COMMISSION REGULATION (EEC) No 2505/77

of 14 November 1977

amending Regulation (EEC) No 1380/75 laying down detailed rules for the application of monetary compensatory amounts

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 974/71 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 (1), as last amended by Regulation (EEC) No 557/76 (2), and in particular Article 6 thereof,

Whereas the third paragraph of Article 12 (1) of Commission Regulation (EEC) No 1380/75 of 29 May 1975 laying down detailed rules for the application of monetary compensatory amounts (3), as last amended by Regulation (EEC) No 1556/77 (4), lays down in particular that, if a product is exported from one Member State to another Member State and subsequently re-exported to a non-member country, the compensatory amount is not to be applied on exit from the re-exporting Member State unless it was applied on entry into that Member State ; whereas this provision has the effect of not applying a monetary compensatory amount in the case of a transaction with a non-member country as a result of the non-application of a monetary compensatory amount in the case of an intra-Community transaction ;

Whereas the compensatory amounts in trade with non-member countries comprise two elements namely, on the one hand, the amounts applicable in intra-Community trade and, on the other, the monetary co-efficient specified in Article 4 (3) of Regulation (EEC) No 1380/75 ;

Whereas, in consequence of the provisions of Regulation (EEC) No 1380/75 referred to above, this difference in the economic incidence of the compensatory amounts is not taken into consideration ; whereas this is liable to create an unjustified advantage for certain trade flows ; whereas this situation occurs particularly where a commodity is exported from one Member State to another Member State with a strong currency and is then re-exported from that Member State to non-member countries and qualifies for refunds without having been subject to monetary compensatory amounts in the Member State of re-exportation ; whereas the existing provisions should be amended in order to place all trade flows on an equal footing ; whereas, to this end, it is appropriate to lay down that in the Member State of re-exportation the monetary compensatory amounts are to be applied on re-exportation solely in the form of the monetary coefficient, which reflects the difference between the intra-Community compensatory amount and the non-member country compensatory amount, since the amounts not applied at the import and export stages cancel each other out ;

Whereas the Dutch version of the second subparagraph of Article 10 (1) of Regulation (EEC) No 1380/75 does not tally with the other language versions ; whereas the Dutch version should be amended ;

Whereas the measures provided for in this Regulation are in accordance with the opinions of all the relevant Management Committees,

HAS ADOPTED THIS REGULATION :

Article 1

The third subparagraph of Article 12 (1) of Regulation (EEC) No 1380/75 is replaced by third and fourth subparagraphs as follows :

'If a product is exported from one Member State to another Member State and subsequently re-exported to another Member State, the compensatory amount shall not be applied on exit from the re-exporting Member State unless it was applied on entry into that Member State or if the option provided for in Article 2a of Regulation (EEC) No 974/71 was exercised on behalf of that State.

If a product is exported from one Member State to another Member State and subsequently re-exported to a non-member country, and if the

(1) OJ No L 106, 12. 5. 1971, p. 1.
(2) OJ No L 67, 15. 3. 1976, p. 1.
(3) OJ No L 139, 30. 5. 1975, p. 37.
(4) OJ No L 173, 13. 7. 1977, p. 10.

compensatory amount was not applied on entry into the re-exporting Member State or if the option provided for in Article 2a of Regulation (EEC) No 974/71 was not exercised on behalf of that State, the export refunds and export levies shall be multiplied in the re-exporting Member State by the coefficient as specified in Article 4 (3) applicable in that Member State. In such case the compensatory amount given for the product in question in Annex I to the Regulation fixing the monetary compensatory amounts shall not be applied on exit from the re-exporting Member State.'

Article 2

With effect from 16 April 1977, in the Dutch version of the second subparagraph of Article 10 (1) of Regulation (EEC) No 1380/75 the words 'naar een buiten het geografisch' are replaced by 'naar een op het geografisch'.

Article 3

This Regulation shall enter into force on the fifteenth 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 Brussels, 14 November 1977.

For the Commission

Finn GUNDELACH

Vice-President