REGULATION (EEC) No 475/75 OF THE COUNCIL

of 27 February 1975

on the exchange rates to be applied in agriculture

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 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;

Having regard to the Opinion of the European Parliament;

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

Whereas the situation referred to in Article 3 (1) of Regulation No 129, in respect of which derogations may be made from the principle of using parities for converting one currency into another, now obtains in various Member States;

Whereas, however, it has generally been possible to solve the problems posed by such a situation by applying monetary compensatory amounts, enabling exchange rates to be maintained which correspond to the parities of the currencies concerned; whereas this arrangement has led to different price levels in the Member States affected; whereas in order to prevent the maintenance of unchanged rates for the common agricultural policy from leading to an increase in the differences between price-levels expressed in national currencies when prices are increased, and in view of the fact that certain adjustments may be made to the rates to adapt them to the real economic situations in the Member States whose currencies have depreciated, the monetary compensatory amounts currently applied should be reduced;

Whereas this objective can be attained by fixing a representative rate for the currencies of the Member States concerned at a level more closely related to the actual economic situation in agriculture; whereas these rates should be set out in a single text;

Whereas it is also possible to reduce the impact of compensatory amounts in those Member States whose currencies have depreciated;

Whereas to fix such a representative rate would lead to an adjustment of agricultural prices; whereas the problems raised by the modification of exchange rates are the subject of legal provisions, and in particular Council Regulation (EEC) No 1134/68 (3) 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 only cover the case of a change in the parity of a currency; whereas they should also be applied in this case;

Whereas the impact of this measure on the economy of the Member States concerned should be moderated as far as possible; whereas provision should therefore be made for the adjustment of prices and amounts fixed in units of account to take place within a reasonable period linked in principle to the beginning of the marketing year or to a change in prices, and for this to be done to the extent necessary to prevent, in particular, a reduction in their levels in national currencies;

Whereas it is also necessary to ensure that the delay in the automatic adjustment of prices does not cause difficulties for trade; whereas to this end it is necessary to take account of the effect of a delay in applying the new price level when fixing the monetary compensatory amounts introduced by Council Regulation (EEC) No 974/71 (4) of 12 May 1971 on certain measures of conjunctural

(1) OJ No 106, 30. 10. 1962, p. 2553/62.
(2) OJ No L 263, 19. 9. 1973, p. 1.
(3) OJ No L 188, 1. 8. 1968, p. 1.
(4) OJ No L 106, 12. 5. 1971, p. 1.

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 3259/74 (1);

Whereas in the beef and veal sector the market price has for some time been lower than the intervention price; whereas it is necessary to be able to take this into account when fixing the monetary compensatory amounts;

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

HAS ADOPTED THIS REGULATION:

Article 1

1. Where transactions to be carried out in pursuance of instruments relating to the common agricultural policy, or specific rules laid down under Article 235 of the Treaty, require the currencies referred to in paragraph 2 to be expressed in another currency or in units of account, the rate of exchange shall, in derogation from Article 2 (1) of Regulation No 129, be the rate which corresponds to the representative rate for that currency.

2. The representative rate referred to in paragraph 1 shall be:

(a) for the Belgian franc and the Luxembourg franc:
Bfr/Lfr 1 = 0·0201450 unit of account;

(b) for the Danish kroner:
Dkr 1 = 0·131956 unit of account;

(c) for the German mark:
DM 1 = 0·279429 unit of account;

(d) for the French franc:
FF 1 = 0·177520 unit of account;

(e) for the Irish pound:
£ 1 Irish = 1·86151 units of account;

(f) for the Italian lira:
Lit 100 = 0·116686 unit of account;

(g) for the Dutch guilder:
Fl 1 = 0·292505 unit of account.

(h) for the English pound:
£ 1 sterling = 1·96178 units of account.

(1) OJ No L 349, 28. 12. 1974, p. 10.

