

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(74) 1059 final

Brussels, 2 July 1974

AMENDED PROPOSAL FOR A REGULATION (EEC) OF THE COMMISSION

on certain measures to be taken in agriculture in Italy
following the fixing of a new representative rate for the Italian lira

(Presented by the Commission to the Council pursuant to the second
paragraph of Article 149 of the EEC Treaty)

EXPLANATORY MEMORANDUM

1. The Commission has transmitted to the Council a proposal for a Regulation.

It now appears that the following amendments should be made thereto.

2. In its original proposal, the Commission had suggested a 10% devaluation rate for the "green lira". In the light of economic developments, it appears preferable to make that rate 12.5%. The Commission is making the appropriate amendment to its proposal for a Regulation under Article 43 of the Treaty.
3. At the Council Meeting of 17/18 June 1974, it appeared desirable that, as regards pigmeat, Italy should effect the price "adjustments" now, instead of on 1 November 1974, the start of the marketing year, as provided by Article 4b of Regulation (EEC) No 974/71 ⁽¹⁾ of 12 May 1971, as last amended by Regulation (EEC) No 3450/73 ⁽²⁾. Under the proposal as at present drafted, an adjustment would remain to be made on 1 November 1974 to take account of the previous devaluation. The Commission is amending its proposal accordingly.
4. Article 1 of Council Regulation (EEC) No 2958/73 ⁽³⁾ of 31 October 1973 on the exchange rate applied in agriculture for the Italian lira, as last amended by Regulation (EEC) No 1424/74 ⁽⁴⁾, makes provision for representative rates for the Italian lira to be applied with effect from 1 November 1973, 1 January 1974 and 28 January 1974. Moreover, under Article 1(2)(d) of that Regulation, a new representative rate is to take effect on a date to be fixed under the procedure laid down in Article 108(3) of the Treaty, this date to coincide with the abolition of the deposit system currently being applied in Italy. Because such abolition takes effect after 30 June 1974, the application of the new representative rate would lead to an undesired change for sugar in the 1974/75 marketing year which begins on 1 July 1974. Accordingly it appeared to be desirable that, in respect of sugar, such application should coincide with the opening date of such marketing year.
5. To take account of all these problems and of certain amendments of a formal nature, the Commission considered it appropriate to make amendments to its original proposal under Article 149(2) of the Treaty. To simplify matters a new draft is attached incorporating the amendments into the original proposal.

(1) OJ No L 106, 12.5.1971, p. 1 (3) OJ No L 303, 1.11.1973, p. 1

(2) OJ No L 353, 22.12.1973, p. 25 (4) OJ No L150, 7.6.1974, p. 39

AMENDED PROPOSAL FOR A REGULATION (EEC) No OF THE COMMISSION

of

on certain measures to be taken in agriculture in Italy following the fixing of a new representative rate for the Italian lira.

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 28, 43, 103 and 235 thereof;

Having regard to Council Regulation No 129 ⁽¹⁾ on the value of the unit of account and the exchange rate to be applied for the purposes of the common agricultural policy, as last amended by Regulation (EEC) No 2543/73 ⁽²⁾, and in particular Article 3 thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament;

Whereas Council Regulation (EEC) No 2958/73 ⁽³⁾ of 31 October 1973 on the exchange rate applied in agriculture for the Italian lira, as last amended by Regulation (EEC) No /74 ⁽⁴⁾ fixed a representative rate for that currency which should have resulted in a certain increase in the prices of agricultural prices in Italy;

Whereas Article 2(1) of Council Regulation (EEC) No 1424/74 ⁽⁵⁾ of 6 June 1974 amending in particular Regulation (EEC) No 2958/73 on the exchange rate applied in agriculture for the Italian lira, as amended by Regulation (EEC) No /74, provides that as regards products for which the 1974/75 marketing year has not yet started, the intervention and purchase prices applicable in Italy are to be increased by 12.5% until that marketing year starts, except for the durum wheat and olive oil subsidies, which are to be converted using the representative rate for the Italian lira applicable on 28 January 1974;

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- (1) OJ No 106, 30.10.1962, p. 2553/62
(2) OJ No L 263, 19.9.1973, p. 1
(3) OJ No L 303, 1.11.1973, p. 1
(4) OJ No L
(5) OJ No L 150, 7.6.1974, p. 39

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Whereas Article 4b of Regulation (EEC) No 974/71 ⁽⁶⁾ 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, as last amended by Regulation (EEC) No 3450/73 ⁽⁷⁾, is to be applied subject to the provisions referred to above; whereas all the measures referred to above enter into effect on the date on which the decision provided for in Article 7(5) of the Commission Decision of 8 May 1974 ⁽⁸⁾ authorising the Italian Republic to take certain protective measures under Article 108(3) of the EEC Treaty becomes applicable;

Whereas, furthermore, Article 2(2) of Regulation (EEC) No 1424/74 provides that the durum wheat and olive oil subsidies are for the 1974/75 marketing year to be converted using the representative rate for the Italian lira applicable on 28 January 1974; whereas, under Article 2a of the same Regulation, Article 4b of Regulation (EEC) No 974/71 is to cease to apply in respect of pigmeat on 1 July 1974;

Whereas, in view of the urgency of the situation some of the measures referred to above were adopted under Article 103 of the Treaty; whereas they should now be made part of the common agricultural policy; whereas since all these measures are to operate together, they should be brought together in a single instrument;

Whereas the Monetary Committee will be consulted on the questions concerning the representative rate for the Italian lira and, in view of the urgency of the situation, the measures envisaged should be adopted under the conditions laid down in Article 3(2) of Regulation No 129,

HAS ADOPTED THIS REGULATION:

Article 1

The following text is added to Article 1(2) of Regulation (EEC) No 2958/73:

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

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

"(d) 100 Italian lira = 0.124844 units of account with effect from a date to be fixed under the procedure laid down in Article 108(3) of the Treaty, this date to coincide with the date on which the measures taken within the meaning of Article 7(5) of the Commission Decision of 8 May 1974 ⁽⁸⁾ authorising the Italian Republic to take certain protective measures under Article 108(3) of the Treaty become applicable. In respect of sugar, however, this representative rate shall take effect on 1 July 1974".

Article 2

1. As regards products for which the 1974/75 marketing year has not yet started, the intervention and purchase prices applicable in Italy shall be increased by 12.5% until that marketing year starts.

Article 4b of Regulation (EEC) No 974/71 shall be applied subject to the provisions of the first paragraph, except for the durum wheat and olive oil subsidies.

2. The amounts of the durum wheat and olive oil subsidies shall for the 1974/75 marketing year be converted using the representative rate for the Italian lira applicable on 28 January 1974.

3. The measures referred to in this Article shall apply from the date referred to in Article 1.

Article 3

The provisions of Article 4b of Regulation (EEC) No 974/71 shall in respect of pigmeat cease to apply on 1 July 1974.

Article 4

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

2. It shall with effect from 10 June 1974 replace Regulation (EEC) No 1424/74, since the latter has been repealed.

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

Done at Brussels,

For the Council
The President

(8) OJ No L 152, 8.6.1974, p. 18