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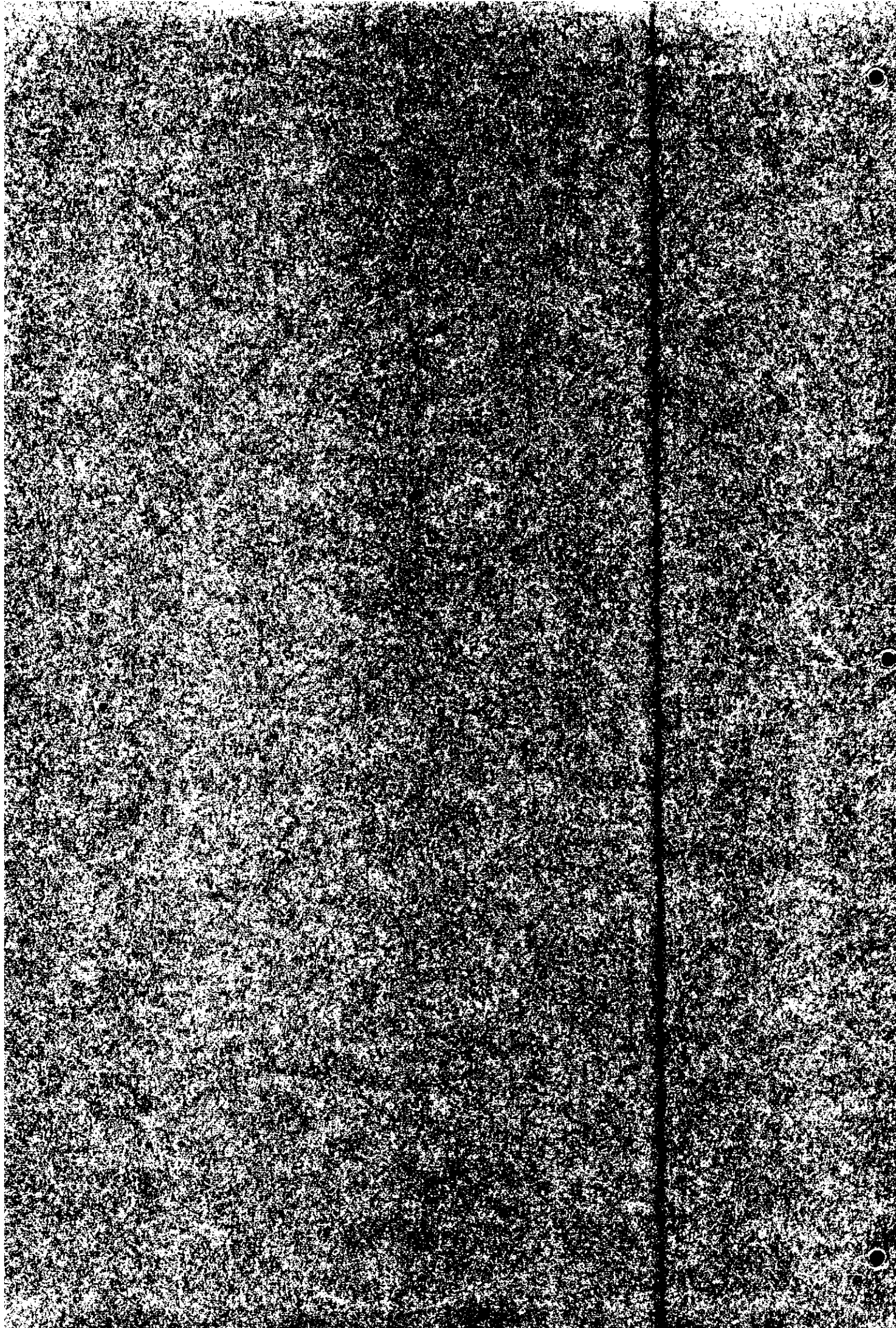
FINANCIAL STATEMENTS

Proposal for a
COUNCIL REGULATION (EEC)

relating to the fixing of representative
conversion rate in agriculture

(submitted to the Council by the Commission)

COM(77) 482 final/2



Only the reductions of 1/7 are taken into account; the introduction of new monetary compensatory amounts during the marketing year and their reduction in the following marketing year are not envisaged. All calculations therefore assume that the financial situation will remain unchanged throughout the period. The initial monetary situation is taken as that used to fix the monetary compensatory amounts and the dual rate for the 1978 Budget.

