

AGREEMENT
BETWEEN THE UNITED STATES OF AMERICA
AND THE EUROPEAN COMMUNITY
ON TRADE IN WINE

USA/CE/en 1

The UNITED STATES OF AMERICA, hereafter "the United States", and

The EUROPEAN COMMUNITY, hereafter "the Community",
hereafter referred to jointly as "the Parties",

RECOGNIZING that the Parties desire to establish closer links in the wine sector,

DETERMINED to foster the development of trade in wine within the framework of increased
mutual understanding,

RESOLVED to provide a harmonious environment for addressing wine trade issues between the
Parties,

HAVE AGREED AS FOLLOWS:

TITLE I

INITIAL PROVISIONS

ARTICLE 1

Objectives

The objectives of this Agreement are:

- (a) to facilitate trade in wine between the Parties and to improve cooperation in the development and enhance the transparency of regulations affecting such trade;
- (b) to lay the foundation, as the first phase, for broad agreement on trade in wine between the Parties; and
- (c) to provide a framework for continued negotiations in the wine sector.

ARTICLE 2

Definitions

For the purposes of this Agreement:

- (a) "wine-making practice" means a process, treatment, technique or material used to produce wine;
- (b) "COLA" means a Certificate of Label Approval or a Certificate of Exemption from Label Approval that results from an approved Application for and Certification/Exemption of Label/Bottle Approval, as required under U.S. federal laws and regulations and issued by the U.S. Government that includes a set of all labels approved to be firmly affixed to a bottle of wine;
- (c) "originating" when used in conjunction with the name of one of the Parties in respect of wine imported into the territory of the other Party means the wine has been produced in accordance with either Party's laws, regulations and requirements from grapes wholly obtained in the territory of the Party concerned;
- (d) "WTO Agreement" means the Marrakesh Agreement establishing the World Trade Organization, done on 15 April 1994.

ARTICLE 3

Scope and Coverage

1. For the purposes of this Agreement, the term "wine" shall cover beverages obtained exclusively from the total or partial alcoholic fermentation of fresh grapes, whether or not crushed, or of grape must, with the possible addition of any constituent parts of fresh grapes authorized in the producing Party, in accordance with wine-making practices authorized under the regulatory mechanisms of the Party in whose territory the wine is produced, which:
 - (a) contains an actual alcohol content of not less than 7 percent (7%) and not more than 22 percent (22%) by volume; and
 - (b) contains no artificial coloring, flavoring or added water beyond technical necessity.
2. Measures taken by either Party for the protection of human health and safety are outside the scope of this Agreement.

TITLE II

WINE-MAKING PRACTICES AND SPECIFICATIONS

ARTICLE 4

Present wine-making practices and specifications

1. Each Party recognises that the laws, regulations and requirements of the other Party relating to wine-making fulfil the objectives of its own laws, regulations and requirements, in that they authorize wine-making practices that do not change the character of wine arising from its origin in the grapes in a manner inconsistent with good wine-making practices. These practices include such practices that address the reasonable technological or practical need to enhance the keeping or other qualities or stability of the wine and that achieve the winemaker's desired effect, including with respect to not creating an erroneous impression about the product's character and composition.
2. Within the scope of this Agreement as defined in Article 3, neither Party shall restrict, on the basis of either wine-making practices or product specifications, the importation, marketing or sale of wine originating in the territory of the other Party that is produced using wine-making practices that are authorized under laws, regulations and requirements of the other Party listed in Annex 1 and published or communicated to it by that other Party.

ARTICLE 5

New wine-making practices and specifications

1. If a Party proposes to authorize for commercial use in its territory a new wine-making practice or modify an existing wine-making practice authorized under the laws, regulations and requirements listed in Annex I, and it intends to propose the inclusion of the practice among those authorized in the Annex I documents, it shall provide public notice and specific notice to the other Party and provide a reasonable opportunity for comment and to have those comments considered.
2. If the new wine-making practice or modification referred to in paragraph 1 is authorized, the authorizing Party shall notify the other Party in writing of that authorization within 60 days.
3. A Party may, within 90 days of receiving the notification provided for in paragraph 2, object in writing to the authorized wine-making practice, on the grounds that it is inconsistent with the objectives referred to in Article 4(1) or the criteria set out in Article 3(1), and request consultations pursuant to Article 11 concerning this wine-making practice.
4. The Parties shall amend Annex I, as provided for in Article 11, as necessary to cover any new wine-making practice or modification that has not been subject to objections pursuant to paragraph 3 or for which the Parties have reached a mutually agreed solution following consultations provided for in paragraph 3. With respect to new wine-making practices or modifications to existing practices that are proposed after September 14, 2005, but before the date of application of Article 4, as provided for in Article 17(2), either Party may specify that the modification to Annex I shall not be effective until the date of application of Article 4.

