

# COMMISSION OF THE EUROPEAN COMMUNITIES



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Brussels, 3rd December 1979

MAY 6 1980

GIFT & EXCHANGE

MAY 7 1980

PROPOSAL FOR A COUNCIL REGULATION (EEC)  
AMENDING, WITH RESPECT TO THE DANISH KRONE,  
REGULATION (EEC) No 878/77 ON THE EXCHANGE  
RATES TO BE APPLIED IN AGRICULTURE

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(presented by the Commission to the Council)



EXPLANATORY MEMORANDUM

1. On 30 November 1979 the central rate of the Danish krone has devalued; the devaluation percentage is :

5% in relation to other currencies

4.628% in relation to the Ecu.

2. The consequence with regard to agriculture would, in theory, be the introduction of MCA's for Denmark based on a monetary gap of 4.9 (3.4 if account is taken of the margin of tolerance).

In order to avoid such a consequence, the representative rate of the krone must be devalued accordingly.

The effects of such a devaluation are set out in the following table :

Representative rates		Devaluation	Effects	
Previous	New		on prices in national currency	on MCA's
1 DKR=0,135760 Ecu	1DKR=0,129477 Ecu	4.628%	+ 4.852%	0
1 Ecu=7,36594 DKR	1Ecu=7,72336 DKR			

COUNCIL REGULATION (EEC)

amending, with respect to the Danish krone, Regulation (EEC)  
No 878/77 on the exchange rates to be applied in agriculture

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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 policy (1), as last amended by Regulation (EEC) No 2543/73 (2), and in particular Article 3 thereof,

Having regard to the proposal from the Commission,

Whereas the representative rates currently applicable were fixed by Council Regulation (EEC) No 878/77 of 26 April 1977 on the exchange rates to be applied in agriculture (3), as last amended by Regulation (EEC) No 2139/79 (4);

Whereas with effect from 30 November 1979 a change in the central rate of the Danish krone has occurred within the European monetary system; whereas this change theoretically involves the introduction of monetary compensatory amounts in Denmark; whereas it is possible to avoid this effect by making a corresponding change in the representative rate of the Danish krone;

Whereas this rate must be adopted immediately in order to avoid the introduction of monetary compensatory amounts in Denmark;

Whereas the Monetary Committee will be consulted and whereas, in view of the urgency, it is necessary to adopt the measures envisaged under the conditions provided for in Article 3(2) of Regulation No 129,

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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 106, 29.4.1977, p. 27  
(4) OJ No L 246, 29.9.1979, p. 76

HAS ADOPTED THIS REGULATION :

Article 1

The following subparagraph is added to paragraph 8 of Article 2a of Regulation (EEC) No 878/77 :

"This representative rate is replaced by that of

1 Danish krone = 0,129477 Ecu

with effect from

- 1 January 1980 in the fisheries sector

- 5 December 1979 in all other cases".

Article 2

This Regulation shall enter into force on 5 December 1979.

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

Done at Brussels,

For the Council

# FICHE FINANCIERE

DATE : 30.11.1979

1. LIGNE BUDGETAIRE : Titres 6 et 7

CREDITS : 10.956,636 Muce

2. INTITULE DE LA MESURE : Règlement (CEE) n° 779 du Conseil du 1979 modifiant, en ce qui concerne la couronne danoise, le règlement (CEE) n° 878/77 relatif aux taux de change à appliquer dans le secteur agricole

3. BASE JURIDIQUE : art. 3 du R/129/62

4. OBJECTIFS DE LA MESURE :

Modification du taux représentatif de la couronne danoise afin d'éviter l'instauration de montants compensatoires monétaires suite à la modification du taux pivot de la couronne danoise.

5. INCIDENCES FINANCIERES	PERIODE DE 12 MOIS	EXERCICE EN COURS (79)	EXERCICE SUIVANT (80)
5.0 DEPENSES A LA CHARGE - DU BUDGET DES CE (RESTITUTIONS/INTERVENTIONS) - DES BUDGETS REGIONAUX - D'AUTRES SECTEURS	+ 8,3 Muce	= (1)	+ 8,3 Muce
5.1 RECETTES - RESSOURCES PROPRES DES CE (PRELEVEMENTS/DROITS DE DOUANE) - SUR CE PERIMETRE	p.m.	= (1)	p.m.
	1980	1981	1982
5.0.1 PREVISIONS DES DEPENSES	+ 8,3	+ 8,3	+ 8,3
5.1.1 PREVISIONS DES RECETTES	p.m.	p.m.	p.m.

5.2 MODE DE CALCUL :

L'impact sur les dépenses est dû à l'incidence du double taux de conversion.

Dépenses danoises pour le budget 1980 : 626,6 Muce

Coefficient du double taux de conversion avant dévaluation : 0,9964

Coefficient du double taux de conversion après dévaluation : 1,0095

6.0 FINANCEMENT POSSIBLE PAR CREDITS INSCRITS AU CHAPITRE CONCERNE DU BUDGET EN COURS D'EXECUTION  OUI  NON

6.1 FINANCEMENT POSSIBLE PAR VIREMENT ENTRE CHAPITRES DU BUDGET EN COURS D'EXECUTION  OUI  NON

6.2 NECESSITE D'UN BUDGET SUPPLEMENTAIRE  OUI  NON

6.3 CREDITS A INSCRIRE DANS LES BUDGETS FUTURS  OUI  NON

OBSERVATIONS :

(1) Compte tenu des délais de paiement l'incidence financière de cette mesure sur l'exercice 1979 est négligeable.