COUNCIL REGULATION (EEC) No 496/78

of 6 March 1978

amending Regulation (EEC) No 2305/70 on the financing of intervention expenditure in respect of the domestic market in beef and veal

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy (1), as last amended by Regulation (EEC) No 2788/72 (2), and in particular Article 3 (2) thereof,

Having regard to the proposal from the Commission,

Whereas Council Regulation (EEC) No 2305/70 of 10 November 1970 on the financing of intervention expenditure in respect of the domestic market in beef and veal (3), as last amended by Regulation (EEC) No 565/77 (4), provides for intervention expenditure arising out of the buying-in, storage and resale of the products in question to be determined by means of annual accounts; whereas these accounts include the value of the stocks to be carried forward to the following year;

Whereas the same Regulation provides that the value of the stocks to be carried forward to the following year is to be determined on the basis of the guide price valid on the first day of the following financial year; whereas this date coincides with the last alignment of prices provided for in the Act of Accession, entailing a revalorization which is not realized until the stocks in question are sold; whereas this revalorization has the effect of increasing the funds tied up in the value of the product from the beginning of the financial year, which revalorization entails additional interest charges; whereas, to prevent this situation arising, intervention agencies should use the guide price valid on 31 December 1977 to calculate the value of the stocks carried forward to the 1978 financial year,

HAS ADOPTED THIS REGULATION:

Sole Article

The following subparagraph shall be added to Article 3 (1) (a) of Regulation (EEC) No 2305/70:

'However, for the purposes of the account as of 31 December 1977, the Irish intervention agency shall use the guide price valid on that date for the multiplication referred to above.'

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

Done at Brussels, 6 March 1978.

For the Council

The President

P. DALSAGER

(1) OJ No L 94, 28. 4. 1970, p. 13.
(2) OJ No L 295, 30. 12. 1972, p. 1.
(3) OJ No L 249, 17. 11. 1970, p. 1.
(4) OJ No L 72, 19. 3. 1977, p. 3.