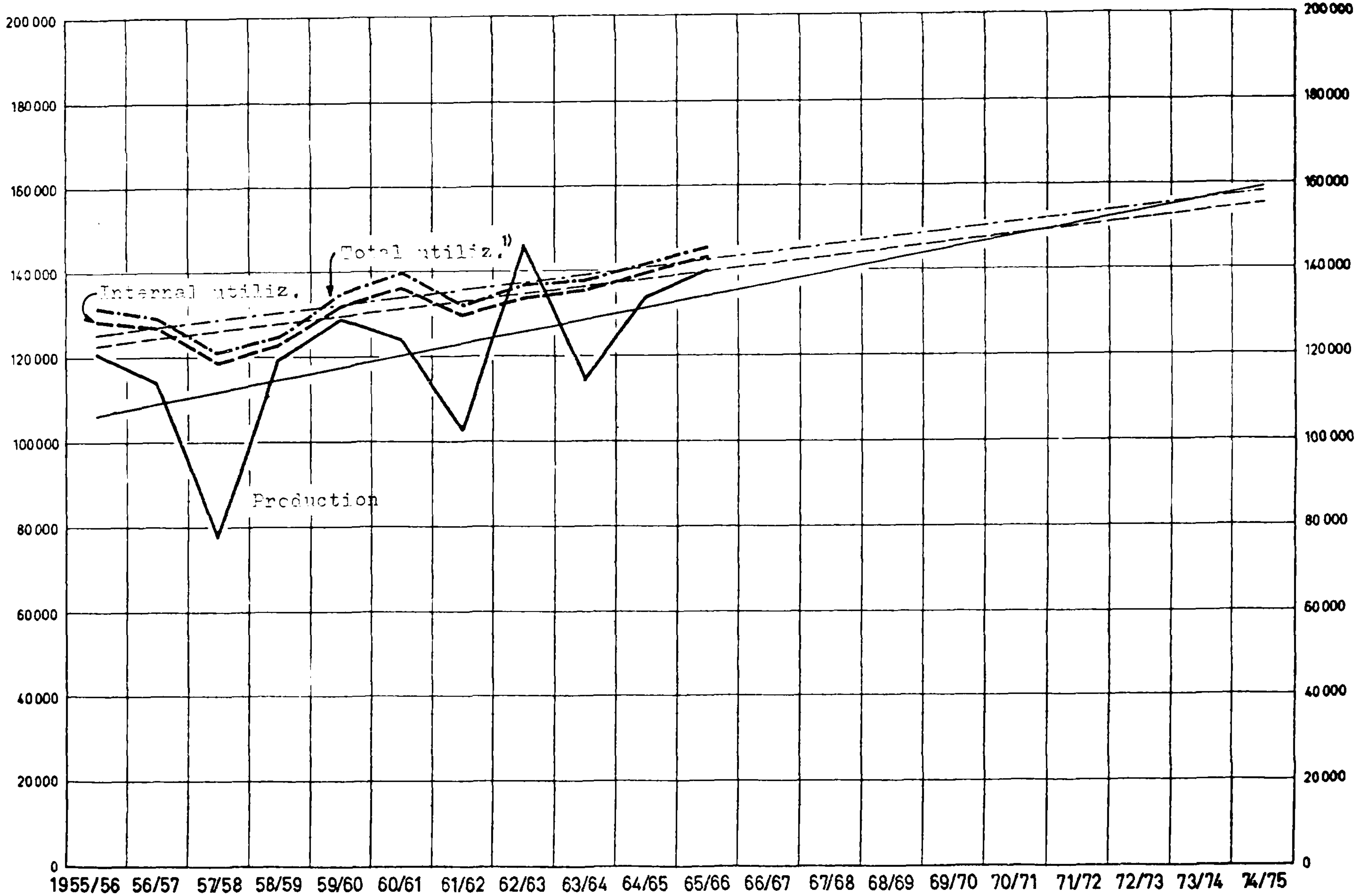
	Member State	1957/58	1958/59	1959/60	1960/61	1961/62	1962/63	1963/64	1964/65	1965/66
Total home consumption ('000 hl)[1]	Germany	5 196	6 599	7 304	8 891	8 752	8 916	8 618	10 175	
	France	58 462	59 514	65 433	68 510	62 981	65 114	68 128	65 662	
	Italy	54 336	55 878	58 458	57 651	56 835	58 467	57 392	62 425	
	Netherlands	169	169	197	258	275	309	314	357	
	Belgium	540	626	665	704	720	724	805	710	
	Luxembourg	87	98	115	109	104	89	80	132	
	EEC	118 790	122 884	132 172	136 123	129 667	133 619	135 337	139 461	
Human consumption of wine (l per head)	Germany	7.6	10.2	10.9	13.3	12.7	12.9	12.2	14.7	
	France	124	123	129	129	123	120	125	119	
	Italy	108	110	110	110	110	112	105	112	
	Netherlands	1.5	1.5	1.7	2.2	2.3	2.6	2.6	2.9	
	Belgium	5.9	6.8	7.2	7.6	7.7	7.7	8.4	7.3	
	Luxembourg	26.5	29.6	34.2	32.4	30.3	26.2	22.9	37.7	
	EEC	68	69	70	71	69	69	68	69	

