Market in wine: reform of the common organisation of the market COM

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While welcoming the Commission's presentation of a proposal for a regulation on the reform of the common organisation of the market in wine, the ESC regretted that the Commission had not taken account of the ESC's vital suggestions nor the trade associations' strong objections to the Council's communication of 22 July 1993. It called on the new European Commission to amend radically its proposal for a regulation. According to the ESC, the market guidance had to be made a central plank of the reform process. This meant turning away from a centrally-run market. Instead, the European wine industry should be encouraged to become more competitive with other drinks. Moreover, trade barriers such as discriminatory excise duties between drinks in some Member States should be avoided and better sales conditions created for producers and traders. The reform should give the EU's regions more responsibility for quality and market policy, in accordance with subsidiarity. This would mean, at the same time, deregulation and cutting red tape to encourage economic self-reliance and initiative. This re-directing of European wine policy should, in the ESC's view, be started at once and completed over a 10-year transitional period. To bring about a clear separation between market and social policy, the ESC suggested that the Commission's proposed regional programmes be split up into market structural and socio-structural programmes. Adequate EU funds needed to be made available for this purpose. The ESC considered that additional cofinancing should be provided from national or regional coffers; on the other hand, market intervention should be funded exclusively by the EAGGF. The ESC called for a specific wine-growing promotion programme to help environmentally-friendly economic measures. It recommended that Community funds be made available to support the development of better marketing structures in producer areas. It also suggested that social programmes for agriculture be tailored to the special needs of wine-growing. A voluntary grubbing programme should be introduced during the transitional period so that vineyard capacity could be adjusted to market conditions. The ESC emphasised that when production conditions were laid down and oenological practices were authorised, account should be taken of the varying geographical, climatic and weather conditions within Europe 's wine-growing regions. It therefore did not agree with the European Commission that the number of wine-growing zones could be reduced from seven to three or that there could be a levelling-out of natural minimum alcoholic strengths and oenological practices. Instead it advocated that consideration be given to the classification of wine-growing zones on the basis of objective criteria. As regards the problem of chaptalisation, the ESC noted that this practice was banned in the EU. It could be permitted only as a strictly exceptional measure for a limited period of time in certain wine-growing areas of the EU under conditions to be determined by the Council. In order to avoid distortions of competition between the various EU producer countries, the current aid for the use of concentrated must and rectified concentrate should be maintained as long as the use of sucrose for enrichment purposes was authorised. Appropriate labelling should inform consumers about the enrichment processes used. In addition, there should be two types of distillation: 'preventive', or voluntary distillation, to be carried out at the beginning of the marketing year and at an attractive price, and 'compulsory' distillation, where the price paid would be lower and based on the surplus quantities to be disposed of. Aid for private storage should be maintained at any event, as a linking measure between years where production was in surplus and those where yields were low. The ESC called for a comprehensive overall programme to promote the sale of wine products, which also provided for the removal of legal, economic and tax barriers. To this end, an ambitious research and market research programme should be drawn up. The ESC also advocated an information and educational programme about the advantages of a moderate level of wine consumption as part of a balanced diet, and about the dangers of misuse. It welcomed the Commission's proposal to extend the ban

on new plantings. However, the right to replanting and the transfer of replanting rights should be used without restriction so that the best land in wine-growing areas was planted out in accordance with a policy on quality. The classification of vine varieties should be standardised at EU level.