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COM (82)591

Vol. 1982/0187

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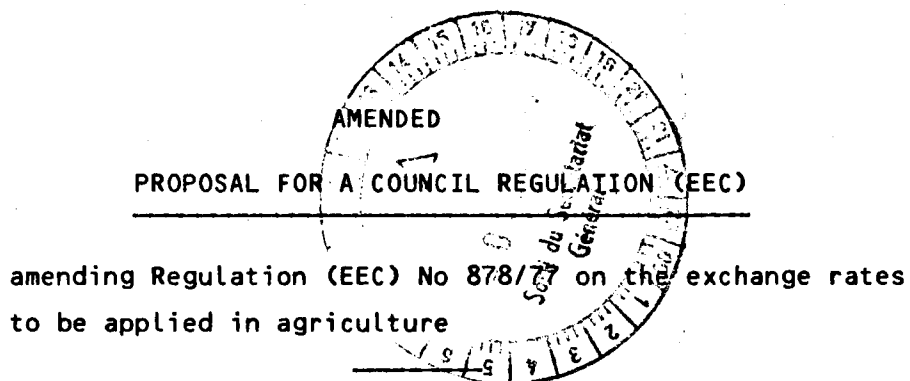
In accordance with Council Regulation (EEC, Euratom) No 354/83 of 1 February 1983 concerning the opening to the public of the historical archives of the European Economic Community and the European Atomic Energy Community (OJ L 43, 15.2.1983, p. 1), as amended by Regulation (EC, Euratom) No 1700/2003 of 22 September 2003 (OJ L 243, 27.9.2003, p. 1), this file is open to the public. Where necessary, classified documents in this file have been declassified in conformity with Article 5 of the aforementioned regulation.

In Übereinstimmung mit der Verordnung (EWG, Euratom) Nr. 354/83 des Rates vom 1. Februar 1983 über die Freigabe der historischen Archive der Europäischen Wirtschaftsgemeinschaft und der Europäischen Atomgemeinschaft (ABl. L 43 vom 15.2.1983, S. 1), geändert durch die Verordnung (EG, Euratom) Nr. 1700/2003 vom 22. September 2003 (ABl. L 243 vom 27.9.2003, S. 1), ist diese Datei der Öffentlichkeit zugänglich. Soweit erforderlich, wurden die Verschlussachen in dieser Datei in Übereinstimmung mit Artikel 5 der genannten Verordnung freigegeben.

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82) 591 final

Strasbourg, 14th September 1982



(presented by the Commission to the Council,
pursuant to the second paragraph of article 149 of the EEC treaty)

COM(82) 591 final

EXPLANATORY MEMORANDUM

1. In response to a French request for the devaluation of the green rate of the FF for pigmeat and sheepmeat, the Commission forwarded a proposal to the Council providing for such devaluation with effect from 1 November 1982 for pigmeat and sheepmeat and from the beginning of the marketing year for the other products (Council Doc. 8305/82).

The Council failed to reach agreement on the proposal, hoping that a debate could be held on the rules to be followed. Belgium also put forward a request for the devaluation of the green rate for pigmeat.

2. The Commission takes the view that guidelines should be drawn up on the basis of the various practices followed in the past. A new green rate should always be decided on at the same time for all products. The new green rate should enter into force either simultaneously in all sectors or in principle at the beginning of the marketing year. Exceptions could, however, be made in some cases, for instance when a monetary event occurs after the prices have been fixed and after the beginning of the marketing year for certain products. In such a case it should be possible to apply the new rate immediately for the products for which the marketing year has already commenced and at the beginning of the marketing year for the others.

If the decision is adopted in the autumn, when the marketing year has already begun for most products, it should also be possible to provide for the rate to enter into force at the beginning of the marketing year immediately following the decision so as to avoid delays of more than a year. Lastly, it should be possible to make exceptions in duly justified cases.

3. The Commission has therefore amended its proposal with regard to France, proposing as the starting date for all products the beginning of the marketing year following the decision. It also proposes the same arrangement for Belgium and Luxembourg.

