

Official Journal

of the European Communities

ISSN 0378-6978

L 8

Volume 22

12 January 1979

English edition

Legislation

Contents

I *Acts whose publication is obligatory*

Commission Regulation (EEC) No 48/79 of 11 January 1979 fixing the import levies on cereals and on wheat or rye flour, groats and meal 1

Commission Regulation (EEC) No 49/79 of 11 January 1979 fixing the premiums to be added to the import levies on cereals, flour and malt 3

Commission Regulation (EEC) No 50/79 of 11 January 1979 fixing minimum levies on the importation of olive oil and levies on the importation of other olive oil sector products 5

Commission Regulation (EEC) No 51/79 of 11 January 1979 fixing the export refunds on malt 8

★ Commission Regulation (EEC) No 52/79 of 11 January 1979 amending Regulation (EEC) No 232/75 on the sale of butter at reduced prices for use in the manufacture of pastry products and ice-cream 10

Commission Regulation (EEC) No 53/79 of 11 January 1979 fixing the refunds on cereals and on wheat or rye flour, groats and meal 11

Commission Regulation (EEC) No 54/79 of 11 January 1979 fixing the corrective amount applicable to the refund on cereals 14

II *Acts whose publication is not obligatory*

Council

79/19/EEC :

★ Council Decision of 18 December 1978 adopting the annual report on the economic situation in the Community and laying down the economic policy guidelines for 1979 16

Contents (continued)

Annex : Annual Report on the economic situation in the Community and economic policy guidelines for 1979	17
---	-----------

Corrigenda

★ Corrigendum to Council Regulation (EEC) No 2968/78 of 12 December 1978 opening, allocating and providing for the administration of a Community tariff quota for certain hand-woven fabrics, pile and chenille, falling within heading Nos ex 50.09, ex 55.07, ex 55.09 and ex 58.04 of the Common Customs Tariff (OJ No L 358, 21. 12. 1978) . . .	23
★ Corrigendum to Council Directive of 5 December 1978 amending Directives 66/401/EEC, 66/402/EEC and 69/208/EEC on the marketing of fodder plant seed, cereal seed of oil and fibre plants (OJ No L 350, 14. 12. 1978)	28
★ Corrigendum to Council Regulation (EEC) No 3089/78 of 19 December 1978 laying down general rules in respect of aid for the consumption of olive oil (OJ No L 369, 29. 12. 1978)	28

I

(Acts whose publication is obligatory)

COMMISSION REGULATION (EEC) No 48/79
of 11 January 1979
fixing the import levies on cereals and on wheat or rye flour, groats and meal

THE COMMISSION OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European
Economic Community,

Having regard to Council Regulation (EEC) No
2727/75 of 29 October 1975 on the common organiza-
tion of the market in cereals⁽¹⁾, as last amended by
Regulation (EEC) No 1254/78⁽²⁾, and in particular
Article 13 (5) thereof,

Whereas the import levies on cereals, wheat and rye
flour, and wheat groats and meal were fixed by Regula-
tion (EEC) No 2724/78⁽³⁾ and subsequent amending
Regulations ;

Whereas it follows from applying the provisions
contained in Regulation (EEC) No 2724/78 to the

offer prices and today's quotations known to the
Commission that the levies at present in force should
be altered as shown in the Annex to this Regulation,

HAS ADOPTED THIS REGULATION :

Article 1

The import levies to be charged on products listed in
Article 1 (a), (b) and (c) of Regulation (EEC) No
2727/75 are hereby fixed as shown in the table
annexed to this Regulation.

Article 2

This Regulation shall enter into force on 12 January
1979.

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

Done at Brussels, 11 January 1979.

For the Commission

Finn GUNDELACH

Vice-President

⁽¹⁾ OJ No L 281, 1. 11. 1975, p. 1.

⁽²⁾ OJ No L 156, 14. 6. 1978, p. 1.

⁽³⁾ OJ No L 329, 24. 11. 1978, p. 1.

ANNEX

to the Commission Regulation of 11 January 1979 fixing the import levies on cereals and on wheat or rye flour, groats and meal

(u.a./tonne)

CCT heading No	Description	Levies
10.01 A	Common wheat, and meslin	86.06
10.01 B	Durum wheat	123.54 ⁽¹⁾ ⁽⁵⁾
10.02	Rye	89.93 ⁽⁶⁾
10.03	Barley	91.33
10.04	Oats	87.38
10.05 B	Maize, other than hybrid maize for sowing	79.86 ⁽²⁾ ⁽³⁾
10.07 A	Buckwheat	4.65
10.07 B	Millet	73.87 ⁽⁴⁾
10.07 C	Grain sorghum	82.20 ⁽⁴⁾
10.07 D	Canary seed; other cereals	0 ⁽⁵⁾
11.01 A	Wheat or meslin flour	131.97
11.01 B	Rye flour	137.38
11.02 A I a)	Durum wheat groats and meal	202.47
11.02 A I b)	Common wheat groats and meal	141.63

⁽¹⁾ Where durum wheat originating in Morocco is transported directly from that country to the Community, the levy is reduced by 0.50 u.a./tonne.

⁽²⁾ Where maize originating in the ACP or OCT is imported into the French overseas departments the levy is reduced by 6 u.a./tonne as provided for in Regulation (EEC) No 706/76.

⁽³⁾ Where maize originating in the ACP or OCT is imported into the Community the levy is reduced by 1.50 u.a./tonne.

⁽⁴⁾ Where millet and sorghum originating in the ACP or OCT is imported into the Community the levy is reduced by 50 %.

⁽⁵⁾ Where durum wheat and canary seed produced in Turkey are transported directly from that country to the Community, the levy is reduced by 0.50 u.a./tonne.

⁽⁶⁾ The import levy charged on rye produced in Turkey and transported directly from that country to the Community is laid down in Council Regulation (EEC) No 1180/77 and Commission Regulation (EEC) No 2622/71.

COMMISSION REGULATION (EEC) No 49/79**of 11 January 1979****fixing the premiums to be added to the import levies on cereals, flour and malt**

THE COMMISSION OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European
Economic Community,

Having regard to Council Regulation (EEC) No
2727/75 of 29 October 1975 on the common organ-
ization of the market in cereals ⁽¹⁾, as last amended by
Regulation (EEC) No 1254/78 ⁽²⁾, and in particular
Article 15 (6) thereof,

Whereas the premiums to be added to the levies on
cereals and malt were fixed by Regulation (EEC) No
2725/78 ⁽³⁾ and subsequent amending Regulations ;

Whereas, on the basis of today's cif prices and cif
forward delivery prices, the premiums at present in
force, which are to be added to the levies, should be

altered as shown in the tables annexed to this Regula-
tion,

HAS ADOPTED THIS REGULATION :

Article 1

The scale of the premiums to be added, pursuant to
Article 15 of Regulation (EEC) No 2727/75, to the
import levies fixed in advance in respect of cereals
and malt is hereby fixed as shown in the tables
annexed to this Regulation.

Article 2

This Regulation shall enter into force on 12 January
1979.

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

Done at Brussels, 11 January 1979.

For the Commission

Finn GUNDELACH

Vice-President

⁽¹⁾ OJ No L 281, 1. 11. 1975, p. 1.

⁽²⁾ OJ No L 156, 14. 6. 1978, p. 1.

⁽³⁾ OJ No L 329, 24. 11. 1978, p. 4.

