

COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a

REGULATION (EEC) OF THE COUNCIL

amending Regulation (EEC) No 974/71 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

(submitted to the Council by the Commission)

Proposal for a
REGULATION (EEC) OF THE COUNCIL
amending Regulation (EEC) No 974/71 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

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 the proposal from the Commission;

Having regard to the Opinion of the European Parliament;

Whereas under Article 2 of Council Regulation (EEC) No 974/71 ⁽¹⁾ of 12 May 1974, as last amended by Regulation (EEC) No 3450/73 ⁽²⁾, for the currencies of all the Member States the compensatory amount is calculated by taking into account the difference in the case of a given currency between its real value and its t value for the purposes of the common agricultural policy;

Whereas this system means that national prices are kept at different levels; whereas the return to a single price system can be facilitated by measures to bring national prices into line with the common price;

Whereas this aim can be achieved by reducing the compensatory amounts in those Member States whose currencies have not kept within a maximum spread, at any given moment, of 2.25%.

Whereas, however, it is necessary to act with caution in order to avoid disturbing the markets of the other Member States;

(1) OJ No L 106, 12.5.1971, p. 1

(2) OJ No L 353, 22.12.1973, p. 25

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Whereas, under Article 4a (2) of Regulation (EEC) No 974/71, in trade between the Member States and with third countries, the compensatory amounts applicable due to the decrease in value of the currency concerned may not be higher than the charge on products imported from third countries;

Whereas difficulties have arisen as a result of applying this rule; whereas in certain cases it has caused deflection of trade and distortion of competition; whereas, moreover, the situation on the world market is very different from that existing at the time when the rule in question was introduced; whereas in these circumstances it appears desirable to repeal it;

HAS ADOPTED THIS REGULATION:

Article 1

The following sentence is added to Article 2(1)(b) of Regulation (EEC) No 974/71:

"However, this mean shall be reduced by 2 points".

Article 2

The following shall be repealed

- (a) Article 4a(2) of Regulation (EEC) No 974/71,
- (b) Council Regulation (EEC) No 885/73 ⁽¹⁾ of 31 March 1973 on the non-application of the first subparagraph of Article 4a (2) of Regulation (EEC) No 974/71 to sugar, and
- (c) Council Regulation (EEC) No 1695/73 ⁽²⁾ of 25 June 1973 determining to what extent the monetary compensatory amounts applicable to beef and veal by reason of the depreciation of a currency may be higher than the charge on imports from third countries.

Article 3

This Regulation shall enter into force on 1 October 1974.

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

Done at Brussels,

For the Council
The President

(1) OJ No L 86, 31.3.1973, p. 35
(2) OJ No L 173, 28.6.1973, p. 1