REGULATION (EEC) No 1112/73 OF THE COUNCIL

of 30 April 1973

amending Regulation (EEC) No 974/71 on certain measures of conjunctural policy to be taken in agriculture following the temporary widening of the margins of fluctuation for the currencies of certain Member States

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 28, 43 and 235 thereof ;

Having regard to the proposal from the Commission ;

Having regard to the Opinion of the European Parliament ;

Whereas Council Regulation (EEC) No 974/71 (1) of 12 May 1971 on certain measures of conjunctural policy to be taken in agriculture following the temporary widening of margins of fluctuation for the currencies of certain Member States, as last amended by Regulation (EEC) No 509/73 (2), instituted a system of compensatory amounts in trade among Member States and between them and third countries ; whereas this system has become highly complex with the increase in the number of Member States involved ;

Whereas it was agreed on 11 March 1973 to maintain a maximum variation of 2·25 % at any given moment in the spot market rate for the currencies of certain Member States, accordingly a new and less complex system may be introduced ;

Whereas it should be a principle of the new system, when calculating compensatory amounts for the currencies of Member States that they maintain among themselves within a maximum spread of 2·25 %, to take into consideration the variation between the conversion rate applied under the common agricultural policy and the central rate ; whereas in the case of the other currencies the basis should be their relation to the aforementioned currencies ;

Whereas Article 2a of Regulation (EEC) No 974/71 instituted a system of addition and subtraction of compensatory amounts applicable in intra-Community trade ; whereas experience has shown that this gives rise to administrative difficulties ; whereas accordingly it seems advisable to move towards a system whereby each Member State may compensate for deviations due to trends in its currency situation, subject to the possibility of derogating from this system in certain cases ;

HAS ADOPTED THIS REGULATION :

Article 1

Article 2 (1) of Regulation (EEC) No 974/71 shall be replaced by the following :

'1. The compensatory amounts for the products covered by intervention arrangements shall be equal to the amounts obtained by applying to the prices :

(a) in respect of those Member States the currencies of which are maintained among themselves within a spread at any given moment of 2·25 %, the percentage difference between : between :

— the conversion rate used under the common agricultural policy, and

— the conversion rates resulting from the central rate ;

(b) in respect of Member States other than those referred to in (a), the average of the percentage differences between :

— the relationship between the conversion rate used under the common agricultural policy for the currency of the Member State concerned and the official parity, or, where this parity is not observed, the central rate of each of the currencies of the Member States referred to in (a), and

— the spot market rate for the currency of the Member State in question in relation to each of the currencies of the Member States referred to in (a), as recorded over a period to be determined.'

Article 2

Article 2a of Regulation (EEC) No 974/71 shall be replaced by the following :

(1) OJ No L 106, 12. 5. 1971, p. 1.
(2) OJ No L 50, 23. 2. 1973, p. 1.

'Where a product exported from one Member State has been imported into a Member State which has to grant a compensatory amount upon importation, the exporting Member State may, by agreement with the importing Member State, pay the compensatory amount which should be granted by the said importing Member State. In this case no compensatory amount shall be granted by the importing Member State for products originating in the Member State concerned. The compensatory amount shall be converted on the basis of the spot market rate of the relevant currencies as recorded over a period to be determined.

Exporting Member States which exercise this option shall inform the Commission accordingly.'

Article 3

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

It shall apply from the date on which the detailed rules required for its application, adopted in accordance with Article 6 (1) of Regulation (EEC) No 974/71, enter into force.

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

Done at Luxembourg, 30 April 1973.

For the Council

The President

A. LAVENS