4. As regards the size of the devaluation, the Commission proposes that the full difference between the green rate and the central rate be made up.
5. Regulation (EEC) No 878/77 lays down that in the wine sector the date of entry into force of the new green rates, in the case of certain distillation operations and certain aids, may differ from the date of entry into force of the new green rates established in principle for the wine sector. This possibility remains unchanged in this Regulation but for the sake of clarity the relevant provision has been redrafted.
6. The figures in the Table on the following page describe the monetary situation at present and that which would result from the present proposal.
7. (a) Cost of the measure compared with the situation at present

As matters stand, applying negative MCAs in respect of France (- 5.3 points) and the BLEU (- 3.1 points) would reduce expenditure from the financial point of view. Dismantling those MCAs would therefore serve to raise it again, by an estimated 201 mECU in 1983.

On the other hand, this would not affect expenditure in 1982, given the proposed timetable for implementation.
- (b) Cost of the measure compared with the draft 1983 Budget and the 1982 Budget

The financial implications of the adjustments which took place on 12 June 1982 in respect of the central rates were not included in the draft 1983 Budget. The financial implications in question consist, for the FF, BFR and LFR, of substantial savings in 1983 - estimated at 473 mECU¹ - compared with the draft Budget chosen.

The proposed dismantling of the MCAs for France, Belgium and Luxembourg will serve to reduce the savings in question by 201 mECU, from 473 to 272 mCU.

Compared with the draft 1983 Budget, the adjustment to the central rates which took place of 12 June 1982 entails additional expenditure in 1983 of 295 mECU in respect of the DM and HFL.

Therefore, compared with the draft 1983 Budget, the Decision of 12 June concerning the FF, BFR, LFR, DM and HFL will, together with the present proposal, result in a change in estimated expenditure of + 23 mECU (- 272 + 295).

Such a change in the estimated level of expenditure is unlikely to lead to a substantial change in the overall size of the draft 1983 Budget.

With regard to the 1982 Budget, the combined effect of the Decisions of 12 June and of the present proposal will be a reduction in expenditure of 89 mECU; the latter is solely attributable to the Decisions taken in June, since the present proposal will, by virtue of the date of its entry into force, have no effect on expenditure in 1982. The figure in question is the result of a drop in expenditure of 199 mECU in respect of the FF, BFR and LFR offset by an increase of 110 mECU for the DM and the HFL.

¹ Estimated expenditure in respect of the currencies concerned:			
- in the draft Budget	:	- 43)	(See Annex to Financial Record for details)
- in the light of the Decisions taken in June	:	<u>- 516</u>)	
Increase in savings	:	473	

Member State	Central rate (1 ECU =)	Representative rate			Monetary gap (without neutral margin)		MCA to be applied	Effect on prices (%)
		former (1 ECU =)	new (1 ECU =)	devaluation (%)	before devaluation	after devaluation		
Belgium/ Luxembourg	44.9704	42.9772	44.9704	4.4323	- 4.6	0	0	+ 4.6378
France	6.61387	6.19564	6.61387	6.3235	- 6.75	0	0	+ 6.7504

Proposal for a
COUNCIL REGULATION (EEC)

amending Regulation (EEC) No 878/77 on the exchange rates to be applied
in agriculture

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation No 129 on the value of the unit of account and the exchange rates to be applied for the purposes of the common agricultural policy¹, as last amended by Regulation (EEC) No 2543/73², and in particular Article 3 thereof,

Having regard to the proposal from the Commission,

Whereas the representative rates currently applicable were fixed by Regulation (EEC) No 878/77³, as last amended by Regulation (EEC) No 1668/82⁴; whereas new representative rates closer to present economic circumstances should be fixed for the French franc and the Belgian franc/Luxembourg franc; whereas, moreover, for reasons of clarity, all the representative rates should be republished;

Whereas the rates must be adjusted with proper regard to the effects on prices and the situation in the Member States concerned; whereas, for that reason, among others, provision should be made for the new rates to enter into effect within a reasonable period, normally linked to the beginning of the marketing year or a change in prices, although immediate entry into force in some cases should not be ruled out;

Whereas Regulation (EEC) No 337/79 on the common organization of the market in wine⁵, as last amended by Regulation (EEC) No 2144/82⁶, provides for certain distillation operations and aids; whereas the date of application of the new rates applying thereto may differ from the date of application of the new rates in the wine sector in general;

¹OJ No 106, 30.10.1962, p. 2553/62.