ANNEX

to the Commission Regulation of 11 January 1979 fixing the premiums to be added to the import levies on cereals, flour and malt

A. Cereals and flour

(u.a./tonne)

CCT heading No	Description	Current 1	1st period 2	2nd period 3	3rd period 4
10.01 A	Common wheat, and meslin	0	0	0	0
10.01 B	Durum wheat	0	0	0	0
10.02	Rye	0	0	0	0
10.03	Barley	0	3.81	3.81	3.81
10.04	Oats	0	0	0	0
10.05 B	Maize, other than hybrid maize for sowing	0	0	0	0.45
10.07 A	Buckwheat	0	0	0	0
10.07 B	Millet	0	0	0	0
10.07 C	Grain sorghum	0	0	0	1.81
10.07 D	Other cereals	0	0	0	0
11.01 A	Wheat or meslin flour	0	0	0	0

B. Malt

(u.a./tonne)

CCT heading No	Description	Current 1	1st period 2	2nd period 3	3rd period 4	4th period 5
11.07 A I (a)	Unroasted malt, obtained from wheat, in the form of flour	0	0	0	0	0
11.07 A I (b)	Unroasted malt, obtained from wheat, other than in the form of flour	0	0	0	0	0
11.07 A II (a)	Unroasted malt, other than that obtained from wheat, in the form of flour	0	6.78	6.78	6.78	6.78
11.07 A II (b)	Unroasted malt, other than that obtained from wheat, other than in the form of flour	0	5.07	5.07	5.07	5.07
11.07 B	Roasted malt	0	5.91	5.91	5.91	5.91

COMMISSION REGULATION (EEC) No 50/79

of 11 January 1979

fixing minimum levies on the importation of olive oil and levies on the importation of other olive oil sector products

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation No 136/66/EEC of 22 September 1966 on the establishment of a common organization of the market in oils and fats⁽¹⁾, as last amended by Regulation (EEC) No 1562/78⁽²⁾, and in particular Article 16 (2) thereof,

Having regard to Council Regulation (EEC) No 2749/78 of 23 November 1978 on trade in oils and fats between the Community and Greece⁽³⁾, and in particular Article 5 (2) thereof,

Having regard to Council Regulation (EEC) No 1514/76 of 24 June 1976 on imports of olive oil originating in Algeria⁽⁴⁾, as amended by Regulation (EEC) No 2761/78⁽⁵⁾, and in particular Article 5 thereof,

Having regard to Council Regulation (EEC) No 1521/76 of 24 June 1976 on imports of olive oil originating in Morocco⁽⁶⁾, as last amended by Regulation (EEC) No 2761/78, and in particular Article 5 thereof,

Having regard to Council Regulation (EEC) No 1508/76 of 24 June 1976 on imports of olive oil originating in Tunisia⁽⁷⁾, as amended by Regulation (EEC) No 2761/78, and in particular Article 5 thereof,

Having regard to Council Regulation (EEC) No 1180/77 of 17 May 1977 on imports into the Community of certain agricultural products originating in Turkey⁽⁸⁾, as amended by Regulation (EEC) No 2766/78⁽⁹⁾, and in particular Article 10 (2) thereof,

Having regard to Council Regulation (EEC) No 1620/77 of 18 July 1977 laying down detailed rules for the importation of olive oil from Lebanon⁽¹⁰⁾,

Whereas by Regulation (EEC) No 3131/78 of 28 December 1978⁽¹¹⁾ the Commission decided to use the tendering procedure to fix levies on olive oil;

Whereas Article 3 of Regulation (EEC) No 2751/78 of 23 November 1978 laying down general rules for fixing the import levy on olive oil by tender⁽¹²⁾ specifies that the minimum levy rate shall be fixed for each of the products concerned on the basis of the situation on the world or Greek markets and the Community market and of the levy rates indicated by tenderers;

Whereas in the collection of the levy account should be taken of the provisions in the Agreements between the Community and certain third countries; whereas in particular the levy applicable for those countries must be fixed taking as a basis for calculation the levy to be collected on imports from the other third countries;

Whereas application of the rules recalled above to the levy rates indicated by tenderers on 8 and 9 January 1979 leads to the minimum levies being fixed as indicated in Annex I to this Regulation;

Whereas the import levy on olives falling within subheadings 07.01 N II and 07.03 A II of the Common Customs Tariff and on products falling within subheadings 15.17 B I and 23.04 A II of the Common Customs Tariff must be calculated from the minimum levy applicable on the olive oil contained in these products; whereas, however, the levy charged for olive oil may not be less than an amount equal to 8 % of the value of the imported product, such amount to be fixed at a standard rate; whereas application of these provisions leads to the levies being fixed as indicated in Annex II to this Regulation,

(1) OJ No 172, 30. 9. 1966, p. 3025/66.

(2) OJ No L 185, 7. 7. 1978, p. 1.

(3) OJ No L 331, 28. 11. 1978, p. 1.

(4) OJ No L 169, 28. 6. 1976, p. 24.

(5) OJ No L 332, 29. 11. 1978, p. 13.

(6) OJ No L 169, 28. 6. 1976, p. 43.

(7) OJ No L 169, 28. 6. 1976, p. 9.

(8) OJ No L 142, 9. 6. 1977, p. 10.

(9) OJ No L 332, 29. 11. 1977, p. 26.

(10) OJ No L 181, 21. 7. 1977, p. 4.

(11) OJ No L 370, 30. 12. 1978, p. 60.

(12) OJ No L 331, 28. 11. 1978, p. 6.

HAS ADOPTED THIS REGULATION :

Article 1

The minimum levies on olive oil imports are fixed in Annex I.

Article 2

The levies applicable on imports of other olive oil sector products are fixed in Annex II.

Article 3

This Regulation shall enter into force on 12 January 1979.

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

Done at Brussels, 11 January 1979.

For the Commission

Finn GUNDELACH

Vice-President

ANNEX I

Minimum import levies on olive oil

(u.a./100 kg)

CCT heading No	Greece	Non-member countries
15.07 A I a)	29·00 ⁽¹⁾	54·00 ⁽¹⁾
15.07 A I b)	28·00 ⁽¹⁾	53·00 ⁽¹⁾
15.07 A I c)	32·00 ⁽¹⁾	56·00 ⁽¹⁾
15.07 A II a)	35·00	63·00 ⁽²⁾
15.07 A II b)	48·00	88·00 ⁽³⁾

⁽¹⁾ For imports of oil falling within this tariff subheading and produced entirely in one of the countries listed below and transported directly from any of those countries to the Community, the levy to be collected is reduced by :

- (a) Greece, Spain and Lebanon : 0·50 u.a./100 kg ;
- (b) Turkey : 18·50 u.a./100 kg provided that the operator furnishes proof of having paid the export tax applied by that country ; however, the repayment may not exceed the amount of the tax in force ;
- (c) Algeria, Morocco, Tunisia : 20·50 u.a./100 kg provided that the operator furnishes proof of having paid the export tax applied by those countries ; however, the repayment may not exceed the amount of the tax in force.

⁽²⁾ For imports of oil falling within this tariff subheading :

- (a) produced entirely in Algeria, Morocco or Tunisia and transported directly from any of those countries to the Community, the levy to be collected is reduced by 3·20 u.a./100 kg ;
- (b) produced entirely in Turkey and transported directly from that country to the Community, the levy to be collected is reduced by 2·56 u.a./100 kg.

⁽³⁾ For imports of oil falling within this tariff subheading :

- (a) produced entirely in Algeria, Morocco or Tunisia and transported directly from any of those countries to the Community, the levy to be collected is reduced by 6 u.a./100 kg ;
- (b) produced entirely in Turkey and transported directly from that country to the Community, the levy to be collected is reduced by 4·80 u.a./100 kg.

