REGULATION (EEC) No 270/73 OF THE COMMISSION

of 31 January 1973

on the exchange rate to be applied in agriculture for the currencies of the new Member States

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community ;

Having regard to Council Regulation No 129 [1] on the value of the unit of account and the exchange rates to be applied for the purposes of the common agricultural policy, as amended by Regulation (EEC) No 653/68 [2], and in particular Article 3 (1) thereof ;

Having regard to the Opinion of the Monetary Committee ;

Whereas the situation envisaged in Article 3 (1) of Regulation No 129, permitting measures which derogate from the principle of parities for converting one currency into another, now arises in the new Member States ;

Whereas the common agricultural policy is to be applied in those Member States from 1 February 1973 in accordance with transitional measures which are, in general, based on a price level different from the common price level and on progressive alignment towards that common price level ; whereas conversion rates should therefore be applied which are not based on parities but are more in line with economic realities ;

Whereas, in these circumstances, the conversion rate for Denmark should be the central rate for Danish Kroner ; whereas for Ireland and the United Kingdom, however, a representative rate should be used calculated by reference to the arithmetical average of the middle rates on the exchange markets of the countries concerned at midday during the first two weeks of January 1973 ;

Whereas power to fix prices and certain amounts is vested in the Commission, acting on the Opinion of the relevant Management Committee, under Acts relating to the common agricultural policy or under specific rules made under Article 235 of the Treaty ;

Whereas, the measure provided for in this Regulation, relating to prices or amounts to be fixed in accordance with the procedure laid down in Article 26 of Council Regulation No 120/67/EEC [3] of 13 June 1967 on the common organization of the market in cereals, or in the corresponding Articles of the other Regulations on the common organization of agricultural markets, are in accordance with the Opinions of the Management Committees set up as part of the common agricultural policies ;

HAS ADOPTED THIS REGULATION :

Article 1

1. Where transactions to be carried out in pursuance of instruments relating to the common agricultural policy, or specific rules laid down under Article 235 of the Treaty, require the currencies of the new Member States to be expressed in another currency or in units of account, the rate of exchange to be applied for the conversion of prices and other amounts fixed by the Council shall, in derogation from Article 2 (1) of Regulation No 129, be :

(a) for Denmark, the central rate for Danish Kroner ;

(b) for Ireland and the United Kingdom, the representative rate for the currencies of these two Member States.

2. The representative rate referred to in paragraph 1 (b) shall be :

£1 sterling = £1 Irish = 2·3499 $ US = 2·1644 units of account.

Article 2

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

It shall cease to be applicable to the currency of any of the Member States named in Article 1 as soon as such State communicates a new parity to the International Monetary Fund.

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

Done at Brussels, 31 January 1973.

For the Commission

The President

François-Xavier ORTOLI

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(1) OJ No 106, 30. 10. 1962, p. 2553/62.
(2) OJ No L 123, 31. 5. 1968, p. 4.
(3) OJ No 117, 19. 6. 1967, p. 2269/67.