

No L 312/4

Official Journal of the European Communities

12.12.69

## REGULATION (EEC) No 2464/69 OF THE COUNCIL

of 9 December 1969

on measures to be taken in agriculture as a result of the revaluation of the German mark

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 42 and 43 thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament;

Whereas, by virtue of Article 2 of Council Regulation No 129<sup>1</sup> on the value of the unit account and the exchange rates to be applied for the purposes of the common agricultural policy, as amended by Regulation (EEC) No 653/68,<sup>2</sup> the revaluation of the German mark and the present unaltered value of the unit of account entail a reduction in agricultural prices expressed in German marks, which are fixed in units of account under the common agricultural policy; whereas, as a result of transitional measures, the price reduction should become fully effective from 1 January 1970; whereas German agriculture will thereby suffer a loss of income;

Whereas on the basis of current data on the value of the unit of account and on the prices and quantities of the agricultural products in question, such loss of income can be estimated at DM 1700 million a year;

Whereas provision should be made for the Federal Republic of Germany to grant aid by way of compensation for such losses in the form of direct aid to agricultural producers;

Whereas the aid proposed must be granted only during a specified period, it being possible to ensure the continuation of aid through measures of social or structural policy;

Whereas the Community should, through the EAGGF, contribute on a decreasing scale to the financing of the proposed aid;

HAS ADOPTED THIS REGULATION:

*Article 1*

1. Aid granted to German agricultural producers under the conditions set out below shall be considered to be compatible with the common market.

2. Such aid may be granted up to the amount of DM 1700 million for each budgetary year from 1970 to 1973 inclusive. The Community shall contribute to the financing of such aid on a decreasing scale as provided by Article 2.

3. Aid may be granted in the form of direct aids to agricultural producers in so far as they are not calculated on the basis of the price or the quantity of the product.

Aid may be granted partly in the form of an advance to the agricultural producer when he sells his products, subject to a maximum of 3% of the selling price, to be paid either by the buyer or by an agency to be appointed by the competent national authorities.

4. The Federal Republic of Germany shall take appropriate structural or social measures to offset the decreasing financial support from the Community.

5. The procedural provisions of Article 93 of the Treaty shall apply to the aid referred to in this Article.

*Article 2*

The Guarantee Section of the EAGGF shall contribute to the financing of the measures referred to in Article 1 by making the following payments to the Federal Republic of Germany:

90 million units of account under the 1971 budget;

60 million units of account under the 1972 budget.

<sup>1</sup> OJ No 106, 30.10.1962, p. 2553/62.

<sup>2</sup> OJ No L 123, 31.8.1968, p. 4.

After examining the financial state of the Guarantee Section of the EAGGF, the Commission may propose to the Council that such measures be financed under the 1973 budget, up to a maximum amount of 30 million units of account.

*Article 3*

The Federal Republic of Germany shall submit an annual report to the Commission on the effect of the measures taken on German agricultural income.

Before the end of 1973 the Council shall examine, on the basis of a report from the Commission,

post-revaluation economic trends in German agriculture resulting from the measures taken by the German Government.

The Council shall, in the light of the development of the common agricultural policy, decide on appropriate measures to be taken, in accordance with the procedure laid down in Article 43 (2) of the Treaty.

*Article 4*

This Regulation shall enter into force on the third 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, 9 December 1969.

*For the Council*

*The President*

J. M. A. H. LUNS