ANNEX II

Import levies on other olive oil sector products

(u.a./100 kg)

CCT heading No	Greece	Non-member countries
07.01 N II	6·00	11·00
07.03 A II	6·00	11·00
15.17 B I a)	14·00	27·00
15.17 B I b)	22·00	42·00
23.04 A II	3·00	4·00

COMMISSION REGULATION (EEC) No 51/79

of 11 January 1979

fixing the export refunds on malt

THE COMMISSION OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European
Economic Community,

Having regard to Council Regulation (EEC) No
2727/75 of 29 October 1975 on the common organiza-
tion of the market in cereals ⁽¹⁾, as last amended by
Regulation (EEC) No 1254/78 ⁽²⁾, and in particular the
fourth subparagraph of Article 16 (2) thereof;

Having regard to the opinion of the Monetary
Committee,

Whereas Article 16 of Regulation (EEC) No 2727/75
provides that the difference between quotations or
prices on the world market for the products listed in
Article 1 of those Regulations and prices for those
products within the Community may be covered by
an export refund;

Whereas Article 2 of Council Regulation (EEC) No
2746/75 of 29 October 1975 laying down general
rules for granting export refunds on cereals and
criteria for fixing the amount of such refunds ⁽³⁾,
provides that when refunds are being fixed account
must be taken of the existing situation and the future
trend with regard to prices and availabilities of cereals
on the Community market on the one hand and
prices for cereals on the world market on the other;
whereas the same Article provides that it is also impor-
tant to ensure equilibrium and the natural develop-
ment of prices and trade on the markets in cereals
and furthermore, to take into account the economic
aspect of the proposed exports, and the need to avoid
disturbances on the Community market;

Whereas Council Regulation (EEC) No 2744/75 of 29
October 1975 on the import and export system for
products processed from cereals and from rice ⁽⁴⁾, as
last amended by Regulation (EEC) No 2245/78 ⁽⁵⁾,
defines the specific criteria to be taken into account
when the refund on these products is being calcu-
lated;

Whereas it follows from applying these rules and
criteria to the present situation on the market in
products processed from cereals and rice that the
export refund should be fixed at an amount which
will cover the difference between Community prices
and world market prices;

Whereas the world market situation or the specific
requirements of certain markets may make it neces-
sary to vary the refund for certain products according
to destination;

Whereas, if the refund system is to operate normally,
refunds should be calculated on the following basis:

- in the case of currencies which are maintained in
relation to each other at any given moment within
a band of 2.25 %, a rate of exchange based on
their effective parity;
- for other currencies, an exchange rate based on the
arithmetic mean of the spot market rates of each
of these currencies recorded for a given period in
relation to the Community currencies referred to
in the previous subparagraph;

Whereas the refund must be fixed once a month;
whereas it may be altered in the intervening period;

Whereas the measures provided for in this Regulation
are in accordance with the opinion of the Manage-
ment Committee for Cereals,

HAS ADOPTED THIS REGULATION:

Article 1

The export refunds on malt listed in Article 1 (d) of
Regulation (EEC) No 2727/75 subject to Regulation
(EEC) No 2744/75 are hereby fixed as shown in the
Annex to this Regulation.

Article 2

This Regulation shall enter into force on 12 January
1979.

⁽¹⁾ OJ No L 281, 1. 11. 1975, p. 1.

⁽²⁾ OJ No L 156, 14. 6. 1978, p. 1.

⁽³⁾ OJ No L 281, 1. 11. 1975, p. 78.

⁽⁴⁾ OJ No L 281, 1. 11. 1975, p. 65.

⁽⁵⁾ OJ No L 273, 29. 9. 1978, p. 1.

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

Done at Brussels, 11 January 1979.

For the Commission

Finn GUNDELACH

Vice-President

ANNEX

to the Commission Regulation of 11 January 1979 fixing the export refunds on malt

<i>(u.a./tonne)</i>	
CCT heading No	Refund
11.07 A I b)	82.46
11.07 A II b)	105.04
11.07 B	122.42

COMMISSION REGULATION (EEC) No 52/79

of 11 January 1979

amending Regulation (EEC) No 232/75 on the sale of butter at reduced prices for use in the manufacture of pastry products and ice-cream

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 804/68 of 27 June 1968 on the common organization of the market in milk and milk products⁽¹⁾, as last amended by Regulation (EEC) No 1761/78⁽²⁾, and in particular Article 6 (7) thereof,

Having regard to Council Regulation (EEC) No 985/68 of 15 July 1968 laying down general rules for intervention on the market in butter and cream⁽³⁾, as last amended by Regulation (EEC) No 2714/72⁽⁴⁾, and in particular Article 7a thereof,

Whereas Commission Regulation (EEC) No 232/75 of 30 January 1975 on the sale of butter at reduced prices for use in the manufacture of pastry products and ice-cream⁽⁵⁾, as last amended by Regulation (EEC) No 1325/78⁽⁶⁾, lays down that butter put up for

sale must have entered into storage before 1 March 1978; whereas, as a result of the development of stocks in the Community, this date should be changed to 1 July 1978;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Milk and Milk Products,

HAS ADOPTED THIS REGULATION:

Article 1

In Article 1 of Regulation (EEC) No 232/75 the date '1 March 1978' is hereby replaced by '1 July 1978'.

Article 2

This Regulation shall enter into force on the day of 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, 11 January 1979.

For the Commission

Finn GUNDELACH

Vice-President

⁽¹⁾ OJ No L 148, 28. 6. 1968, p. 13.

⁽²⁾ OJ No L 204, 28. 7. 1978, p. 6.

⁽³⁾ OJ No L 169, 18. 7. 1968, p. 1.

⁽⁴⁾ OJ No L 291, 28. 12. 1972, p. 15.

⁽⁵⁾ OJ No L 24, 31. 1. 1975, p. 45.

⁽⁶⁾ OJ No L 159, 17. 6. 1978, p. 26.

COMMISSION REGULATION (EEC) No 53/79

of 11 January 1979

fixing the refunds on cereals and on wheat or rye flour, groats and meal

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals⁽¹⁾, as last amended by Regulation (EEC) No 1254/78⁽²⁾, and in particular the first sentence of the fourth subparagraph of Article 16 (2) thereof,

Having regard to the opinion of the Monetary Committee,

Whereas Article 16 of Regulation (EEC) No 2727/75 provides that the difference between quotations or prices on the world market for the products listed in Article 1 of that Regulation and prices for those products in the Community may be covered by an export refund;

Whereas Article 2 of Council Regulation No (EEC) No 2746/75 of 29 October 1975 laying down general rules for granting export refunds on cereals and criteria for fixing the amount of such refunds⁽³⁾, provides that when refunds are being fixed account must be taken of the existing situation and the future trend with regard to prices and availabilities of cereals on the Community market on the one hand and prices for cereals and cereal products on the world market on the other; whereas the same article provides that it is also important to ensure equilibrium and the natural development of prices and trade on cereal markets and, furthermore, to take into account the economic aspect of the proposed exports and the need to avoid disturbances on the Community market;

Whereas Article 3 of Regulation (EEC) No 2746/75 defines the specific criteria to be taken into account when the refund on cereals is being calculated;

Whereas these specific criteria are defined, as far as wheat and rye flour, groats and meal are concerned, in Article 4 of Regulation (EEC) No 2746/75; whereas, furthermore, when the refund on these products is being calculated, account must be taken of the quantities of cereals required for their manufacture; whereas

these quantities were fixed in Regulation No 162/67/EEC⁽⁴⁾, as amended by Regulation (EEC) No 1607/71⁽⁵⁾;

Whereas the world market situation or the specific requirements of certain markets may make it necessary to vary the refund for certain products according to destination;

Whereas the refund must be fixed at least once a month; whereas it may be altered in the intervening period;

Whereas, if the refund system is to operate normally, refunds should be calculated on the following basis:

- in the case of currencies which are maintained in relation to each other at any given moment within a band of 2.25 %, a rate of exchange based on their effective parity;
- for other currencies, an exchange rate based on the arithmetic mean of the spot market rates of each of these currencies recorded for a given period in relation to the Community currencies referred to in the previous subparagraph;

Whereas it follows from applying the rules outlined above to the present situation on the market in cereals, and in particular to quotations or prices for these products within the Community and on the world market, that the refunds should be fixed as shown in the Annex to this Regulation;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Cereals,

HAS ADOPTED THIS REGULATION:

Article 1

The refunds on the products listed in Article 1 (a), (b) and (c) of Regulation (EEC) No 2727/75, exported in the natural state, are hereby fixed as shown in the Annex to this Regulation.

Article 2

This Regulation shall enter into force on 12 January 1979.

