Wine sector: common organisation of the market COM

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The Council held a policy debate, based on the Presidency questionnaire, on certain aspects of the Commission’s communication on the reform of the wine sector in the EU.

All delegations recognised that there was a need to reform the wine sector in order to increase the competitiveness of EU wine production. In general, delegations shared the Commission's views and analysis of the situation in the sector. Delegations also agreed with the general objectives of the reform as set out in the communication and specifically that of improving the sector's competitiveness.

Most delegations supported the reform option 2 ("profound reform"). Some delegations suggested that aspects of the decoupled payment scheme could usefully be attached to option 2.

On individual measures outlined by the Commission views diverged more widely:

- many delegations stressed the need to apply the measures proposed by the Commission in a balanced manner with appropriate phasing in arrangements in order to allow the sector to adjust to the changes in the support arrangements;

- most delegations were in favour of abolishing the present market instruments and supported the idea of setting up national envelopes with options for measures to implement from a given menu;

- many delegations expressed concerns about the proposed grubbing up scheme, which according to them might lead an untoward environmental impact in certain wine producing areas of the Community. Some delegations pointed out that the grubbing up scheme should be regionally and qualitatively selective. However, most delegations were in favour of curtailing surplus production in order to improve market balance;

- in order to strengthen the reputation and quality of EU wines, an enhanced marketing effort for EU wine is necessary as well as more clear and simple labelling rules; most delegations also welcomed the proposal to make available oenological practices approved by the OIV giving European producers the same possibilities as enjoyed by third country producers.

On the basis of this discussion and the forthcoming opinion of the European Parliament, the Commission has a solid basis on which it can start reflecting on the concrete reform proposals for the sector.

The Council invited the Commission to submit the proposal for the reform of the wine sector to the Council during the first half of 2007.