REGULATION (EEC) No 1424/74 OF THE COUNCIL

of 6 June 1974

amending in particular Regulation (EEC) No 2958/73 on the exchange rate applied in agriculture for the Italian lira

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 103 thereof;

Having regard to Council Regulation No 129 (1) on the value of the unit of account and the exchange rates to be applied for the purposes of the common agricultural policy, as last amended by Regulation (EEC) No 2543/73 (2), and in particular Article 3 thereof;

Having regard to the proposal from the Commission;

Whereas Article 1 of Council Regulation (EEC) No 2958/73 (3) of 31 October 1973 on the exchange rate applied in agriculture for the Italian lira, as amended by Regulation (EEC) No 197/74 (4), provided for the application of representative rates for the Italian lira with effect from 1 November 1973, 1 January 1974 and 28 January 1974;

Whereas the economic situation in Italy necessitates taking another step towards uniformity of agricultural prices in the Community by fixing another more realistic representative rate; whereas this will enable the protective measures taken pursuant to Article 108 of the Treaty to be replaced by measures involving less disturbance of the functioning of the agricultural common market;

Whereas the Monetary Committee will be consulted and whereas, in view of the urgency of the matter, the measures envisaged should be adopted under the conditions laid down in Article 3 (2) of Regulation No 129;

Whereas the fixing of such a representative rate would lead to an adjustment in the level of prices for agricultural products in Italy; whereas this result is consistent with the basic principle of uniformity of prices in the Community; whereas it was on the basis of this principle and its consequences that specific provisions were laid down, in particular in Council Regulation (EEC) No 1134/68 (5) 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; whereas these provisions cover only the case of a change in the parity of a currency; whereas they should also be applied in this case; whereas the new representative rate should therefore be included in Regulation (EEC) No 2958/73, the other provisions of which remain unchanged;

Whereas Article 4b of Council Regulation (EEC) No 974/71 (6) 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, as last amended by Regulation (EEC) No 3450/73 (7), provided that in principle the intervention and purchase prices applicable in Italy shall be fixed, until the end of the 1973/74 marketing year, at the level resulting from the application of the provisions in force on 31 December 1973, expressed in Italian lira;

Whereas in view of the repercussions which the situation on various markets in Italy is already having on the level of production and which it may therefore have on the general balance of the economy, the intervention and purchase prices applicable in Italy should be increased by 12·5 %; whereas, however, in respect of the next marketing year's durum wheat and olive oil, provision should be made for the subsidy to be converted using the representative rate applicable on 28 January 1974,

HAS ADOPTED THIS REGULATION:

Article 1

The following is added to Article 1 (2) of Regulation (EEC) No 2958/73:

'(d) 100 Italian lira = 0·124844 units of account with effect from a date to be fixed under the procedure laid down in Article 108 (3) of the Treaty; this date shall coincide with the date on which the measures taken within the meaning of Article 7 (5) of the Commission Decision (8) of 8 May 1974 become applicable'.

(1) OJ No 106, 30. 10. 1962, p. 2553/62.
(2) OJ No L 263, 19. 9. 1973, p. 1.
(3) OJ No L 303, 1. 11. 1973, p. 1.
(4) OJ No L 22, 26. 1. 1974, p. 2.
(5) OJ No L 188, 1. 8. 1968, p. 1.
(6) OJ No L 106, 12. 5. 1971, p. 1.
(7) OJ No L 353, 22. 12. 1973, p. 25.
(8) OJ No L 152, 8. 6. 1974, p. 18.

Article 2

1. As regards products for which the 1974/75 marketing year has not yet started, the intervention and purchase prices applicable in Italy shall be increased by 12·5 % until that marketing year starts.

Article 4b of Regulation (EEC) No 974/71 shall be applied subject to the provisions of the first subparagraph, except for the durum wheat and olive oil subsidies.

2. The amounts of the durum wheat and the olive oil subsidies shall for the 1974/75 marketing year be converted using the representative rate for the Italian lira applicable on 28 January 1974.

3. The measures referred to in this Article shall apply from the date referred to in Article 1.

Article 3

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 Luxembourg, 6 June 1974.

For the Council

The President

H. APEL