TITLE III

SPECIFIC PROVISIONS

ARTICLE 6

Use of certain terms on wine labels
with respect to wines sold in the United States

1. With respect to wine that is sold in the territory of the United States, the United States shall seek to change the legal status of the terms in Annex II to restrict the use of the terms on wine labels solely to wine originating in the Community. Labels for such wines may use the terms in Annex II in a manner consistent with the U.S. wine labelling regulations in force as of September 14, 2005.

2. Paragraph 1 shall not apply with respect to any person or its successor in interest using a term listed in Annex II on a label of a wine not originating in the Community, where such use has occurred in the United States before December 13, 2005, or the date of signature of this Agreement, whichever is later; provided that the term may only be used on labels for wine bearing the brand name, or the brand name and the fanciful name, if any, for which the applicable COLA was issued prior to the later date referred to in this paragraph and the term is presented on the label in accordance with the regulations in effect on September 14, 2005.

3. The United States shall notify the Community in writing of the date that the change in legal status referred to in paragraph 1 has come into effect.

4. The United States shall take measures to ensure that any wine not labelled in conformity with this Article is not placed on or is withdrawn from the market until it is labelled in conformity with this Article.

ARTICLE 7

Names of origin

1. The United States shall provide that certain names may be used as names of origin for wine only to designate wines of the origin indicated by such a name, and shall include, among such names, those listed in Annex IV, Part A, names of quality wines produced in specified regions and names of table wines with geographical indications, and Part B, names of Member States.

2. The Community shall provide that the names of viticultural significance listed in Annex V may be used as names of origin for wine only to designate wines of the origin indicated by such name.

3. Each Party's competent authorities shall take measures to ensure that any wine not labelled in conformity with this Article is not placed on or is withdrawn from the market until it is labelled in conformity with this Article.

4. In addition to the obligations of paragraphs 1 and 3, the United States shall maintain the status of the names listed in Title 27 U.S. Code of Federal Regulations, Section 12.31, set forth in Annex IV, Part C, as nongeneric names of geographic significance that are recognized as distinctive designations of a specific wine of a particular place or region in the Community, distinguishable from all other wines, in accordance with Title 27 U.S. Code of Federal Regulations, Section 4.24(c)(1) and (3) and Section 12.31, as amended.

ARTICLE 8

Wine labelling

1. Each Party shall provide that labels of wine sold in its territory shall not contain false or misleading information in particular as to character, composition or origin.
2. Each Party shall provide that, subject to paragraph 1, wine may be labelled with optional particulars or additional information in accordance with the Protocol on Wine Labelling (hereinafter "the Protocol").

3. Neither Party shall require that processes, treatments or techniques used in wine-making be identified on the label.

4. The United States shall permit the names listed in Annex II to be used as a class or type designation on wines originating in the Community.

ARTICLE 9

Wine certification and other marketing conditions

1. The Community shall permit wine originating in the United States to be imported into, marketed and sold in the Community if it is accompanied by a certification document, the format and required information for which are specified in Annex III(a).

2. The Community shall permit the information on the document referenced in paragraph 1, excluding the producer's signature, to be pre-printed. The Community shall permit the document to be submitted electronically to the competent authorities of its Member States provided they have enabled the necessary technology.

3. The United States shall ensure that decisions to approve or disapprove a COLA are consistent with published criteria and subject to review. The format and required information for the COLA application form are referenced in Annex III(b).

4. The United States shall permit the information on the application form referenced in paragraph 3, excluding the applicant's signature, to be pre-printed and transmitted electronically.

5. Each Party may modify its respective form, referred to in paragraphs 1 and 3, in accordance with its internal procedures, in which case the Party concerned shall give due notice to the other Party. The Parties shall amend Annex III, as necessary, in accordance with the procedure laid down in Article 11.

