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(Acts whose publication is obligatory)

REGULATION (EEC) No 509/73 OF THE COUNCIL

of 22 February 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 it is possible that the actual market exchange rates of some Member States may exceed appreciably the lower limit of fluctuation permitted by international rules ; in order to avoid the difficulties which may result from such excess, it is opportune to provide for the granting of compensatory amounts for imports and the charging of such amounts on exports ; whereas the system of compensatory amounts introduced by 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 the margins of fluctuation for the currencies of certain Member States for this purpose, as amended by Regulation (EEC) No 2746/72 [2], may be used after the necessary amendments have been made ;

Whereas Council Regulation (EEC) No 222/73 [3] of 31 January 1973 on the exchange rates to be used in agriculture for the currencies of the new Member States makes provision for the application of exchange rates other than the official parities for the currencies of such States ; whereas the actual market exchange rates might differ appreciably from these exchange rates ; whereas it is therefore necessary to apply compensatory amounts to avoid the problems which may be caused thereby ;

HAS ADOPTED THIS REGULATION :

Article 1

Regulation (EEC) No 974/71 shall be amended as indicated in the following Articles.

Article 2

Article 1 (1) shall be replaced by the following :

'1. If, for the purposes of commercial transactions, a Member State allows the exchange rate of its currency to fluctuate by a margin wider than that permitted by international rules in force on 12 May 1971,

(a) the Member State whose currency increases in value beyond the permitted fluctuation margin shall charge on imports and grant on exports,

(b) the Member State whose currency decreases beyond the permitted fluctuation margins shall charge on exports and grant on imports,

compensatory amounts for the products referred to in paragraph 2, in trade with the Member States and third countries.

1. a Paragraph 1 shall not be applicable when a rate of exchange other than that which corresponds to the parity of the currency in question is used for the purposes of conversion between the unit of account and that currency or between this latter and another currency.

(1) OJ No L 106, 12. 5. 1971, p. 1.
(2) OJ No L 291, 28. 12. 1972, p. 148.
(3) OJ No L 27, 1. 2. 1973, p. 4.

However, in such an event, paragraph 1 shall apply also where the mean of the spot market rates of this currency during a period to be determined depart by at least 1 % from the conversion rate. Should such a case arise, for the purposes of applying Article 2 (1), that conversion rate shall replace the parity'.

Article 3

1. Article 2 (3) shall be deleted.

2. The following Articles shall be inserted :

'*Article 2a*

Notwithstanding the provisions of Articles 1 and 2, the following rules shall apply to trade between Member States :

1. The compensatory amount applicable to a given product, as resulting from the calculation referred to in Article 2 in respect of a Member State shall :

   — be decreased by the compensatory amount as resulting from the aforesaid calculation in respect of the other Member State if the currencies of the two Member States concerned both increase or decrease in value,

   — be increased by the compensatory amount described in the foregoing indent of one of the currencies of the two Member States concerned increases and the other decreases in value.

2. Compensatory amounts calculated in accordance with Article 2 or, where appropriate, as indicated in paragraph 1, shall be charged on imports or granted on exports by the one of the two Member States concerned whose currency has increased more or decreased less in value in terms of the percentages adopted for the calculation of the compensatory amounts'.

'*Article 4a*

1. In trade with third countries, compensatory amounts

(a) granted on imports shall be deducted from the import charge,

(b) charged on exports shall be deducted from the export refund.

2. In trade between the Member States and with third countries, the compensatory amounts applicable due to the decrease in value of the currency concerned may not be higher than the charge on products imported from third countries.

However, the Council, acting on a proposal from the Commission and in accordance with the voting procedure provided for in Article 43 (2) of the Treaty, may decide, in certain exceptional cases, that the first subparagraph shall not be applicable.

Article 4

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

This Regulation shall apply from 1 February 1973.

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

Done at Brussels, 22 February 1973.

For the Council

The President

A. LAVENS