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COMMISSION REGULATION (EC) No 1367/2002

of 26 July 2002

opening crisis distillation as provided for in Article 30 of Council Regulation (EC) No 1493/1999 in Portugal

(OJ L 198, 27.7.2002, p. 30)

Amended by:

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		No	page	date
►**M1**	Commission Regulation (EC) No 2336/2002 of 23 December 2002	L 349	28	24.12.2002

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THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1493/1999 of 17 May 1999 on the common organisation of the market in wine [1], as last amended by Regulation (EC) No 2585/2001 [2], and in particular Articles 30 and 33 thereof,

Whereas:

(1) Article 30 of Regulation (EC) No 1493/1999 provides for the possibility of opening crisis distillation in the event of exceptional market disturbance due to major surpluses. Such measures may be limited to certain categories of wine and/or certain areas of production and may apply to quality wines psr at the request of the Member State.

(2) By letter of 7 June 2002, the Portuguese Government requested that crisis distillation be opened in Portugal for 250 000 hl of wine, mainly quality wine psr, produced on its territory (Vinho Verde produced in the Minho region) and for some of the table wine which was not accepted for distillation under Article 29 of Regulation (EC) No 1493/1999.

(3) Wine production in Portugal was 3,7 million hectolitres in 1998/99 and 7,8 million hectolitres in 1999/2000. It stood at 6,6 million hectolitres in 2000/01 and the latest estimates for the current wine year put table wine production at 7,6 million hl.

(4) Stocks of wine in Portugal amounted to 7,3 million hectolitres in 1999/2000 and 9,1 million hectolitres in 2000/01, showing a substantial increase (25 %) over the previous wine year. According to Portuguese forecasts for the current wine year, stocks are set to reach 10,2 million hl, representing a further increase of 12 % over 2000/01.

(5) Portugal thus has around 2,1 million hectolitres more in store now than it did in the 2000/01 wine year. Neither the quantities accepted for voluntary distillation in 2001/02 (695 224 hl), nor the other intervention measures such as private storage for wine (486 000 hl) have had a sufficient impact on the market in wine in Portugal to reduce the stock surplus. According to the Portuguese authorities, this substantial wine surplus has pushed down prices, in particular for Vinho Verde, which has fallen by around 40 %. Production estimates for the next harvest suggest the same high level as for the current wine year.

(6) Despite a significant increase in intervention during this wine year, and despite the crisis distillation of 450 000 hl launched during the previous year, under which 580 000 hl were actually distilled, stocks were 11 % higher than for the previous wine year and more than 15 % higher than in 1999/2000.

(7) Production, particularly of Vinho Verde in the Minho region, is substantially higher than in previous wine years, while consumption is falling. According to the figures provided by the Portuguese authorities, stocks increased by 25 % during the last wine year. The specific characteristics of this wine entail a rather short storage period and a low alcoholic strength.

(8) The crisis distillation measures decided during the 2000/01 wine year have definitely had a positive effect in terms of stabilising

[1] OJ L 179, 14.7.1999, p. 1.
[2] OJ L 345, 29.12.2001, p. 10.