COMMISSION REGULATION (EC) No 2623/1999

of 10 December 1999

amending Regulation (EEC) No 411/88 on the method and the rate of interest to be used for calculating the costs of financing intervention measures comprising buying-in, storage and disposal

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 1883/78 of 2 August 1978 laying down general rules for the financing of interventions by the European Agricultural Guidance and Guarantee Fund, Guarantee Section ([1]), as last amended by Regulation (EC) No 1259/96 ([2]), and in particular Article 5 thereof,

Whereas:

(1) Commission Regulation (EEC) No 411/88 ([3]), as last amended by Regulation (EEC) No 1644/89 ([4]), lays down the method and interest rate to be used for calculating the costs of financing intervention measures. It stipulates that the uniform interest rate shall correspond to the interest rates for the ecu for three months and twelve months' forward rates recorded by the Statistical Office of the European Communities on the euromarkets with a weighting of one third and two thirds respectively;

(2) a new European money market reference rate for the euro, known as EURIBOR, was introduced on 1 January 1999 along with the euro. It replaced the various national IBOR rates of the participating Member States and it is published monthly by the European Central Bank;

(3) Article 3 of Regulation (EEC) No 411/88 and the Annex thereto should be amended as a result of the introduction of the euro;

(4) the measures provided for in this Regulation are in accordance with the opinion of the EAGGF Committee,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No411/88 is amended as follows:

1. The first subparagraph of Article 3 is replaced by the following:

   'The interest rate referred to in Article 5 of Regulation (EEC) No 1883/78 shall correspond to the three months' and twelve months' forward EURIBOR rates with a weighting of one third and two thirds respectively.'

2. The Annex is replaced by the Annex hereto.

Article 2

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

It shall apply from 1 October 1999.

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

Done at Brussels, 10 December 1999.

For the Commission

Franz FISCHLER

Member of the Commission

([1]) OJ L 216, 5.8.1978, p. 1.
([2]) OJ L 163, 2.7.1996, p. 10.
([3]) OJ L 40, 13.2.1988, p. 25.
([4]) OJ L 162, 13.6.1989, p. 18.

ANNEX

'*ANNEX*

Reference interest rates referred to in Article 4(1a) [1]

1. *Denmark*

   Copenhagen interbank borrowing offered rate three months (CIBOR)

2. *Greece*

   Athens interbank borrowing offered rate three months (ATHIBOR)

3. *Sweden*

   Stockholm interbank borrowing offered rate three months (STIBOR)

4. *United Kingdom*

   London interbank borrowing offered rate three months (LIBOR)

5. *For the other Member States*

   Euro interbank borrowing offered rate three months (EURIBOR)

NB: These rates will be increased by one percentage point, corresponding to the banking margin.

[1] Net interest rates concerned, i.e. interest rates after setting off the possible part that corresponds to fiscal charges (withholding tax, etc.).'