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REGULATION (EEC) No 1134/68 OF THE COUNCIL

of 30 July 1968

laying down rules for the implementation of Regulation (EEC) No 653/68 on conditions for alterations to the value of the unit of account used for the common agricultural policy

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to Council Regulation (EEC) No 653/68[1] of 30 May 1968 on conditions for alterations to the value of the unit of account used for the common agricultural policy, and in particular Article 6 thereof;

Having regard to the proposal from the Commission;

Whereas Council Regulation No 129[2] on the value of the unit of account and the exchange rates to be applied for the purposes of the common agricultural policy, as amended by Regulation (EEC) No 653/68, defined by a weight in fine gold the value of the unit of account to be used for the common agricultural policy and the special trade systems for certain goods processed from agricultural products; whereas, moreover, that Regulation also provided that the rates of exchange between currencies to be applied for the same purposes are those corresponding to the par value communicated to the International Monetary Fund, which is also defined by a weight in gold; whereas that Regulation thus fixed the ratio between the unit of account and the different currencies; whereas, in accordance with Regulation (EEC) No 653/68, rules should be adopted to be applied where there is an alteration in the value of the unit of account or the exchange rates;

Whereas any alteration in the value of the unit of account or the currency of a third country may necessitate an urgent amendment of the amounts fixed in pursuance of provisions on the common agricultural policy or the special trade systems arising therefrom, in that the elements used in the calculation of those amounts, determined in many cases on the basis of prices ruling on international markets, are affected by the alteration in question or by the results which it produces on the market;

Whereas, because of the advance fixing of certain of the amounts referred to above, the proper functioning from an economic and financial point of view of the common market organisations or the special systems referred to above might be endangered if the transactions to which such amounts apply are carried out after an alteration in the value of the unit of account or of the currency of a third country; whereas such a danger may be avoided by adjusting those amounts; whereas such an adjustment must not prejudice persons who have obtained an advance fixing of such amounts and whereas they should therefore be allowed to cancel that fixing;

Whereas, for the same reason, it may prove necessary to suspend the advance fixing of the amounts in question during a period in which the market situation is affected by those alterations or by the fact that the value of the unit of account has been suspended pursuant to Article 4 of Regulation (EEC) No 653/68;

Whereas certain amounts determined under the provisions on the common agricultural policy or the special trade systems arising therefrom and fixed in units of account are expressed in national currencies in the Member States; whereas rules must therefore be laid down which, in the case of an alteration in the parity of the currency of a Member State accompanied by an alteration in the relationship between that currency and the value of the unit of account, will ensure that the Member State concerned adjusts to the new relationship those amounts which before the alteration in question were the subject of advance fixing or of a private agreement for a transaction still to be carried out; whereas such adjustment must, if necessary, be made after the

[1] OJ No L 123, 31.5.1968, p. 4.
[2] OJ No 106, 30.10.1962, p. 2553/62.

amounts fixed in units of account have been adjusted to the new market situation;

Whereas, moreover, rules must be laid down to ensure that, in the case of an alteration either of the value of the unit of account or of the parity of the currency of a Member State, settlement in national currency of amounts due in respect of transactions carried out prior to that alteration is made in terms of the relationship between that currency and the unit of account at the time when the transaction was carried out, so that Community provisions involving the amounts expressed in units of account and applying to obligations arising from such transactions are duly observed; whereas, finally, it is necessary for the purposes of this Regulation to define the moment when a transaction is considered to be carried out;

HAS ADOPTED THIS REGULATION:

Article 1

1. In the case of an alteration to the value of the unit of account or an adjustment of agricultural prices pursuant to the fourth paragraph of Article 3 of Regulation (EEC) No 653/68:

(a) the amounts which contain the elements determined on the basis of prices on international markets, listed in the Annex to this Regulation under items 1 to 5, shall where necessary be recalculated and refixed without delay by the Commission in accordance with the procedure applicable in each case, using the new value of the unit of account and, where appropriate, the new agricultural prices;

(b) the amounts referred to under item 6 of the Annex shall be recalculated and refixed so as to maintain the average difference existing over the last three months between the price ruling on international markets and the price which these amounts are intended to ensure for consumers, provided that, where the relevant Regulations provide for a shorter period, such period shall apply;

(c) moreover, the amounts listed in the Annex to this Regulation may be altered, in accordance with normal procedure, before the date laid down for periodic fixing if market trends make this necessary.

2. In cases where the provisions of paragraph 1 (a) apply, any amounts referred to therein which have been fixed in advance for a transaction still to be carried out after the alteration in the value of the unit of account or adjustment of agricultural prices shall where necessary be recalculated and refixed by the Commission in like manner as laid down in those provisions; however, any person who has obtained advance fixing of such amounts for a specific transaction may, by written application which must reach the competent authority within thirty days of the entry into force of the measures fixing the recalculated amounts, obtain cancellation of the advance fixing and of the relevant document or certificate.