²OJ No L 263, 19.9.1973, p. 1.

³OJ No L 106, 29.4.1977, p. 27.

⁴OJ No L 184, 29.6.1982, p. 19.

⁵OJ No L 54, 5.2.1979, p. 1.

⁶OJ No L 227, 3.8.1982, p. 1.

Whereas, in order to avoid differing treatment of interdependent products, provision should be made for the new rates to apply in the cereals and the eggs and poultrymeat, ovalbumin and lactalbumin sectors with effect from the same date;

Whereas the Monetary Committee will be consulted and whereas, as this is an urgent matter, the measures envisaged should be adopted in accordance with the conditions laid down in Article 3(2) of Regulation No 129,

HAS ADOPTED THIS REGULATION:

Article 1

Article 2 of Regulation (EEC) No 878/77 shall be replaced by the following:

- "1. The representative rates and the dates from which they apply shall be as set out in Annexes I to IX.
2. Other dates may be specified for the distillation operations and aids referred to in Articles 14 and 14a of Regulation (EEC) No 337/79."

Article 2

This Regulation shall enter into force on 1982.

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

Done at Brussels, 1982.

For the Council

ANNEX

ANNEX I

BELGIUM/LUXEMBOURG

1 ECU = 44.9704 Belgian francs/Luxembourg francs.

This rate shall apply from:

- 1 November 1982 for the pigmeat sector,
- 1 November 1982 for the olive oil sector,
- 16 December 1982 for the wine sector,
- 1 January 1983 for the fishery products sector,
- 1 April 1983 for the milk and milk products sector,
- 4 April 1983 for the beef and veal sector,
- 4 April 1983 for the sheepmeat and goatmeat sector,
- 1 July 1983 for the sugar and isoglucose sector,
- 1 August 1983 for the cereals, eggs and poultrymeat, ovalbumin and lactalbumin sectors,
- 1 July 1984 for the seeds sector,
- the beginning of the 1983/84 marketing year for the other products for which there is a marketing year,
- 1 April 1983 in all other cases.

ANNEX II

DENMARK

1 ECU = 8.234 Danish kroner.

This rate shall apply from 29 June 1982.

ANNEX III

FEDERAL REPUBLIC OF GERMANY

1. 1 ECU = 2.57524 German marks.

This rate shall apply from:

- 20 May 1982 for the milk and milk products sector,
- 20 May 1982 for the beef and veal sector,
- 20 May 1982 for the sheepmeat and goatmeat sector,
- 1 July 1982 for the sugar and isoglucose sector,
- 1 August 1982 for the cereals, eggs and poultrymeat, ovalbumin and lactalbumin sectors,
- 1 November 1982 for the pigmeat sector,
- 16 December 1982 for the wine sector,
- 1 January 1983 for the fishery products sector,
- 1 July 1984 for the seeds sector,
- the beginning of the 1982/83 marketing year for other products for which the marketing year has not started by 17 May 1982,
- 20 May 1982 in all other cases.

2. Until the date given in point 1, the following rate shall apply for the seeds sector:

1 ECU = 2.65660 German marks.

ANNEX IV

FRANCE

1 ECU = 6.61387 French francs.

This rate shall apply from:

- 1 November 1982 for the pigmeat sector,
 - 1 November 1982 for the olive oil sector,
 - 16 December 1982 for the wine sector,
 - 1 January 1983 for the fishery products sector,
 - 1 April 1983 for the milk and milk products sector,
 - 4 April 1983 for the beef and veal sector,
 - 4 April 1983 for the sheepmeat and goatmeat sector,
 - 1 July 1983 for the sugar and isoglucose sector,
 - 1 August 1983 for the cereals, eggs and poultrymeat, ovalbumin and lactalbumin sectors,
 - 1 July 1984 for the seeds sector,
 - the beginning of the 1983/84 marketing year for the other products for which there is a marketing year,
 - 1 April 1983 in all other cases.
-

ANNEX V

GREECE

1 ECU = 66.5526 Greek drachmas.

This rate shall apply from:

- 1 September 1982 for dried grapes,
- 1 November 1982 for olive oil,
- 29 June 1982 in all other cases.

ANNEX VI

IRELAND

1 ECU = 0.691011 Irish pound.

This rate shall apply from 29 June 1982.