⁽¹⁾ OJ No L 281, 1. 11. 1975, p. 1.

⁽²⁾ OJ No L 156, 14. 6. 1978, p. 1.

⁽³⁾ OJ No L 281, 1. 11. 1975, p. 78.

⁽⁴⁾ OJ No 128, 27. 6. 1967, p. 2574/67.

⁽⁵⁾ OJ No L 168, 27. 7. 1971, p. 16.

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

Done at Brussels, 11 January 1979.

For the Commission

Finn GUNDELACH

Vice-President

ANNEX

to the Commission Regulation of 11 January 1979 fixing the refunds on cereals and on wheat or rye flour, groats and meal

CCT heading No	Description	Refund (u.a. / tonne)
10.01 A	Common wheat and meslin : — for exports to : — Switzerland, Austria and Liechtenstein — Zones I, II, III, IV, V, VI and VII — other third countries	65.00 0 71.00
10.01 B	Durum wheat	0
10.02	Rye : — for exports to : — Switzerland, Austria and Liechtenstein — other third countries	70.00 80.00
10.03	Barley : — for exports to : — Switzerland, Austria and Liechtenstein — Zones I, II, III, IV, V and VI — other third countries	70.00 0 76.00
10.04	Oats	60.00
10.05 B	Maize, other than hybrid maize for sowing	—
10.07 C	Grain sorghum	—
ex 11.01 A	Wheat flour : — of an ash content of 0 to 520 — of an ash content of 521 to 600 — of an ash content of 601 to 900 — of an ash content of 901 to 1 100 — of an ash content of 1 101 to 1 650 — of an ash content of 1 651 to 1 900	114.00 114.00 104.00 104.00 94.00 94.00
ex 11.01 B	Rye flour : — of an ash content of 0 to 700 — of an ash content of 701 to 1 150 — of an ash content of 1 151 to 1 600 — of an ash content of 1 601 to 2 000	103.00 103.00 103.00 103.00
11.02 A I a)	Durum wheat groats and meal : — of an ash content of 0 to 950 — of an ash content of 951 to 1 300 — of an ash content of 1 301 to 1 500	166.00 166.00 166.00
11.02 A I b)	Common wheat groats and meal : — of an ash content of 0 to 520	114.00

N.B. The zones are those defined in Regulation (EEC) No 1124/77 (OJ No L 134, 28. 5. 1977).

COMMISSION REGULATION (EEC) No 54/79

of 11 January 1979

fixing the corrective amount applicable to the refund on cereals

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals⁽¹⁾, as last amended by Regulation (EEC) No 1254/78⁽²⁾, and in particular the third sentence of the second subparagraph of Article 16 (4) thereof,

Having regard to Council Regulation (EEC) No 2746/75 of 29 October 1975 laying down general rules for granting export refunds on cereals and criteria for fixing the amount of such refunds⁽³⁾,

Having regard to the opinion of the Monetary Committee,

Whereas Article 16 (4) of Regulation (EEC) No 2727/75 provides that the export refund applicable to cereals on the day on which application for an export licence is made, adjusted for the threshold price in force during the month of exportation, must be applied on request to exports to be effected during the period of validity of the export licence; whereas, in this case, the corrective amount must be applied to the refund;

Whereas Council Regulation (EEC) No 2744/75 of 29 October 1975 on the import and export system for products processed from cereals and from rice⁽⁴⁾, as last amended by Regulation (EEC) No 2245/78⁽⁵⁾, made possible the fixing of a corrective amount for certain products listed in Article 1 (c) of Regulation (EEC) No 2727/75;

Whereas Regulation (EEC) No 1281/75⁽⁶⁾ laid down detailed rules for the advance fixing of export refunds for cereals and certain products processed from cereals;

Whereas, pursuant to that Regulation, when the corrective amount is being fixed account must be taken of the existing situation and the future trend with regard to prices and availabilities of cereals on the Commu-

nity market on the one hand and prices for cereals and cereal products on the world market on the other; whereas the same Article provides that it is also important to ensure equilibrium and the natural development of prices and trade on cereal markets and, furthermore, to take into account the economic aspect of the proposed exports and the need to avoid disturbances on the Community market;

Whereas for the products listed in Article 1 (c) of Regulation (EEC) No 2727/75 account should be taken of the specific criteria laid down in Article 2 (2) of Regulation (EEC) No 1281/75;

Whereas the world market situation or the specific requirements of certain markets may make it necessary to vary the corrective amount according to destination;

Whereas the corrective amount must be fixed at the same time as the refund and according to the same procedure;

Whereas it may be altered in the period between fixings;

Whereas, if the system of corrective amounts is to operate normally, corrective amounts should be calculated on the following basis:

- in the case of currencies which are maintained in relation to each other at any given moment within a band of 2.25 %, a rate of exchange based on their effective parity;
- for other currencies, an exchange rate based on the arithmetic mean of the spot market rates of each of these currencies recorded for a given period in relation to the Community currencies referred to in the preceding subparagraph;

Whereas it follows from applying the provisions referred to above that the corrective amount must be fixed as shown in the table annexed to this Regulation;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Cereals,

(1) OJ No L 281, 1. 11. 1975, p. 1.

(2) OJ No L 156, 14. 6. 1978, p. 1.

(3) OJ No L 281, 1. 11. 1975, p. 78.

(4) OJ No L 281, 1. 11. 1975, p. 65.

(5) OJ No L 273, 29. 9. 1978, p. 1.

(6) OJ No L 131, 22. 5. 1975, p. 15.

HAS ADOPTED THIS REGULATION :

hereby fixed as shown in the table annexed to this Regulation.

Article 1

The corrective amount referred to in Article 16 (4) of Regulation (EEC) No 2727/75 which is applicable to export refunds fixed in advance in respect of cereals is

Article 2

This Regulation shall enter into force on 12 January 1979.

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

Done at Brussels, 11 January 1979.

For the Commission

Finn GUNDELACH

Vice-President

ANNEX

to the Commission Regulation of 11 January 1979 fixing the corrective amount applicable to the refund on cereals

(u.c. / tonne)

CCT heading No	Description	Current 1	1st period 2	2nd period 3	3rd period 4	4th period 5	5th period 6	6th period 7
10.01 A	Common wheat, and meslin	0	0	0	0	0	—	—
10.01 B	Durum wheat	0	0	0	—	—	—	—
10.02	Rye	0	0	0	0	0	—	—
10.03	Barley	0	+ 1.50	+ 1.50	+ 1.50	+ 1.50	—	—
10.04	Oats	0	0	0	—	—	—	—
10.05 B	Maize other than hybrid maize for sowing	—	—	—	—	—	—	—
10.07 C	Grain sorghum	—	—	—	—	—	—	—
11.01 A	Common wheat flour	0	0	0	0	0	—	—
11.01 B	Rye flour	0	0	0	0	0	—	—
11.02 A I a)	Durum wheat groats and meal	0	0	0	0	0	—	—
11.02 A I b)	Common wheat groats and meal	0	0	0	0	0	—	—

II

(Acts whose publication is not obligatory)

COUNCIL

COUNCIL DECISION

of 18 December 1978

adopting the annual report on the economic situation in the Community and
laying down the economic policy guidelines for 1979

(79/19/EEC)

THE COUNCIL OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European
Economic Community,

Having regard to Council Decision 74/120/EEC of 18
February 1974 on the attainment of a high degree of
convergence of the economic policies of the Member
States of the European Economic Community ⁽¹⁾, as
amended by Decision 75/787/EEC ⁽²⁾, and in parti-
cular Article 4 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European
Parliament ⁽³⁾,

Having regard to the opinion of the Economic and
Social Committee ⁽⁴⁾,

Whereas, in adopting Decision 78/658/EEC ⁽⁵⁾, the
Council approved the analysis of the economic situa-
tion set out in the Commission communication of 24
July 1978 concerning in particular the preparation of
the public budgets for 1979; whereas, in accordance
with that Decision, the Member States shall pursue
economic policies in conformity with the guidelines

on the preparation of the public budgets for 1979,
which are specified in the Annex to Decision
78/658/EEC,

HAS ADOPTED THIS DECISION:

Article 1

The Council hereby adopts the annual report on the
economic situation in the Community as contained in
Sections 1 to 4 of the Annex and lays down the guide-
lines to be followed by each Member State in its
economic policy for 1979, as contained in Section 5
of the Annex.