Article 2

1. When, following alteration by a third country of the par value of its currency, communicated to and recognised by the International Monetary Fund, disturbances endanger or threaten to endanger the proper functioning of the common market organisations or special trade systems for certain goods processed from agricultural products:

(a) the amounts referred to in the Annex to this Regulation shall be altered by the Commission in accordance to the procedure applicable in each case;

(b) moreover, the amounts set out in the Annex may be altered, in accordance with normal procedure, before the date provided for their periodic fixing if market trends make this necessary.

2. In cases where the provisions of paragraph 1 (a) apply, any amounts referred to therein which have been fixed in advance for a transaction still to be carried out after the alteration of parity shall be altered by the Commission in like manner as laid down in those provisions; however, any person who has obtained advance fixing of such amounts for a specific transaction may, by written application which must reach the competent authority within thirty days of the entry into force of the measures fixing the altered amounts, obtain cancellation of the advance fixing and of the relevant document or certificate.

Article 3

The amounts referred to in the Annex to this Regulation may not be fixed in advance during the period of suspension of the value of the unit of account provided for in Article 4 of Regulation (EEC) No 653/68.

Moreover, after publication of the value of the unit of account to be thenceforth applicable, or after alteration of the parity of the currency of a third country or after application of the provisions of the fourth paragraph of Article 3 of Regulation (EEC) No 653/68, the Commission may suspend advance fixing of the abovementioned amounts for one or more products until the disturbances which may affect the market disappear but only for ten days. This period may be extended only for as long as is strictly necessary, in accordance with the Management Committee procedure laid down by the market organisation concerned.

Article 4

1. In the case of an alteration of the relationship between the parity of the currency of a Member State and the value of the unit of account, the Member State concerned, using the new parity relationship and without prejudice to the application of article 1 (2), shall adjust the following amounts, given in units of account, if they appear in national currency in the documents or certificates issued in pursuance of the common agricultural policy or the special trade systems for goods processed from agricultural products:

(a) amounts which have been fixed in advance for a transaction or part of a transaction still to be carried out after alteration of that parity relationship;

(b) amounts appearing in agreements concluded between a private individual and an intervention agency for a transaction or part of a transaction still to be carried out after the alteration of the parity relationship.

However, any person who has obtained advance fixing of such amounts for a specific transaction may, by written application which must reach the competent authority within thirty days of the entry into force of the measures fixing the altered amounts, obtain cancellation of the advance fixing and of the relevant document or certificate.

2. For transactions carried out pursuant to provisions on the common agricultural policy or special trade systems for goods processed from agricultural products, the sums owed to or by a Member State or a duly authorised body, expressed in national currency and representing amounts fixed in those provisions in units of account, shall be paid on the basis of the relationship between the unit of account and the national currency which obtained at the time when the transaction or part transaction was carried out.

Article 5

In documents or certificates involving an advance fixing or expressing in national currency the amounts referred to in Article 4, reference shall be made to the possibility of Article 1 (2), Article 2 (2) and Article 4 being applicable.

Article 6

For the purposes of this Regulation, the time when a transaction is carried out shall be considered as being the date on which occurs the event, as defined by Community rules or, in the absence of and pending adoption of such rules, by the rules of the Member State concerned, in which the amount involved in the transaction becomes due and payable.

Article 7

This Regulation shall apply to all transactions carried out from the date of its entry into force.

However, any person who before that date has obtained advance fixing or concluded an agreement with an intervention agency for a transaction still to be carried out after that date may, by written application which must reach the competent authority within thirty days of the entry into force of this Regulation, obtain cancellation of the advance fixing and of the relevant document or certificate, or cancellation of the agreement.

Article 8

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 30 July 1968.

For the Council

The President

G. MEDICI

ANNEX

Amounts referred to in Articles 1, 2 and 3

1. Levies within the meaning of Article 11 of Council Regulation No 130/66/EEC[1] of 26 July 1966 on financing the common agricultural policy.

2. Import taxes, excluding customs duties, as provided for under the special trade systems for certain goods processed from agricultural products.

3. Export refunds.

4. Sluice-gate prices.

5. Subsidies for oil seeds, as laid down in Article 27 of Council Regulation No 136/66/EEC[2] of 22 September 1966 on the establishment of a common organisation of the market in oils and fats, and for skim milk processed into casein, as laid down in Article 11 of Council Regulation (EEC) No 804/68[3] of 27 June 1968 on the common organisation of the market in milk and milk products.

6. Production refunds.

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[1] OJ No 165, 21.9.1966, p. 2965/66.
[2] OJ No 172, 30.9.1966, p. 3025/66.
[3] OJ No L 148, 28.6.1968, p. 13.