ANNEX VII

ITALY

1 ECU = 1 289.00 Italian lire.

This rate shall apply from:

- 17 May 1982 for the milk and milk products sector,
 - 17 May 1982 for the beef and veal sector,
 - 17 May 1982 for the sheepmeat and goatmeat sector,
 - 1 July 1982 for the sugar and isoglucose sector,
 - 1 July 1982 for the seeds sector,
 - 1 August 1982 for the cereals, eggs and poultrymeat, ovalbumin and lactalbumin sectors,
 - 1 November 1982 for the pigmeat sector,
 - 6 May 1982 for the wine sector,
 - 1 January 1983 for the fishery products sector,
 - the beginning of the 1982/83 marketing year for other products for which the marketing year has not started by 1 April 1982,
 - 6 May 1982 in all other cases.
-

ANNEX VIII

NETHERLANDS

1 ECU = 2.75563 Dutch guilders.

This rate shall apply from:

- 20 May 1982 for the milk and milk products sector,
- 20 May 1982 for the beef and veal sector,
- 20 May 1982 for the sheepmeat and goatmeat sector,
- 1 July 1982 for the sugar and isoglucose sector,
- 1 August 1982 for the cereals, eggs and poultrymeat, ovalbumin and lactalbumin sectors,
- 1 November 1982 for the pigmeat sector,
- 16 December 1982 for the wine sector,
- 1 January 1983 for the fishery products sector,
- 1 July 1984 for the seeds sector,
- the beginning of the 1982/83 marketing year for other products for which the marketing year has not started by 17 May 1982,
- 20 May 1982 in all other cases.

ANNEX IX

UNITED KINGDOM

1 ECU = 0.618655 pound sterling.

This rate shall apply from 20 May 1982.

FINANCIAL STATEMENT

Date : 10 September 1982

1. BUDGET HEADING : Title 1 and 2

APPROBATIONS : 1982: 13217.3mECU
1983: 14050 mECU

2. TITLE : Council Regulation amending Regulation (EEC) No 878/77 on the exchange rates to be applied in agriculture.

3. LEGAL BASIS : Council Regulation No 129

4. AIMS OF PROJECT : Alignment of the representative rate on the central rate in the case of the French franc and the Belgian franc/Luxembourg franc: from 1 November 1982 for pigmeat and olive oil, from 16 December 1982 for wine and from the beginning of the 1983/84 marketing year for the other products.
m ECU

5. FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTHS	CURRENT FINANCIAL YEAR (1982)	FOLLOWING FINANCIAL YEAR (1983)
5.0 EXPENDITURE			
- CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS)		- 199 (1)	- 272 (1)
- NATIONAL ADMINISTRATION			
- OTHER			
5.1 RECEIPTS			
- OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)		- 24	- 18
- OTHER			
5.0.1 ESTIMATED EXPENDITURE			
5.1.1 ESTIMATED RECEIPTS			

5.2 METHOD OF CALCULATION

See Annex

6.0 CAN THE PROJECT BE FINANCED FROM APPROBATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET ?

YES/NOX

6.1 ~~CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET ?~~

~~YES/NOX~~

6.2 IS A SUPPLEMENTARY BUDGET BE NECESSARY ?

~~YES/NO~~

6.3 WILL FUTURE BUDGET APPROBATIONS BE NECESSARY ?

~~YES/NOX~~

OBSERVATIONS : The following financial implications concerning the DM and the HFL arise from the monetary events of 12 June 1982:

1982: + 110 m ECU

1983: + 295 m ECU

Accordingly, the Decision of 12 June 1982 and this proposal would result in the following changes in expenditure:

1982: - 89 m ECU

1983: + 23 m ECU.

ANNEX

1. For the French franc there was no MCA and the dual-rate coefficient was 1 in the case of the 1982 budget and the draft 1983 budget.

For the Belgian franc/Luxembourg franc there was no MCA and the dual-rate coefficient was 1 in the case of the 1982 budget; there was an MCA of - 2.5 points and a dual-rate coefficient of 0.962 in the case of the draft 1983 budget.

