

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(74) 524 final

Brussels, 19 April 1974

## PROPOSAL FOR A REGULATION (EEC) OF THE COUNCIL

amending Regulation (EEC) No 1695/73 determining to what extent the monetary compensatory amounts applicable to beef and veal by reason of the depreciation of a currency may be higher than the charge on imports from third countries.

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(submitted to the Council by the Commission)

COM(74) 524 final



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EXPLANATION OF MOTIVES

The Council Regulation (EEC) No 1695/73 of 25 June 1973 determined, by derogation from Article 4 (a) of Regulation (EEC) No 974/71, the extent to which the compensatory amounts for beef and veal resulting from a currency depreciation could be greater than the import duty on goods from third countries. This measure had as an effect the application of the same compensatory amounts to calves and young bovine animals for fattening as those applied to other calves and other adult bovines in order to maintain the economic advantage accorded to calves and young bovine animals intended for fattening before the application of Article 4 (a) of Regulation (EEC) No 974/71.

In fact the customs duty applied to calves intended for fattening of less than 80 kg is 4 % and that applied to young male bovines intended for fattening is 8 % although the customs duty applied to other calves and other adult bovines is 16 %.

As a result of the depreciation of certain currencies and in particular of the lire from 13 February 1973 the appreciation of Article 4 (a) of Regulation (EEC) No 974/71 has cancelled at the advantage described above.

Therefore this draft regulation has the intention to give the same economic advantage, in retroactive form and on demand of the interested party, during the period 13 February 1973 to 24 June 1973.

Moreover it is confirmed that on exports from France and Germany to Italy, the operators in the exporting Member States do not bring the proof of the destination of the calves of the adult bovines since for intracommunity exchanges the administrative formalities do not allow a distinction to be made between animals intended for fattening and the other animals.

The estimate of expenditure to be charged to the EAGGF is given in the Annex to this draft Regulation.

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REGULATION (EEC) OF THE COUNCIL

amending Regulation (EEC) N° 1695/73 determining to what extent the monetary compensatory amounts applicable to beef and veal by reason of the depreciation of a currency may be higher than the charge on imports from third countries

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to Council Regulation (EEC) N° 974/71 of 12 May 1971<sup>1</sup> 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) N° 3450/73<sup>2</sup>, and in particular the second subparagraph of Article 4(a)(2) thereof;

Having regard to the proposal from the Commission;

Whereas Council Regulation (EEC) N° 1695/73 of 25 June 1973<sup>3</sup> determining to what extent the monetary compensatory amounts applicable to beef and veal by reason of the depreciation of a currency may be higher than the charge on imports from third countries, as amended by Regulation (EEC) N° 1824/73<sup>4</sup>, limited from 25 June 1973 the application of Article 4(a)(2) of Regulation (EEC) N° 974/71 for calves and young male bovine animals referred to in Article 11 of Council Regulation (EEC) N° 805/68 of 27 June 1968<sup>5</sup> on the common organization of the market in beef and veal, as last amended by Regulation (EEC) N° 187/73<sup>6</sup>;

Whereas it has been confirmed that the economic reasons leading to the adoption of Article 1(1) and (2) of Regulation (EEC) N° 1695/73 already existed to the same extent during the period from 13 February 1973 to 24 June 1973;

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<sup>1</sup>OJ N° L 106, 12 May 1971, p. 1

<sup>2</sup>OJ N° L 353, 22 December 1973, p. 25

<sup>3</sup>OJ N° L 173, 28 June 1973, p. 7

<sup>4</sup>OJ N° L 185, 7 July 1973, p. 1

<sup>5</sup>OJ N° L 148, 28 June 1968, p. 24

<sup>6</sup>OJ N° L 25, 30 January 1973, p. 23

Whereas, moreover, it has been confirmed that the administrative provisions do not allow any differentiation to be made in trade between Member States between the animals referred to in Article 11 of Regulation (EEC) N° 805/68 and other calves or adult bovine animals; whereas, therefore, the provisions of Article 1(1) and (2) by Regulation (EEC) N° 1695/73 should, on application by an interested party, apply retrospectively from 13 February 1973;

HAS ADOPTED THIS REGULATION :

Article 1

The following subparagraph is added to Article 2 of Regulation (EEC) N° 1695/73 :

"Article 1(1) and (2) shall apply, on application by an interested party, to operations carried out from 13 February 1973."

Article 2

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,

For the Council  
The President

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ANNEX

Financial impact of the proposed measure

Although the proposal is meant to cover intra-Community trade and trade with non-member countries, the pattern of trade is such that in practice only imports into Italy of the animals concerned are affected and benefit from the proposed measure.

The information supplied to the Commission departments indicates that for the period from 13 February 1973 to 24 June 1973 the following numbers were involved:

- Exports from France to Italy	:	approximately 20 000 head	
- Exports from Germany to Italy	:	approximately 40 000 head	
		Total	60 000 head
		or	4 800 metric tons live weight.

With the monetary compensatory amounts standing at 92.00 U.A. per metric ton live weight, the additional expenditure would be some 441 600 U.A. As this expenditure is for monetary compensatory amounts in intra-Community trade, it is considered, financially, as intervention within the meaning of Article 3 of Regulation (EEC) No 729/70 and charged to Chapter 79 (Article 792 "Monetary compensatory amounts") of the Budget of the European Communities.

Chapter 79: 1973 Appropriations 404 578 000 Utilization 404 577 564  
(including transfer of recently proposed appropriations)  
1974 Appropriations 363 000 000

The additional expenditure resulting from the proposed measure represents 0.1% of the appropriations entered under this chapter and 0.3% of the appropriations entered under Article 792 (163 million u.a.). It should be noted that utilization of the appropriations of this Article is mainly determined by the extent of the float, in percentage terms, of the Member States' currencies, and also that the percentages mentioned above are well below the margin of uncertainty which affects financial estimates. As the proposal concerns operations carried out in 1973, the multiannual forecasts are not affected.