Article 2

This Decision is addressed to the Member States.

Done at Brussels, 18 December 1978.

For the Council

The President

H. MATTHÖFER

⁽¹⁾ OJ No L 63, 5. 3. 1974, p. 16.

⁽²⁾ OJ No L 330, 24. 12. 1975, p. 52.

⁽³⁾ OJ No C 296, 11. 12. 1978, p. 63.

⁽⁴⁾ Opinion delivered on 29 and 30 November 1978 (not yet
published in the Official Journal).

⁽⁵⁾ OJ No L 220, 11. 8. 1978, p. 27.

ANNEX

ANNUAL REPORT

ON THE ECONOMIC SITUATION IN THE COMMUNITY AND ECONOMIC
POLICY GUIDELINES FOR 1979

1. Community objectives

The theme of this report is that, while the economic performance of the Community is in several respects improving, the time has come for a stronger development of the Community's central economic mechanisms and procedures. This is aimed at enabling the Community to do still better in its economic performance in the period ahead. The objective is to provide a more effective common framework in both the economic and monetary domains for national efforts to secure the shared objectives of high employment and living standards, and monetary stability. Put another way round, the objective is to reverse through action at the Community level the undermining of the effectiveness of purely national economic policy that has resulted from the increased integration of the economies of Member States in the European and international economy.

While intent on building up its economic and monetary system from within, the Community is also seeking to strengthen the basis for its cooperation with third countries. This is illustrated by the positive collaboration that was in fact achieved in the summer of 1978 between the Community and the other participants in the Bonn Western economic summit; as also by the Community's intention that the European

monetary system be open for associated participation by non-member States having particularly close economic links with the Community. Moreover a major purpose of strengthening the Community's economic and monetary policy system is, through achieving a sounder basis for internal growth, to restore conditions favourable to a rapid growth of an open world trading system and, thus also to a continuous evolution of economic structures. This adjustment process must aim at an efficient division of labour between industrialized countries and the fullest opportunity for the growth of developing countries. Thus a strengthened economic and monetary policy is aimed at supporting the positive adjustment objectives of the Community's trade and sectoral policies.

2. The economic outlook

The task of adjusting the Community economy to the difficult economic conditions prevailing since the oil crisis in 1973 is broadly portrayed in the following data — although, of course, there have been major differences in the experiences of individual Member States. The data for 1978 contain an element of estimation and forecasting by the Commission, and for 1979 they are Commission forecasts on the basis of policies described in this report:

The Community economy 1973 to 1979

	GDP volume growth (%)	Rise in consumer prices (%)	Current account balance of payments (billion EUA)	General government financial deficits (% GDP)	Money supply growth (m2) (%)	Unemployed in labour force (%)
1973	5.7	8.3	1.6	— 0.9	16.5	2.5
1974	1.7	12.8	— 9.2	— 1.7	12.8	2.9
1975	— 1.7	12.8	1.2	— 5.2	12.7	4.4
1976	4.9	10.0	— 6.3	— 3.7	11.1	5.0
1977	2.3	9.1	1.7	— 3.2	12.5	5.5
1978	(2.6)	(6.9)	(8.3)	(— 4.1)	—	(5.7)
1979	(3.5)	(7)	(8.5)	(— 4.5)	—	(5.6)

The years immediately after 1973 saw, to some extent, a volatile stop-go in the Community economy, which has to be avoided in the future. The period ahead is seen as being one of gradual rather than dramatic economic recovery. The growth rate is now strengthening, and valuable improvements have been made in price performance and in the external payments situations. The dispersion of inflation rates has been reduced as well as the average, and the current account payments situations have become much more balanced (the deficits of France, Italy and the United Kingdom have been reduced or reversed, and Belgium and The Netherlands have moved into balance of slight deficit — although the surplus of the Federal Republic of Germany has not declined). Unemployment appears to have peaked in the Community as a whole, and progress is beginning to be made in some Member States for its reduction.

3. Concerted action

The stronger economic outlook for 1979, with a prospect of real growth of nearly 3.5 % is partly due to the concerted action decided by the Council on 24 July 1978 ⁽¹⁾, in implementation of the conclusions of the European Council of 6 and 7 July 1978 meeting in Bremen, and of the Western economic summit of 16 and 17 July meeting in Bonn — at which the Community was represented by the President of the Council and the President of the Commission.

The meetings at Bremen and Bonn decided on a broad range of policies beyond budgetary and monetary policy, and notably at Bremen on specific measures to promote employment, to strengthen the Community's energy situation, to facilitate structural change in industry and the Mediterranean region, to strengthen the open world trading system and to aid the developing countries. The Bonn meeting reached further agreement at the broader international level on largely the same policy issues.

The aim of concerted action in the field of macroeconomic policy at the Community level is to achieve a higher economic performance than would otherwise be possible, by making the use of macroeconomic policy instruments more effective.

More precisely, the economic rationale of concerted action is that :

- purely national action, in economies with large external trade sectors, will to a high degree be dissipated through the leakage of demand abroad ; thus the multiplier effect of stimulatory action on the domestic economy will be lower than in a less open economy,

- this makes it less attractive to use possible room for manoeuvre in demand management policy, since, for example, the fiscal pay-back of budgetary measures is diminished in amplitude and the necessary confidence of consumers and investors weakened,
- this kind of preoccupation has been reinforced by doubts in industrial and financial circles as to whether expansionary action would have the desired effect on the real economy as opposed to an adverse effect on inflation and foreign exchange market expectations ; and by concern in many Member States that the public finances have grown excessively in relations to the GNP,
- the antidote to these problems must, at least in part, be to pool national initiatives into a broader and coherent Community action, and so to restore the prospect of favourable multiplier effects, a more rapid fiscal pay-back to demand management moves, and create a higher probability of inducing the real response from the private economy, rather than an aggravation on monetary instability.

Beyond these general principles, however, the present Community action is more ambitious and concrete in further respects.

There is the particular case of Member States whose economies are in the greatest need of monetary stabilization and development. A deliberate concerted action by the remainder of the Community economy to strengthen demand improves the setting for domestic stabilization policies. In all stabilization programmes there is the problem of strengthening the monetary and public finances situation without creating recession. The preparation of such stabilization programmes alongside a concerted recovery programme for the majority of the Community increases the chances of success and diminishes the risks inherent in stabilization policy. Ireland and Italy are both cases in point. This is why, as noted already in the terms of the concerted action decision of 24 July, in the cases of Ireland and Italy the Community strategy includes a priority in the allocation of its financial resources in favour of investment and employment in these countries.

There is also the need to systematize and strengthen for the future the most positive features of 1978's concerted action experience and to identify the precise means of increasing its potential. The coordination process must be anchored in a more explicit setting of final objectives of economic and financial policy and monitoring of performance. The setting of

⁽¹⁾ OJ No L 220, 11. 8. 1978, p. 27.

final objectives has to be worked through at the technical level more thoroughly in terms of the collective analysis of forecasts and instrumental objectives. The synchronization of national budgetary and monetary policy timetables has to be further improved in some countries. The link at the Community level in the decision-making process between the technical and political levels has improved in the course of the work that led to the 1978 concerted action decision, and this progress needs to be built on for the future. Moreover the European monetary system will itself (as indicated further below) strengthen the need for progress in the area of harmonization of budgetary and monetary policy.

4. European monetary system

Monetary stability is a priority objective in itself. But it is also the route through which to restore effectiveness to the instruments of macroeconomic policy. Nothing is more damaging to the effectiveness of demand management policy and growth than to have to try to operate on a disturbed basis of domestic or external monetary instability.