The budget appropriations in respect of those currencies were therefore:

Table I

m ECU

	1982			1983		
	FF	BFR/LFR	Total	FF	BFR/LFR	Total
<u>Expenditure</u>						
MCAs	0	0	0	0	- 3	- 3
MCAs to be deducted from the refunds	0	0	0	0	- 14	- 14
Dual rate: common organizations of the market	0	0	0	0	- 26	- 26
TOTAL	0	0	0	0	- 43	- 43
<u>Income</u>						
Levies	0	0	0	0	- 19	- 19
Sugar levy	0	0	0	0	- 3	- 3
TOTAL	0	0	0	0	- 22	- 22

2. If the representative rate had remained the same as before the monetary events in question and if an MCA of - 5.3 points for France and - 3.1 points for the BLEU had been fixed, the adjustment of the central rate which took place on 12 June 1982 would have resulted in the following agri-monetary expenditure for the Member States in question:

Table II

m ECU

	1982			1983		
	FF	BFR/LFR	Total	FF	BFR/LFR	Total
<u>Expenditure</u>						
MCAs	- 35	- 2	- 37	- 94	- 4	- 98
MCAs to be deducted from the refunds	- 50	- 8	- 58	- 134	- 17	- 151
Dual rate: common organizations of the market	- 89	- 15	- 104	- 237	- 30	- 267
TOTAL	- 174	- 25	- 199	- 465	- 51	- 516
<u>Income</u>						
Levies	- 6	- 9	- 15	- 17	- 23	- 40
Sugar levy	- 8	- 1	- 9	- 21	- 3	- 24
TOTAL	- 14	- 10	- 24	- 38	- 26	- 64

3. The expenditure arising from the proposed Regulation aligning the representative rate on the central rate in the case of the French franc and the Belgian franc/Luxembourg franc, as from the beginning of the 1982/83 marketing year in the case of pigmeat, olive oil and wine and from the beginning of the 1983/84 marketing year in the case of other sectors is as follows:

Table III

m ECU

	1982			1983		
	FF	BFR/LFR	Total	FF	BFR/LFR	Total
<u>Expenditure</u>						
MCAs	- 35	- 2	- 37	- 81	+ 7	- 74
MCAs to be deducted from the refunds	- 50	- 8	- 58	- 84	- 6	- 90
Dual rate: common organizations of the market	- 89	- 15	- 104	- 134	- 17	- 151
TOTAL	- 174	- 25	- 199	- 299	- 16	- 315
<u>Income</u>						
Levies	- 6	- 9	- 15	- 10	- 16	- 26
Sugar levy	- 8	- 1	- 9	- 12	- 2	- 14
TOTAL	- 14	- 10	- 24	- 22	- 18	- 40

4. The estimated cost of the measure as such is therefore:

Table VI = Table III - Table II

m ECU

	1982			1983		
	FF	BFR/LFR	Total	FF	BFR/LFR	Total
<u>Expenditure</u>						
MCAs	0	0	0	+ 13	+ 11	+ 24
MCAs to be deducted from the refunds	0	0	0	+ 50	+ 11	+ 61
Dual rate: common organizations of the market	0	0	0	+ 103	+ 13	+ 116
TOTAL	0	0	0	+ 166	+ 35	+ 201
<u>Income</u>						
Levies	0	0	0	+ 7	+ 7	+ 14
Sugar levy	0	0	0	+ 9	+ 1	+ 10
TOTAL	0	0	0	+ 16	+ 8	+ 24

5. Compared with the budget, the financial implications arising from the monetary events of 12 June 1982 and of this proposal are as follows:

Table V = Table III - Table I

m ECU

	1982			1983		
	FF	BFR/LFR	Total	FF	BFR/LFR	Total
<u>Expenditure</u>						
MCAs	- 35	- 2	- 37	- 81	+ 10	- 71
MCAs to be deducted from the refunds	- 50	- 8	- 58	- 84	+ 8	- 76
Dual rate: common organizations of the market	- 89	- 15	- 104	- 134	+ 9	- 125
TOTAL	- 174	- 25	- 199	- 299	+ 27	- 272
<u>Income</u>						
Levies	- 6	- 9	- 15	- 10	+ 3	- 7
Sugar levy	- 8	- 1	- 9	- 12	+ 1	- 11
TOTAL	- 14	- 10	- 24	- 22	+ 4	- 18