[1] Excluding intra-Community trade

Source: SOEC, Agricultural Statistics No. 6/1966

Trend of wine production and utilization in the EEC from 1955/56

('000 hl)



1) Internal utilization + exports

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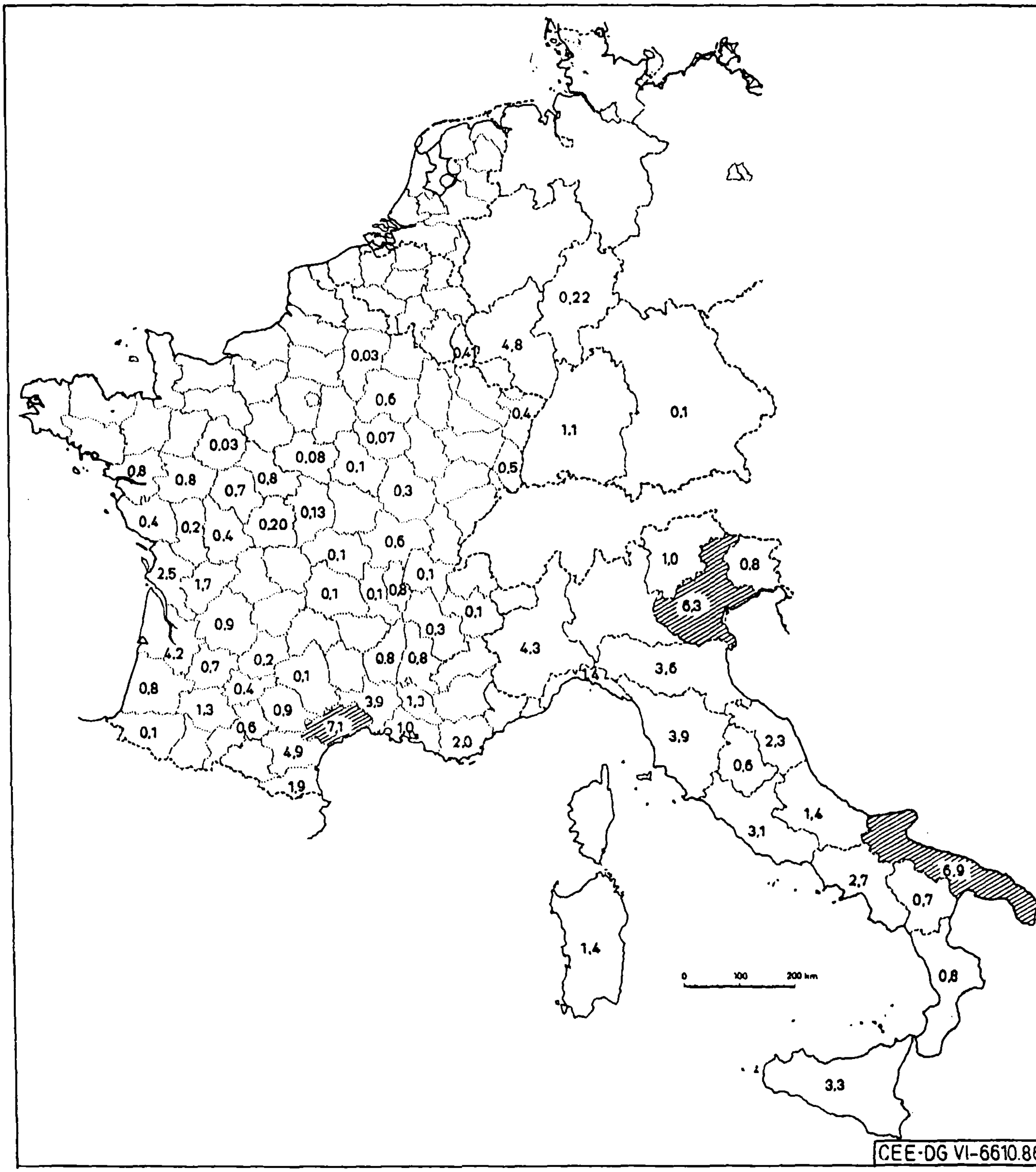
REGIONAL DISTRIBUTION OF WINE PRODUCTION

IN THE EEC



Source: SOEC, Agricultural Statistics No. 3/1965
Unit: % of total wine production in the EEC in 1963