

Agenda 2000: wine, reform of the common organisation of the market COM

1998/0126(CNS) - 29/06/2007 - Follow-up document

The Commission presents this report in accordance with its obligation under Article 7 (3) of Council Regulation (EC) No 1493/1999. The document intends to be the update of the report of 2004. (Please refer to the summary of 12/03/2004.) In order to observe and evaluate trends, it takes stock of the entire period since the date of application of the current CMO on 1 August 2000. The scope has been widened to include the 10 new Member States which joined on 1 May 2004 (EU 10) but not to those new Member States which joined on 1 January 2007. The report is intended to be purely factual and does not contain any policy recommendations. However, it provides useful background information in the context of the ongoing debate on the reform of the CMO in wine.

The Commission discusses issues such as new planting rights of an administrative nature granted during the period 2000–2006. It notes that no planting rights of an administrative nature were granted during the period in Greece, Cyprus, Luxembourg, Hungary, Malta, Austria and Slovenia. It also discusses new planting rights to meet demand for quality wines produced in specified regions (quality wines psr) and table wines with geographical indication. The document goes on to discuss changes in the production potential, and the “non-reserve” system. All the new Member States have adopted the national reserve system, except Hungary which has chosen the “effective system”.

The figures show an increasing tendency towards the accumulation of planting rights. This may demonstrate reduced interest on the part of producers in planting but might also show limitations in some Member States of the authorisation of new planting and replanting rights due to the unfavourable market situation. The allocation of newly created planting rights to the reserves could also be a reason for the increase of the planting rights in them.

The area planted with vines has been constantly decreasing during the years under consideration. The increase in the total EU vine area in 2003/2004 can be attributed to the enlargement of the Community but since then, the trend has continued. The grubbing-up measure in Article 8 of Regulation (EC) No 1493/1999 could contribute to the decrease: it was applied on a relatively large scale in Germany (1 514 hectares grubbed up between 2000/2001 and 2005/2006), France (15 340 hectares grubbed up between 2000/2001 and 2005/2006), in Cyprus (1 979 ha grubbed up in 2004/2005) and in Hungary (3 574 ha grubbed up in 2005/2006). In addition, the decrease of the area actually planted, just like the increased availability of replanting rights at the producers, can be attributed partially to the increased grubbing-up within the frame of the restructuring and conversion scheme. However, the diminution of the area actually planted exceeds the augmentation of the replanting rights, showing that apparently, areas are abandoned without premium for grubbing-up and without the producers’ asking for replanting right. This is yet another sign of the unfavourable market situation in the wine sector. This presumption seems to be confirmed also by the data about the total production potential. There is a slight decrease in the total production potential from 2000 to 2006. As in the case of the areas planted with vines, the increase of the production potential in 2003/2004 is due to the enlargement of the Community in 2004. This proves that the system of reserves has helped to maintain production potential on a more or less stable level, by preventing the extinction of planting rights not actually used.

Lastly, the document discusses applications for regularisation of irregular planting. Regulation (EC) No 1493/1999 required regularisation procedures to be terminated by 31 July 2002 but several Member States have encountered difficulty in applying the Community rules. In response to Member States’ requests, the Commission has deferred the final date to 31 December 2007.