Member States with revaluing and devaluing currencies, especially where there have been overshooting or exaggerated movements, have the common experience of recent years of being unable to obtain full satisfaction from demand management policy in the prevailing conditions of domestic and/or external monetary instability. Countries with revaluing currencies have found business investors unresponsive to expansionary policy moves where great uncertainty has surrounded their international competitive situation and the prospects for demand abroad. Countries with devaluing currencies have experienced how strongly and quickly exchange-rate depreciation can aggravate domestic inflation and also create a climate of uncertainty and instability detrimental to the objective of inducing a strong flow of new, competitive investment.

These are the economic reasons which have led the Community to establish a European monetary system as of 1 January 1979.

The economic policy implications of the European monetary system envisaged can be indicated in broad terms.

The system will provide a more clear-cut frame of reference for domestic monetary stabilization policy, although the choice of instruments of stabilization policy will no doubt continue to differ as between Member States. However, the system will in any case need, in spite of the difficulties it involves, a coordina-

tion of monetary policies in the Community framework, which takes account not only of their direct effects on financial markets but also of their contribution to the overall macroeconomic policies of individual countries.

The availability of larger volumes of credit implies that there will be a larger recourse within the Community to the collective negotiation of economic policy conditions accompanying credits of relatively long maturity.

The successful functioning of the system will also require that the Community as a whole strikes the right balance in policies for stabilization and growth, i.e. to aim at convergence on a low rate of inflation and stronger growth. To this end all Member States must accept obligations to manage their economic policies accordingly.

In these respects the functioning of the European monetary system will be strongly linked to the further development of the 'concerted action' approach to economic policy in the Community.

Above all, for the system to be credible and durable further progress will have to be made in reducing the average and the dispersion of inflation rates; the progress achieved in external payments situations will have to be consolidated; a steady expansion of real demand and output will have to be maintained, with special responsibilities assumed by the most strongly placed Member States.

5. Guidelines for 1979

The guidelines that follow carry forward and extend the concerted action decision of 24 July. The present time is therefore a significant one for economic policy not only because of the preparation of the European monetary system, but also because it is a period of implementation of the decision of July.

In particular the budgetary measures decided by the Federal Republic of Germany on 28 July have now passed through the legislature. France has since implemented a larger budget deficit in 1978, and the United Kingdom's expansionary 1978/79 budget has been enacted. Belgium and the Netherlands have been adopting important new budget policy programmes in which the future growth of public expenditure is being constrained more tightly, permitting nonetheless a positive short-run policy stimulus to the concerted action programme. Luxembourg is proceeding with its stimulative measures. Denmark, while retaining a moderately expansionary policy, has taken steps to strengthen its public finance situation and its stabilization policies more broadly. Ireland and

Italy are both in the course of preparing major changes in budgetary policy following the 'green papers' of earlier this year in Ireland and the 'Pandolfi plan' in Italy; both are aimed at constraining or cutting current public expenditures, reallocating resources to development oriented investment expenditure, while cutting the public deficit as a share of GDP.

Overall this set of policy adjustments amounts to a substantial net stimulus for the Community economy. The differences in the measures as between Member States are deliberately aimed at achieving a more convergent and stable structure of balance of payments positions. They also reflect the need to correct public finance trends in a number of countries where the growth of public expenditure has become excessive, or imbalanced as between current and investment expenditure.

As regards monetary policy the present strategy is one in which all Member States pursue specific quantified objectives, be it money supply or credit norms in the case of the four larger economies, and/or the discipline of a fixed exchange-rate relationship in the case of the other five Member States. These objectives first of all aim at maintaining or improving monetary stability; however, at the same time the management of monetary policy must allow and help the Community economy to return progressively towards its potential performance.

Strong efforts are still required in several Member States to bring trends in costs and prices into a range of performance compatible with a durable functioning of a European monetary system.

The normal occasion for considering adjustment of the following guidelines would arise in the framework of the first examination of the economic situation in the Community in 1979, notably during the first quarter of that year⁽¹⁾. That occasion will be of more than usual importance because it is at the turn of the present year that, on the one hand, economic prospects in the light of the recent concerted action will be clearer, and, on the other hand, the European monetary system will have been introduced.

Growth prospects for *Denmark* in 1979 are still moderate because the external constraint on economic policy leaves only a narrow margin of manoeuvre. The Danish Government has confined itself, within the framework of concerted action, to granting some temporary reductions in personal income tax. On 31

August 1978 it decided to propose amendments to the system of index-linking for personal income tax scales, applicable from 1979, and raised the VAT rate from 18 to 20.25 % on 1 October 1978, as well as budget savings partly effected through postponement of certain public infrastructure projects. These provisions should mean that the spontaneous central government deficit will be reduced in 1979, and thus the 1979 general government deficit will increase by only 0.5 % of GDP in relation to 1978. Domestic costs will for the six months to the end of February 1979 be subject to severe control; only wage increases provided for under existing wage agreements may be passed on in price increases. In order that the effects of these measures are felt beyond this period, the authorities should ensure that incomes policy is strictly applied, so that the expected results of the budgetary measures are not endangered and that progress is made towards an improved internal and external equilibrium position.

After a weak performance in the first quarter, economic activity in *the Federal Republic of Germany* has gained momentum over the past few months. It should be further stimulated after 1 January 1979 by the measures the Federal Government has adopted as part of Community concerted action. In particular, measures have been enacted to reduce taxation on low and medium incomes, to increase public expenditure, to stimulate investment and to strengthen disposable income through increased family allowances. To reduce the burden on the budget resulting from these measures, the VAT rate will be increased on 1 July 1979. In accordance with the Council Decision of 24 July 1978, these measures will involve a net amount of about 1 % of GDP; as a result the general government deficit will reach about 4.5 % of GDP.

The measures should contribute in particular to reinforcing private consumption, and in general improving the short-term situation. They should permit annual average growth of about 4 % in 1979, compared with 3 % in 1978. The stimulatory effects of the programme will continue to be felt after 1979, particularly on business investment. In view of the introduction of a new European monetary system in 1979, it is of paramount importance that the German economy should keep up sustained and balanced growth. In the area of monetary policy, it would be desirable for the Bundesbank to bear in mind the need to support policy for growth and stability when fixing its monetary objective for 1979.

In *France* the authorities have introduced a number of measures which, due notably to a faster growth of investment, ought to result in a moderate acceleration of growth in 1979. This should avoid a further signifi-

⁽¹⁾ According to Article 2 of the Council Decision of 18 February 1974.

cant increase in unemployment, without hindering restoration of balance on current external transactions — which should be consolidated. However, the deceleration of inflation will remain the priority objective, so as notably to contribute to the implementation and the smooth working of the proposed European monetary system. The draft central government budget, in accordance with the guidelines laid down by the Council in its Decision of 24 July 1978, maintains the action introduced in 1977 and reinforced in 1978 to support national economic expansion, notably through measures in the field of social transfer payments, and there are also employment measures aiming at favouring stable employment in sectors with promising future prospects. The finances of the large nationalized firms should be further strengthened. The net borrowing of general governments should thus be situated at a level of about 2 % of gross domestic product, as in 1978. In the framework of the fight against inflation the central government budget deficit should be financed mainly by non-monetary means. Monetary policy should for its part, aim at a small reduction in the level of liquidity in the economy. Finally, the efforts to avoid an excessive growth of earnings should be maintained and reinforced.

The prospects for *Ireland* in 1979 are still favourable, and the rate of growth of the economy could remain higher than the Community average. If economic policy is to lay the foundation for lasting and balanced growth in the longer term, it should endeavour to reduce the central government borrowing requirement. To this end, the projects described in the 'green paper' intended to reduce the net borrowing requirement of central government in 1979 to 10.5 % of GDP, by moderating current expenditure and reducing subsidies, should be accompanied by increased taxation. At the same time, economic development and employment could be supported by a transfer of resources from the Community to finance infrastructure investment. Incomes policy should try to moderate wage increases so as to reduce inflationary pressures. This implies that incomes policy should not aim at compensation for the effects of heavier taxation, but should also try to avoid too steep an increase in wage drift which was the case in 1978. Monetary policy management will be facilitated by the expected reduction in the central government net borrowing requirement. However, to limit domestic credit expansion and as reflected in recent measures, it is desirable to control more strictly the expansion of credit to private individuals.

