COMMISSION REGULATION (EEC) No 747/90

of 28 March 1990

amending Regulation (EEC) No 3578/88 laying down detailed rules for the application of the system for the automatic dismantlement of negative 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 1677/85 of 11 June 1985 on monetary compensatory amounts in agriculture [1], as last amended by Regulation (EEC) No 1889/87 [2], and in particular Articles 6 (2) and 12 thereof,

Whereas Commission Regulation (EEC) No 3578/88 [3], as amended by Regulation (EEC) No 3063/89 [4], lays down in particular detailed rules for determining automatic dismantlement of negative monetary gaps newly created by a monetary realignment; whereas the detailed rules for the implementation of such automatic dismantlements should be laid down in view of the further dismantlement which may occur;

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

HAS ADOPTED THIS REGULATION:

Article 1

The following Article 7a is hereby inserted in Regulation (EEC) No 3578/88:

'*Article 7a*

1. The dismantlement of the newly created real monetary gap shall be effected using the agricultural conversion rates:

— fixed or provided for, as the case may be, by Council Decision or under Article 6 of Regulation (EEC) No 1677/85,

— applicable subsequent to the date of entry into force of the dismantlement of the newly created real monetary gap, and

— increasing the dismantlement in question.

However, the adjustments referred to in the first subparagraph may not lead to an agricultural conversion rate which exceeds the market rate corresponding to the real monetary gap calculated immediately after the realignment.

2. The agricultural conversion rates resulting from the dismantlement of the newly created real monetary gap, where appropriate adapted in accordance with paragraph 1, shall be determined using the market rate corresponding to the real monetary gap calculated immediately after the realignment.

3. Subject to other Council Decisions, where an additional dismantlement is decided after a monetary realignment, that dismantlement shall be effected having regard to each of the agricultural conversion rates referred to in paragraph 2.

However, the adjustments referred to in the first subparagraph may not result in an agricultural conversion rate which exceeds the market rate applicable at the time the additional dismantlement is decided by the Council.

4. The agricultural conversion rates shall be fixed, pursuant to the adaptation referred to in the third subparagraph of Article 6 (2) of Regulation (EEC) No 1677/85:

(a) during the five working days following the monetary realignment as regards:

— the first stage of the automatic dismantlement arrangements for all the products in question, and

— the following stage for products the marketing year of which commences after the realignment in question and before the beginning of the milk year following that realignment;

(b) at the latest, during the month preceding the beginning of the first, second and third milk years following the monetary realignment as regards the other stages of the automatic dismantlement arrangements and for all the products in question.

5. Where the total dismantlement contemplated, where appropriate adapted in accordance with paragraphs 1 and 3, exceeds one of the real monetary gaps existing at the time the agricultural conversion rates are fixed, the dismantlement under Article 6 of Regulation (EEC) No 1677/85 shall be effected, for the rate and the marketing year concerned, in such a way so as to reduce the creation of real monetary gaps as much as possible.'

Article 2

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

[1] OJ No L 164, 24. 6. 1985, p. 6.
[2] OJ No L 182, 3. 7. 1987, p. 1.
[3] OJ No L 312, 18. 11. 1988, p. 16.
[4] OJ No L 293, 12. 10. 1989, p. 34.

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

Done at Brussels, 28 March 1990.

For the Commission

Ray MAC SHARRY

Member of the Commission