6. This Agreement does not require certification that the practices and procedures used to produce wine in the Community constitute proper cellar treatment within the meaning of Section 2002 of U.S. Public Law 108-429.

TITLE IV

FINAL PROVISIONS

ARTICLE 10

Future Negotiations

1. The Parties shall begin negotiations within 90 days of the date of entry into force of this Agreement with a view toward concluding one or more agreements that further facilitate trade in wine between the Parties.

2. The Parties shall make best efforts to conclude such agreement or agreements and to bring it or them into force no later than two years from entry into force of this Agreement.

3. With a view to facilitating the negotiations, the Parties may establish one or more specific dialogues between officials to address issues of concern in bilateral trade in wine.

ARTICLE 11

Management of the Agreement and Cooperation

1. The Parties shall maintain contact on all matters relating to bilateral trade in wine and the implementation and the functioning of this Agreement. In particular, each Party shall, if requested, cooperate in assisting the other Party to make available to the other Party's producers information concerning specific limits on contaminants and residues in effect in the territory of the first Party.

2. Each Party shall notify the other Party in a timely manner of proposed amendments to its labelling rules and, except for minor amendments that do not affect labelling for the wine of the other Party, allow for a reasonable period of time for the other Party to comment.

3. Either Party may notify the other Party in writing of:

- (a) a request for a meeting or consultations between representatives of the Parties to discuss any matter relating to the implementation of the Agreement, including consultations with respect to new wine-making practices foreseen under Article 5;

- (b) a proposal for amendment to the Annexes or the Protocol, including its appendices;
- (c) legislative measures, administrative measures and judicial decisions concerning the application of this Agreement;
- (d) information or suggestions intended to optimize the operation of the Agreement; and
- (e) recommendations and proposals on issues of mutual interest to the Parties.

4. A Party shall respond within a reasonable period, which shall not exceed 60 days from receipt, to a notification under paragraph 3(a), (b), (d) or (e). However, following a request for consultations under paragraph 3(a), the Parties shall meet within 30 days unless the Parties agree otherwise.

5. An amendment to an Annex or the Protocol, including its appendices, to this Agreement shall take effect on the first day of the month following receipt of a written response, pursuant to a notification by one Party under paragraph 3(b), of the amended text of the Annex or the Protocol, including its appendices, concerned, confirming the other Party's agreement with the amended text or on a particular date that the Parties shall specify.

6. Each Party shall provide all notices, requests, responses, proposals, recommendations and other communications under this Agreement to the contact point for the other Party in Annex VI. Each Party shall notify changes in its contact point in a timely manner.

7. (a) Each Party and interested persons of that Party may:
- (i) address inquiries regarding matters arising from Titles I, II and III of the Agreement, including the Protocol; and
 - (ii) present information concerning actions that may be inconsistent with the obligations of those Titles

to the contact point of the other Party as identified in Annex VI.

- (b) Each Party shall, through its contact point:
- (i) ensure that action is taken to examine the matter and to respond to the inquiry and information presented in a timely manner; and
 - (ii) facilitate follow-up communications between the other Party or interested persons of that Party and the appropriate enforcement or other appropriate authorities.

ARTICLE 12

Relationship to other instruments and laws

1. Nothing in this Agreement shall:
 - (a) affect the rights and obligations of the Parties under the WTO Agreement;
 - (b) oblige the Parties to take any measures concerning intellectual property rights that would not otherwise be taken under the Parties' respective intellectual property laws, regulations and procedures, consistent with subparagraph (a).
2. Nothing in this Agreement prevents a Party from taking measures, as appropriate, to allow the use of homonymous names of origin where consumers will not be misled or to allow a person to use, in the course of trade, that person's name or the name of that person's predecessor in business in a manner that does not mislead the consumer.
3. This Agreement is without prejudice to the rights of free speech in the United States under the First Amendment of the U.S. Constitution and in the Community.

4. Articles 6 and 7 shall not be construed in and of themselves as defining intellectual property or as obligating the Parties to confer or recognize any intellectual property rights. Consequently, the names listed in Annex IV are not necessarily considered, nor excluded from being considered, geographical indications under U.S. law, and the names listed in Annex V are not necessarily considered, nor excluded from being considered, geographical indications under Community law. Furthermore, the terms listed in Annex II are neither considered, nor excluded from being considered in the future, geographical indications of the Community under U.S. law.

