

COUNCIL REGULATION (EEC) No 2205/90

of 24 July 1990

amending Regulation (EEC) No 1676/85 and No 1677/85 in regard to the conversion rates and monetary compensatory amounts to be applied to the purposes of the common agricultural policy

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 43 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament⁽¹⁾,

Whereas Regulation (EEC) No 1676/85⁽²⁾, as last amended by Regulation (EEC) No 1636/87⁽³⁾ set the conversion rates to be applied for the purposes of the common agricultural policy; whereas Articles 2 (4) and 3 (2) of that Regulation make provision for derogations whereby conversion rates corresponding more closely to economic reality can be used; whereas the rules on the making of the derogations should be adjusted in order to take account of various specific market situations and the risks of monetary disturbance;

Whereas, in order to clarify the provisions concerned, European Monetary System ecu quotations should be used directly for calculation of the rate referred to in Article 3 (1) and the wording of the last indent of the first subparagraph of Article 6 (1) of Regulation (EEC) No 1676/85 should be made more precise;

Whereas the method of calculation of the gap defined in Article 5 (2) (b) of Regulation (EEC) No 1677/85⁽⁴⁾, as last amended by Regulation (EEC) No 52/90⁽⁵⁾, and of the conversion rate referred to in Article 10 (1) of that Regulation should be altered to take account of the market rate defined in Article 3 (1) of Regulation (EEC) No 1676/85;

Whereas the provisions of Article 6a (2) of Regulation (EEC) No 1677/85 prevent within certain limits the creation of monetary compensatory amounts in the pigmeat sector; whereas experience indicates that these provisions should be more accurately targeted, in order to ensure compliance with these limits and greater stability in the application of the monetary compensatory amounts,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No 1676/85 is hereby amended as follows:

⁽¹⁾ Opinion delivered on 13 July 1990 (not yet published in the Official Journal).

⁽²⁾ OJ No L 164, 24. 6. 1985, p. 1.

⁽³⁾ OJ No L 153, 13. 6. 1987, p. 1.

⁽⁴⁾ OJ No L 164, 24. 6. 1985, p. 6.

⁽⁵⁾ OJ No L 8, 11. 1. 1990, p. 22.

1. Article 2 (4) is replaced by the following:

'4. In order to prevent the risk of market distortion of monetary origin, derogation may be made from the agricultural conversion rates in accordance with the procedure laid down in Article 10 (2), by permitting the use of conversion rates corresponding more closely to economic reality.'

2. The last indent of the first subparagraph of Article 3 (1) is replaced by the following:

'— for the other currencies, on the basis of an average of the ecu rates published in the *Official Journal of the European Communities*, Series C, over a period to be determined in accordance with the procedure laid down in Article 12.'

3. Article 3 (2) is replaced by the following:

'2. In order to prevent the risk of market distortion of monetary origin, derogation may be made from the first subparagraph of paragraph 1 in accordance with the procedure laid down in Article 10 (2), by permitting the use of conversion rates corresponding more closely to economic reality.'

4. The following paragraph is added to Article 3:

'3. A specific conversion rate close to economic reality may be determined in accordance with the procedure laid down in Article 12 for conversion into a Member State's national currency of amounts expressed in the national currency of a non-member country.'

5. In the introductory part of Article 6 (1) 'if they satisfy the following conditions' is replaced by 'if the three following conditions are met'.

Article 2

Regulation (EEC) No 1677/85 is hereby amended as follows:

1. Point (b) in the second subparagraph of Article 5 (2) is replaced by the following:

'(b) in respect of Member States other than those referred to in (a), to the percentage difference for the currency of the Member State concerned between:

- the agricultural conversion rate, and
- the average of the ecu rates published in the *Official Journal of the European Communities*, Series C, over a period to be determined in accordance with the procedure laid down in Article 12.'

2. Point 2 in Article 6a is replaced by the following :

- '2. In accordance with the procedure laid down in Article 12, the agricultural conversion rate of a Member State shall be adjusted so as to avoid the application of monetary compensatory amounts.

Such adjustment must, however :

- in no case bring about a situation where, for the Member State concerned, the difference between the real monetary gap applicable in the pigmeat sector, on the one hand, and that

applicable in the cereals sector, on the other, exceeds eight percentage points,

- reduce the risk of adjustments of the monetary compensatory amounts which are both frequent and economically unjustified.'

3. The last subparagraph of Article 10 (1) is replaced by the following :

'The monetary compensatory amount shall be converted using the bilateral rates resulting from the central rates or, as appropriate, the average rates referred to in the second indent of point (b) in the second subparagraph of Article 5 (2).'

Article 3

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

Article 1 (2) and Article 2 (1) shall apply as from 1 September 1990.

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

Done at Brussels, 24 July 1990.

For the Council

The President

C. MANNINO