Article 2

1. The adjustment of the intervention and buying-in prices fixed for the purposes of the common agricultural policy consequent on application of the new representative rates shall take place:

(a) on 1 August 1975 for pigmeat;

(b) on 16 September 1975 for milk and milk products in the Benelux countries;

(c) on 16 December 1975 for wine;

(d) on 1 January 1976 for tobacco and fishery products in Germany and the Benelux countries;

(e) at the beginning of the 1975/76 marketing year for the other products for which the marketing year has not commenced on the date on which this Regulation shall apply, and for milk and milk products in the Member States other than the Benelux countries;

(f) in all other cases, on the date on which this Regulation shall apply.

2. However, in respect of eggs, poultry, ovalbumin and lactalbumin, account shall be taken, until the end of the 1974/75 cereals marketing year, of the impact of the measures referred to in paragraph 1.

Article 3

1. The amounts to be paid by the Member States in respect of other intervention operations on the internal market, in accordance with the regulations establishing a common organization of the agricultural markets, shall be fixed in the light of the impact of the measures referred to in Article 2.

2. For the products for which monetary compensatory amounts are applicable, account shall be taken in the fixing of these amounts of the impact of the measures referred to in Article 2.

3. In the case where, when the Regulations establishing a common organization of the agricultural markets are applied, the internal market prices are to be retained, the impact of the measures referred to in Article 2 shall be taken into consideration.

Article 4

1. Detailed rules for the application of this Regulation, and in particular the modifications to be made on the basis of this Regulation, to other prices and amounts fixed for the purposes of the common agricultural policy, and to the amounts fixed in accordance with specific provisions under Article 235 of the Treaty, shall be adopted in

accordance with the procedure laid down in Article 26 of Regulation No 120/67/EEC [1] or in the corresponding Article of the other Acts concerning agriculture establishing a similar procedure as the case may be, if necessary by derogation from the provisions for the fixing of prices laid down in the relevant regulations where and so long as strictly necessary to take account of this Regulation.

2. As regards the amounts fixed in units of account which are not connected with the fixing of prices, these arrangements may consist of an increase of 2·27%.

Article 5

1. The last subparagraph of Article 2 (1) (b) of Regulation (EEC) No 974/71 is replaced by the following:

'However, this average shall be reduced by 1·25 points in the case of Member States whose currencies have depreciated.'

2. Paragraph 3 below is added to Article 2 of Regulation (EEC) No 974/71:

'3. Where the market price for adult bovine animals remains lower than the intervention price for a relatively long period, the monetary compensatory amounts applicable in the beef and veal sector may be correspondingly modified in accordance with the procedure laid down in Article 6.'

Article 6

The provisions of Regulation (EEC) No 1134/68 in respect of an alteration of the relationship between the parity of the currency of a Member State and the value of the unit of account, shall apply.

Article 7

Council Regulation (EEC) No 2544/73 [2] of 19 September 1973 on the exchange rate to be applied in agriculture for the Dutch guilder, Council Regulation (EEC) No 2498/74 [3] of 2 October 1974 fixing representative conversion rates to be applied in agriculture for the currencies of the new Member States, and Article 1 of Council Regulation (EEC) No 2958/73 [4] of 31 October 1973 on the exchange rate applied in agriculture for the Italian lira, are hereby repealed with effect from 3 March 1975.

Article 8

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

It shall apply from 3 March 1975.

2. The representative rate referred to in Article 1 shall cease to be applicable for the currency of a Member State at such time as that State shall declare a new parity to the International Monetary Fund.

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

Done at Brussels, 27 February 1975.

For the Council

The President

M. A. CLINTON

(1) OJ No 117, 19. 6. 1967, p. 2269/67.

(2) OJ No L 263, 19. 9. 1973, p. 2.
(3) OJ No L 268, 3. 10. 1974, p. 6.
(4) OJ No L 303, 1. 11. 1973, p. 1.