ARTICLE 13

Implementation

1. The Parties shall take all necessary measures to give effect to this Agreement.
2. In the territory of the Community, unless otherwise provided for in this Agreement, importation and marketing shall be conducted in accordance with the laws and regulations applying in the territory of the Community.

ARTICLE 14

Withdrawal

Either Party may withdraw from this Agreement at any time by providing written notification to the other Party. Withdrawal shall take effect one year after the date of receipt of the notification by the other Party, unless the notification specifies a later date or the notification is rescinded prior to the specified date.

ARTICLE 15

Annexes and Protocol

The Annexes and the Protocol, including its appendices, to this Agreement form an integral part hereof.

ARTICLE 16

Authentic languages

This Agreement is drawn up in duplicate in the English, Czech, Danish, Dutch, Estonian, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Slovak, Slovenian, Spanish and Swedish languages, each of these versions being equally authentic. In the event of inconsistencies of interpretation, the English text shall be determinative.

ARTICLE 17

Final Provisions

1. This Agreement shall enter into force upon signature.
2. However, the provisions of Article 4 and Article 9 shall only apply from the first day of the second month following receipt by the Community of the written notice referred to in Article 6(3).

The provisions of all other articles shall apply from the date of entry into force of the Agreement.

Done at London on the tenth day of March in the year two thousand and six.

Hecho en Londres el diez de marzo de dos mil seis.

V Londýně dne desátého března dva tisíce šest.

Udfærdiget i London den tiende marts to tusind og seks.

Geschehen zu London am zehnten März des Jahres zweitausendsechs.

Londonis, kahe tuhande kuuenda aasta kümnendal märtsil.

Έγινε στο Λονδίνο στις δέκα Μαρτίου δύο χιλιάδες έξι.

Fait à Londres le dix mars deux mille six.

Fatto a Londra, addi' dieci marzo duemilasei.

Londonā, divi tūkstoši sestā gada desmitajā martā.

Priimta du tūkstančiai šeštųjų metų kovo dešimtą dieną Londone.

Kelt Londonban, a kétezer-hatodik év március havának tizedik napján.

Magħmul f'Londra fl-ghaxar jum ta' Marzu tas-sena elfejn u sitta.

Gedaan te Londen, op de tiende dag van maart in het jaar tweeduizend zes.

Sporządzono w Londynie dnia dziesiątego marca dwa tysiące szóstego roku .

Feito em Londres, aos dez de Março de dois mil e seis.

V Londýne desiateho marca dvetisícšest'.

V Londonu, desetega marca dva tisoč šest.

Tehty Lontoossa kymmenentenä päivänä maaliskuuta vuonna kaksituhattakuusi.

Utfärdat i London den tionde mars år tjugohundrasex.

For the United States of America
Por los Estados Unidos de América
Za Spojené státy americké
For Amerikas Forenede Stater
Für die Vereinigten Staaten von Amerika
Ameerika Ühendriikide nimel
Για τις Ηνωμένες Πολιτείες της Αμερικής
Pour les États-Unis d'Amérique
Per gli Stati Uniti d'America
Amerikas Savienoto Valstu vārdā
Jungtinių Amerikos Valstijų vardu
az Amerikai Egyesült Államok részéről
Għall-Istati Uniti ta' l-Amerika
Voor de Verenigde Staten van Amerika
W imieniu Stanów Zjednoczonych Ameryki
Pelos Estados Unidos da América
Za Spojené štáty americké
Za Združene države Amerike
Amerikan yhdysvaltojen puolesta
På Amerikas förenta staters vägnar

For the European Community
Por la Comunidad Europea
Za Evropské společenství
For Det Europæiske Fællesskab
Für die Europäische Gemeinschaft
Euroopa Ühenduse nimel
Για την Ευρωπαϊκή Κοινότητα
Pour la Communauté européenne
Per la Comunità europea
Eiropas Kopienas vārdā
Europos bendrijos vardu
az Európai Közösség részéről
Għall-Komunità Ewropea
Voor de Europese Gemeenschap
W imieniu Wspólnoty Europejskiej
Pela Comunidade Europeia
Za Európske spoločenstvo
za Evropsko skupnost
Euroopan yhteisön puolesta
På Europeiska gemenskapens vägnar