In 1978 *Italy* made considerable progress towards controlling inflation, improving the external surplus and preparing for more rapid growth. It is therefore important that economic policy in 1979 should endeavour

to consolidate the successes already achieved, to step up the fight against inflation and the effort to stabilize public finances, while ensuring the transfers of resources required to support economic growth. This is the intention of the 'Pandolfi plan', the translation of which, into appropriate legislative terms, is now advisable. These efforts will be facilitated by Community action which could help the Italian authorities improve economic structures. As far as budgetary policy is concerned the enlarged public sector budget deficit (EC definition) in 1978 should be about 15.5 % of gross domestic product. This latter ratio represents a ceiling, it being desirable to achieve a lower level already in 1979. In the course of 1979, the structure of public expenditure should in any case be improved, through restricting the growth of consumption expenditure, compensated in part by an increase in investment. The ratio should also be reduced in the two following years. The reduction should be achieved mainly by limiting the increase in current expenditure, in particular through measures to reduce the growth of social transfer payments and expenditure on health. Better management of public-owned companies and companies in which there is State participation could also enable a reduction in State aid. Tighter budgetary management would facilitate the task of the monetary authorities and would help stabilize or even reduce the ratio of domestic credit expansion to gross domestic product. The creation of monetary base should be strictly controlled, through the workings of the interest rate mechanism, so as to avoid destabilizing capital flows. The success of this policy will depend to a large extent on how rigorously the incomes policy is applied, alongside the measures to promote investment. In this context, it is essential to control increases in costs by preventing any rise in real hourly wages.

Economic growth in *the Netherlands* in 1979 should gain momentum, thanks to the favourable effects of concerted action, and in particular to support of domestic demand. If the medium-term prospects for employment are to brighten, competitiveness will have to be strengthened through further reducing the rate of inflation, and improvements in the functioning of the labour market. This should stem the loss of jobs at present arising from high real labour costs, and encourage investment. The Dutch authorities have therefore stepped up their efforts to moderate the increase in wage costs, mainly by limiting the rise in compulsory levies while reducing at the same time the rate of growth of public expenditure so as to keep the structural government borrowing requirement over the next few years between 4 and 5 % of national income. Demand support, as part of concerted revival action, will nevertheless have to continue next year; a temporary increase in the general government borrowing requirement from 5 % in 1978 to nearly

6 % in 1979 (provided for in the draft central government budget for 1979) is therefore consistent with the economic policy objectives set for the Community as a whole. A certain amount of monetary financing will inevitably be required to cover so large a budget deficit, but this is consistent with maintaining the liquidity ratio in the economy at its 1978 level.

Economic growth could also gain some momentum in *Belgium* thanks to the prospect for exports which should develop notably in the framework of the concerted action. The effects of this improvement on the labour market will be reinforced by specific measures such as early retirement, training courses for young people and the creation of temporary posts in the public sector. Pursuant to the Community guidelines, the general government borrowing requirement could rise from about 5 % of GDP in 1978 to slightly over 5.5 % in 1979. Although it does not seem advisable to reduce this percentage in the short term, since such a reduction would have unfavourable consequences on activity, in the longer term it will probably have to be reduced to establish a more favourable balance between national resources and collective uses. With this in mind, efforts to moderate the growth of current expenditure should be continued and intensified. Monetary policy should continue to help contain inflation to a modest rate; the European monetary system, for which preparations are in progress, will probably be a great help in achieving these aims.

The Council's budget guidelines for *Luxembourg* recommend a budgetary stimulus of over 1 % of GDP; in its draft budget for 1979, the Luxembourg Government accordingly announced or implemented

a number of measures intended to stimulate business investment and exports. The draft budget also provided for a rapid increase in public investment, and of reinforcement of the programme of specific individual measures in favour of employment and encourage private consumption (selective reductions in direct taxation, improvement of certain social benefits). The borrowing requirement of general government will thus probably increase somewhat, which, however, could be covered by loans and for the remainder by recourse to the budgetary reserve constituted in the years of strong economic activity.

In *the United Kingdom* the significant reduction in the rate of inflation and strengthened balance of payments enabled the Government to propose, in the context of the concerted action programme, a stimulative budget for the fiscal year 1978/79. The planned level of the public sector borrowing requirement (PSBR) was raised to £ 8.5 billion (5.25 % of GDP), just below the level communicated to the International Monetary Fund, as confirmed in the stand-by credit renewal of May 1978. The most urgent objective of policy must now be to keep the rate of inflation well below 10 %. To this end there must be a marked deceleration in the rate of growth of earnings which, in the year to July 1978, rose a good deal faster than the Government's guidelines of 10 %. For the fiscal year 1978/79 the growth of sterling M3 needs to be contained within the range of 8 to 12 %. For 1979/80 a lower target range for monetary growth should be considered. A more expansionary stance of fiscal policy should only be considered in the event that the growth of earnings is moderated, domestic demand is subdued and the balance of payments is strong.

CORRIGENDA

Corrigendum to Council Regulation (EEC) No 2968/78 of 12 December 1978 opening, allocating and providing for the administration of a Community tariff quota for certain hand-woven fabrics, pile and chenille, falling within heading Nos ex 50.09, ex 55.07, ex 55.09 and ex 58.04 of the Common Customs Tariff

(Official Journal of the European Communities No L 358 of 21 December 1978)

The following Annex shall be added :

*ANNEX X — ANNEXE X — ANHANG X — ALLEGATO X — BIJLAGE X — BILAG X***CERTIFICADO CONCERNIENTE A LAS TELAS DE SEDA O DE ALGODÓN TEJIDOS EN TELARES A MANO****CERTIFICATE IN REGARD TO SILK OR COTTON HANDLOOM FABRICS****CERTIFICAT CONCERNANT DES TISSUS DE SOIE OU DE COTON TISSÉS SUR MÉTIERS À MAIN****BESCHEINIGUNG FÜR AUF HANDWEBSTÜHLEN HERGESTELLTE GEWEBE AUS SEIDE ODER BAUMWOLLE****CERTIFICATO RELATIVO AI TESSUTI DI SETA O DI COTONE LAVORATI SU TELAI A MANO****CERTIFICAAT BETREFFENDE OP HANDWEEFGETOUWEN VERVAARDIGDE WEEFSELS VAN ZIJDE OF KATOEN****CERTIFICAT VEDRØRENDE HÅNDVÆVEDE STOFFER AF SILKE ELLER BOMULD**

Nº

No

Nº

Nr.

N.

Nr.

Nr.

