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(Acts whose publication is obligatory)

REGULATION (EEC) No 2639/74 OF THE COUNCIL

of 15 October 1974

amending Article 107 of Regulation (EEC) No 574/72 fixing the procedure for implementing Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons and their families moving within the Community

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 2, 7 and 51 thereof;

Having regard to Council Regulation (EEC) No 1408/71 [1] of 14 June 1971 on the application of social security schemes to employed persons and their families moving within the Community, as last amended by Regulation (EEC) No 1392/74 [2], and in particular Article 97 thereof;

Having regard to the proposal from the Commission, drawn up after consultation with the Administrative Commission on Social Security for Migrant Workers;

Having regard to the Opinion of the European Parliament [3];

Having regard to the Opinion of the Economic and Social Committee,

Whereas the international monetary situation has changed since the entry into force of Regulation (EEC) No 1408/71 and Council Regulation (EEC) No 574/72 [4] of 21 March 1972 fixing the procedure for implementing the aforementioned Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons and their families moving within the Community, as last amended by Regulation (EEC) No 1392/74;

Whereas for the purposes of Article 107 (1) of Regulation (EEC) No 574/72 the determination of rates of conversion for currencies should be based as closely as possible upon the prevailing monetary situation; whereas that Article should therefore be amended,

HAS ADOPTED THIS REGULATION:

Article 1

The following shall be substituted for Article 107 of Regulation (EEC) No 574/72:

'*Article 107*

Currency conversion

1. For the purposes of Article 12 (2), (3) and (4), the last sentence of Article 19 (1) (b), the last sentence of Article 22 (1) (ii), the penultimate sentence of Article 25 (1) (b), Article 41(1) (c) and (d), Article 46 (3) and (4), Article 50, the last sentence of Article 52 (b), the last sentence of Article 55 (1) (ii), the first subparagraph of Article 70 (1) and the penultimate sentence of Article 71 (1) (b) (ii) of the Regulation, and for the purposes of Article 34 (1) and Article 119 (2) of the implementing Regulation, the rate of conversion into a national currency of amounts shown in another national currency shall be as follows:

(a) in the case of two currencies in respect of which the difference between the market exchange rate and the rate that corresponds to their *de facto* parity ratio as understood under the first subparagraph of paragraph 2 may not exceed a margin of 2·25 %: the latter rate as applied on the last business day of the reference period specified in the second subparagraph of paragraph 2 below;

(b) in the case of two currencies in respect of which the difference between the market exchange rate and the rate that corresponds to their *de facto* parity ratio may exceed 2·25 %: a rate calculated by the Commission on the basis of the arithmetic mean on each of the two national foreign exchange markets during

[1] OJ No L 149, 5. 7. 1971, p. 2.
[2] OJ No L 152, 8. 6. 1974, p. 1.
[3] OJ No C 85, 18. 7. 1974, p. 40.
[4] OJ No L 74, 27. 3. 1972, p. 1.

the reference period specified in the second subparagraph of paragraph 2 below.

2. By *de facto* parity is meant the parity declared to the International Monetary Fund or the central rate in force.

The reference period shall be :

— the month of January for the rates of conversion applicable from 1 April following ;
— the month of April for rates of conversion applicable from 1 July following ;
— the month of July for rates of conversion applicable from 1 October following :
— the month of October for rates of conversion applicable from 1 January following.

3. The exchange rates to be used for the purposes of subparagraph 1 (b) above shall be :

(a) for the Belgian franc and the Luxembourg franc : the average official rates quoted on each business day on the Brussels exchange ;
(b) for the German mark : the average official rates quoted on each business day on the Frankfurt exchange ;
(c) for the French franc : the average official rates quoted on each business day on the Paris exchange ;
(d) for the Italian lira : the average of the average official rates quoted on each business day on the Rome and Milan exchanges ;
(e) for the Dutch guilder : the average official rates quoted on each business day on the Amsterdam exchange ;
(f) for the pound sterling and the Irish pound : the average rates recorded at noon of each business day on the market for these two currencies ;
(g) for the Danish krone : the average official rates quoted at noon at the meeting presided over in Copenhagen on each business day by the National Bank of Denmark.

4. The date to be taken into account for determining the rates of conversion to be applied in the cases referred to in paragraph 1 shall be fixed by the Administrative Commission on a proposal from the Audit Board.

5. The rates of conversion to be applied in the cases referred to in paragraph 1 shall be published in the *Official Journal of the European Communities* in the course of the last month but one preceding the month from the first day of which they are to apply.

6. In cases not covered by paragraph 1, the conversion shall be made at the official rate of exchange on the day of payment both for the payment and reimbursement of benefits.'

Article 2

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

Article 107 (1) of Regulation (EEC) No 574/72, as amended by this Regulation, shall apply to the rates of conversion applicable as from 1 January 1975.

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

Done at Luxembourg, 15 October 1974.

For the Council

The President

B. DESTREMAU