Expenditure for each marketing year is first analysed, since the representative rates are assumed to change at the beginning of each marketing year. The impact on each marketing year is then transposed to the financial year by reference to the portions of the marketing year which make up each financial year.

Financial year	Change in MCA's in relation to the status quo		Change the dual rate affect in relation to the status quo		Change in expenditure in relation to the status quo
	MCA entered in chap. 78	MCA's deducted from redunds	on COM	on MCA's	
a	b	c	d	e	f=a-c+d+e
1978	- 60,6	- 5,9	+ 9,7	+ 15,-	- 30,-
1979	- 201,7	- 22,-	+ 49,-	+ 52,-	- 78,7
1980	- 302,9	- 38,1	+ 93,-	+ 81,-	- 90,8
1981	- 403,9	- 54,3	+ 141,-	+ 102,-	- 106,6
1982	- 624,9	- 70,4	+ 194,-	+ 114,-	- 246,6
1983	- 765,8	- 86,6	+ 250,-	+ 115,-	- 314,2
1984	- 906,1	- 102,7	+ 308,-	+ 104,-	- 391,4
1985	- 985,6	- 113,-	+ 376,-	+ 93,4	- 403,2
1986	- 985,6	- 113,-	+ 420,-	+ 93,4	- 359,2
1987	- 985,6	- 113,-	+ 425,-	+ 93,4	- 354,2
1988	- 985,6	- 113,-	+ 428,-	+ 93,4	- 351,2
1989	- 985,6	- 113,-	+ 429,-	+ 93,4	- 350,2

The final effect will therefore be as follows, if there are no other factors causing changes in expenditure:

- monetary compensatory amounts: abolition	- 985.6 M u.a.
- increased expenditure on refunds as a result of the abolition of the monetary compensatory amounts deducted from their amount	+ 113 - M u.a.
- increase in the dual rate applied to market organization expenditure	+ 429 - M u.a.
- disappearance of the negative dual rate effect on monetary compensatory amounts	+ 93 - M u.a.
Total	- 350 M u.a.

FINANCIAL STATEMENT

VI/4597/77 -EN

DATE : 4.1.1978

1. IMPACT LINE CONCERNED : Chapters 780, 781 and 790

2. ACTION, MEASURE: Proposal for a Council Regulation fixing the representative conversion rates in agriculture.

3. LEGAL BASIS : Articles 28, 43 and 235 of the Treaty.

4. OBJECTIVES : Permanent adjustment of the representative rates and corresponding abolition of the monetary compensatory amounts.

5. FINANCIAL CONSEQUENCE	PER YEAR	CURRENT FINANCIAL YEAR (78)	FOLLOWING FINANCIAL YEAR (79)
5.0 EXPENDITURE -CHARGED TO THE EC BUDGET (RESEARCH/INTERVENTIONS) -CHARGED TO NATIONAL ADMINISTR. -CHARGED TO OTHER NATIONAL GROUPS	see point 5.2	- 30 million u.a.	-79 million u.a.
5.1 RECEIPTS -OWN RESOURCES OF THE EC (LEVIEN/COLLECTED EXPLOSIVES) -NATIONAL	token entry	token entry	token entry

5.0.1 ANNUAL PATTERN OF EXPENDITURE YEAR 1980 YEAR 1981 YEAR 1982
 - 90 million u.a. - 106 million u.a. -246 million u.a.

5.1.1 PLURIANNUAL PATTERN OF RECEIPTS

5.2 METHOD OF CALCULATION

See next page

6.0 FINANCING POSSIBLE WITH APPROPRIATIONS ENTERED IN RELEVANT CHAPTER OF CURRENT BUDGET? YES/NO

6.1 FINANCING POSSIBLE BY CHARGES TO NATIONAL ADMINISTRATIONS OF CURRENT BUDGET? YES/NO

6.2 FINANCING POSSIBLE BY CHARGES TO NATIONAL ADMINISTRATIONS OF FUTURE BUDGETS? YES/NO

6.3 APPROPRIATIONS TO BE ENTERED INTO FUTURE BUDGETS? YES/NO

COMMENTS : 1. The financial effect of this measure is dealt with in the document on the financial effects of the agricultural price proposals for 1978/79 and related measures (COM(77)639).