El Gobierno de Guatemala
The Government of Guatemala
Le gouvernement du Guatemala
Die Regierung von Guatemala
Il governo del Guatemala
De Regering van Guatemala
Guatemalas regering

Ministerio de economía

Dirección de comercio interior y exterior

certifica que el envío descrito a continuación contiene exclusivamente
certifies that the consignment described below includes only
certifie que l'envoi décrit ci-après contient exclusivement
bescheinigt, daß die nachstehend bezeichnete Sendung ausschließlich
certifica che la partita descritta qui appresso contiene esclusivamente
verklaart dat de hierna omschreven zending uitsluitend
attesterer, at nedenfor beskrevne forsendelse udelukkende indeholder

telas tejidas en telares a mano, por artesanía rural,
handloom fabrics of the cottage industry,
des tissus fabriqués sur métiers à main par l'artisanat rural,
in ländlichen Handwerksbetrieben auf Handwebstühlen hergestellte Gewebe enthält,
dei tessuti fabbricati dall'artigianato rurale su telai a mano,
weefsels bevat welke in de huisindustrie op handweefgetouwen zijn vervaardigd,
håndvævede stoffer fremstillet af landsbyhåndværkere,

que las telas son fabricadas en Guatemala
that the fabrics are made in Guatemala
que les tissus sont fabriqués au Guatemala
daß diese Gewebe in Guatemala hergestellt sind
che i tessuti sono fabbricati in Guatemala
dat deze weefsels in Guatemala zijn vervaardigd
at stofferne er fabrikeret i Guatemala

y son exportadas de Guatemala con destino a los Estados miembros de las Comunidades europeas.
 and exported from Guatemala to the Member States of the European Communities.
 et sont exportés du Guatemala à destination des États membres des Communautés européennes.
 und aus Guatemala nach den Mitgliedstaaten der Europäischen Gemeinschaften ausgeführt werden.
 e sono esportati dal Guatemala a destinazione degli Stati membri delle Comunità europee.
 en van Guatemala naar de Lid-Staten van de Europese Gemeenschappen worden geëxporteerd.
 og udføres fra Guatemala til De europæiske Fællesskabers medlemsstater.

1. Nombre y dirección del exportador en Guatemala

1. Name and address of exporter in Guatemala

1. Nom et adresse de l'exportateur au Guatemala

1. Name und Anschrift des Ausführers in Guatemala

1. Nome e indirizzo dell'esportatore in Guatemala

1. Naam en adres van de exporteur in Guatemala

1. Navn og adresse på eksportøren i Guatemala

2. Nombre y dirección del importador en un Estado miembro de las Comunidades europeas

2. Name and address of importer in a Member State of the European Communities

2. Nom et adresse de l'importateur dans un État membre des Communautés européennes

2. Name und Anschrift des Einführers in einem Mitgliedstaat der Europäischen Gemeinschaften

2. Nome e indirizzo dell'importatore in uno Stato membro delle Comunità europee

2. Naam en adres van de importeur in een Lid-Staat van de Europese Gemeenschappen

2. Navn og adresse på importøren i en af De europæiske Fællesskabers medlemsstater

3. Cada pieza de tejido es provista de un plomo nº

3. To each piece of fabric is attached a seal No

3. Chaque pièce de tissu est munie d'un plomb nº

3. Jedes Gewebestück ist mit einer Plombe Nr. versehen

3. Ogni pezza di tessuto è munita di un sigillo di piombo n.

3. Ieder stuk weefsel is voorzien van een loodje nr.

3. Hvert stofstykke er forsynet med en plombe nr.

4. Puerto o aeropuerto de embarque

4. Port or airport of dispatch

4. Port ou aéroport d'embarquement

4. Verladehafen oder Verladeflughafen

4. Porto o aeroporto d'imbarco

4. Haven of luchthaven van inlading

4. Lastehavn eller -lufthavn

5. Barco

5. Ship

5. Bateau

5. Schiff

5. Nave

5. Schip

5. Skib

6. Conocimiento de embarque (fecha)

6. Bill of lading (date)

6. Connaissance (date)

6. Konnossement (Datum)

6. Polizza di carico (data)

6. Datum connossement

6. Konnossement (dato)

7. Puerto o aeropuerto de destino
7. Port or airport of destination
7. Port ou aéroport de destination
7. Bestimmungshafen oder Bestimmungsflyghafen
7. Porto o aeroporto di destinazione
7. Haven of luchthaven van bestemming
7. Bestemmelseshavn eller -lufthavn

8. Estado miembro de destino
8. Member State of destination
8. État membre de destination
8. Bestimmungsmittgliedstaat
8. Stato membro destinatario
8. Lid-Staat van bestemming
8. Bestemmelsesmedlemsstat

Lugar y fecha de emisión
Place and date of issue
Lieu et date d'émission
Ort und Datum der Ausstellung
Luogo e data di emissione
Plaats en datum van afgifte
Sted og dato for udstedelse

Sello del organismo emisor
Seal of issuing body
Cachet de l'organisme émetteur
Stempel der ausstellenden Behörde
Timbro dell'ufficio emittente
Stempel van de met de afgifte belaste instantie
Den udstedende myndigheds stempel

.....
(Firma del responsable)

.....
(Signature of officer responsible)

.....
(Signature du responsable)

.....
(Unterschrift des Zeichnungsberechtigten)

.....
(Firma dell'incaricato)

.....
(Handtekening van de verantwoordelijke ambtenaar)

.....
(Den ansvarlige tjenestemands underskrift)

Descripción de la tela

No de Orden	Paquetes		Número de la Tarifa aduanera común	Descripción de las mercaderías (tarifa aduanera común)	Descripción detallada de la tela	Número de piezas	m² Peso en kg
	Marcas y números	Cantidad y naturaleza					

Description of fabrics

Serial No	Package		CCT heading No	Description of goods (Common Customs Tariff)	Detailed description of fabrics	Number of pieces	m² Weight in kg
	Marks and numbers	Number and nature					

Description des tissus

Numéro d'ordre	Colis		Numéro du tarif douanier commun	Désignation des marchandises (tarif douanier commun)	Description détaillée des tissus	Nombre de pièces	Mètres carrés Poids en kg
	Marques et numéros	Nombre et nature					

Beschreibung der Gewebe

Laufende Nummer	Packstücke		Nummer des Gemeinsamen Zolltarifs	Warenbezeichnung (Gemeinsamer Zolltarif)	Genaue Beschreibung der Gewebe	Anzahl der Gewebestücke	m² Gewicht in kg
	Zeichen und Nummern	Anzahl und Art					

Descrizione dei tessuti

Numero d'ordine	Colli		Numero della tariffa doganale comune	Designazione delle merci (Tariffa doganale comune)	Descrizione dettagliata dei tessuti	Totale delle pezze	Metri quadrati Peso in kg
	Marche e numeri	Numero e natura					

Omschrijving van de weefsels

Volg-nummer	Colli		Post van het gemeenschappelijk douanetarief	Omschrijving van de goederen volgens het gemeenschappelijk douanetarief	Nauwkeurige omschrijving van de weefsels	Aantal stukken	Aantal m² Gewicht in kg
	Merken en nummers	Aantal en soort					

Beskrivelse af stofferne

Løbe-nummer	Kolli		Pos. i den fælles toldtarif	Varebeskrivelse (den fælles toldtarif)	Nøje beskrivelse af stofferne	Antal stykker	Antal m² vægt i kg
	Mærker og numre	Antal og art					

Corrigendum to Council Directive of 5 December 1978 amending Directives 66/401/EEC, 66/402/EEC and 69/208/EEC on the marketing of fodder plant seed, cereal seed of oil and fibre plants

(Official Journal of the European Communities No L 350 of 14 December 1978)

Page 27, Article 3 :

for: '... as last amended by Directive 78/388/EEC⁽⁸⁾ ...',

read: '... as last amended by Directive 78/692/EEC ...'.

Page 27 :

Footnote⁽⁸⁾ shall be deleted.

Corrigendum to Council Regulation (EEC) No 3089/78 of 19 December 1978 laying down general rules in respect of aid for the consumption of olive oil

(Official Journal of the European Communities No L 369 of 29 December 1978)

Page 13, Article 4 (1) (c) should read as follows :

'(c) placed on the market of the Community at a price level which takes into account the amount of the aid in question.'

Page 13, Article 6 (2), second subparagraph should be replaced by the following :

'Should the minimum amount referred to above be reached during two or more reference periods, one application only for aid shall be submitted for all quantities packaged during those periods.'

**NOTICE TO SUBSCRIBERS
TO THE OFFICIAL JOURNAL OF THE EUROPEAN
COMMUNITIES**

Subscription costs for the calendar year 1979 :

- | | |
|-------------------------------|----------------------|
| — subscription 'L + C' | £ 56.00 (Bfrs 3 500) |
| — subscription 'Supplement S' | £ 24.00 (Bfrs 1 500) |