



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 22.1.2004
COM(2004) 32 final

2004/0009 (CNS)

Proposal for a

COUNCIL REGULATION

**on the conversion rates between the euro and the currencies of the Member States
adopting the euro**

(Codified version)

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. In the context of a people's Europe, the Commission attaches great importance to simplifying and clarifying Community law so as to make it clearer and more accessible to the ordinary citizen, thus giving him new opportunities and the chance to make use of the specific rights it gives him.

This aim cannot be achieved so long as numerous provisions that have been amended several times, often quite substantially, remain scattered, so that they must be sought partly in the original instrument and partly in later amending ones. Considerable research work, comparing many different instruments, is thus needed to identify the current rules.

For this reason a codification of rules that have frequently been amended is also essential if Community law is to be clear and transparent.

2. On 1 April 1987 the Commission therefore decided¹ to instruct its staff that all legislative acts should be codified after no more than ten amendments, stressing that this is a minimum requirement and that departments should endeavour to codify at even shorter intervals the texts for which they are responsible, to ensure that the Community rules are clear and readily understandable.
3. The Conclusions of the Presidency of the Edinburgh European Council (December 1992) confirmed this², stressing the importance of codification as it offers certainty as to the law applicable to a given matter at a given time.

Codification must be undertaken in full compliance with the normal Community legislative procedure.

Given that no changes of substance may be made to the instruments affected by codification, the European Parliament, the Council and the Commission have agreed, by an interinstitutional agreement dated 20 December 1994, that an accelerated procedure may be used for the fast-track adoption of codification instruments.

¹ COM(1987) 868 PV.

² See Annex 3 to Part A of the Conclusions.

4. The purpose of this proposal is to undertake a codification of Council Regulation (EC) No 2866/98 of 31 December 1998 on the conversion rates between the euro and the currencies of the Member States adopting the euro³. The new Regulation will supersede the various Regulations incorporated in it⁴; this proposal fully preserves the content of the acts being codified and hence does no more than bringing them together with only such formal amendments as are required by the codification exercise itself.
5. The codification proposal was drawn up on the basis of a preliminary consolidation, in all official languages, of Regulation (EC) No 2866/98 and the instrument amending it, carried out by the Office for Official Publications of the European Communities, by means of a data-processing system. Where the Articles have been given new numbers, the correlation between the old and the new numbers is shown in a table contained in Annex II to the codified Regulation.

³ Carried out pursuant to the Communication from the Commission to the European Parliament and the Council - Codification of the *acquis communautaire*, COM(2001) 645 final.

⁴ Annex I of this proposal.

↓ 2866/98 (adapted)

2004/0009 (CNS)

Proposal for a

COUNCIL REGULATION

on the conversion rates between the euro and the currencies of the Member States adopting the euro

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 123(4), third sentence thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament⁵,

Having regard to the opinion of the European Economic and Social Committee⁶,

Having regard to the opinion of the European Central Bank⁷,

Whereas:

↓

- (1) Council Regulation (EC) No 2866/98 of 31 December 1998 on the conversion rates between the euro and the currencies of the Member States adopting the euro⁸ has been substantially amended⁹. In the interests of clarity and rationality the said Regulation should be codified.

↓ 2866/98 Recital 1 +
1478/2000 Recital 3 (adapted)

- (2) According to Article 121(4) of the Treaty, the third stage of Economic and Monetary Union started on 1 January 1999. The Council, meeting in the

⁵ OJ C [...], [...], p. [...].

⁶ OJ C [...], [...], p. [...].

⁷ OJ C [...], [...], p. [...].

⁸ OJ L 359, 31.12.1998, p. 1. Regulation as amended by Regulation (EC) No 1478/2000 (OJ L 167, 7.7.2000, p. 1).

⁹ See Annex I.

composition of Heads of State or Government, has confirmed by Council Decision 98/317/EC of 3 May 1998 in accordance with Article 109j(4) of the Treaty¹⁰ that Belgium, Germany, Spain, France, Ireland, Italy, Luxembourg, the Netherlands, Austria, Portugal and Finland fulfilled the necessary conditions for the adoption of a single currency on 1 January 1999. Pursuant to Council Decision 2000/427/EC of 19 June 2000 in accordance with Article 122(2) of the Treaty on the adoption by Greece of the single currency on 1 January 2001¹¹ Greece fulfilled the necessary conditions.

↓ 2866/98 Recitals 2 and 3
(adapted)

- (3) According to Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro¹², the euro is the currency of the Member States which adopted the single currency as from 1 January 1999 and in the case of Greece as from 1 January 2001 . The introduction of the euro required the adoption of the conversion rates at which the euro was substituted for the national currencies and at which rates the euro was divided into national currency units. The conversion rates in Article 1 are the conversion rates referred to in the third indent of Article 1 of Regulation (EC) No 974/98, as calculated on 31 December 1998 and 19 June 2000 respectively .

↓ 2866/98 Recital 5 (adapted)

- (4) Regulation (EC) No 1103/97 stipulates that the conversion rates shall be adopted as one euro expressed in terms of each of the national currencies of the Member States adopting the euro. In order to ensure a high degree of accuracy, these rates are adopted with six significant figures and no inverse rates nor bilateral rates between the currencies of the Member States adopting the euro are defined,

↓ 2866/98
→₁ 1478/2000 Art.1

HAS ADOPTED THIS REGULATION:

Article 1

The irrevocably fixed conversion rates between the euro and the currencies of the Member States adopting the euro are:

1 euro = 40,3399 Belgian francs

¹⁰ OJ L 139, 11.5.1998, p. 30.

¹¹ OJ L 167, 7.7.2000, p. 19.

¹² OJ L 139, 11.5.1998, p. 1. Regulation as amended by Regulation (EC) No 2596/2000 (OJ L 300, 29.11.2000, p. 2).

=	1,95583	German marks
→ ₁	340,750	Greek drachma ←
=	166,386	Spanish pesetas
=	6,55957	French francs
=	0,787564	Irish pounds
=	1936,27	Italian lire
=	40,3399	Luxembourg francs
=	2,20371	Dutch guilders
=	13,7603	Austrian schillings
=	200,482	Portuguese escudos
=	5,94573	Finnish marks.



Article 2

Regulation (EC) No 2866/98 is repealed.

References to the repealed Regulation shall be construed as references to this Regulation and shall be read in accordance with the correlation table in Annex II.

 2866/98 Art. 2 (adapted)

Article 3

This Regulation shall enter into force on ☒ the twentieth day following that of its publication in the *Official Journal of the European Union*. ☒

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

Done at Brussels, [...]

*For the Council
The President*



ANNEX I

Repealed Regulation with its amendment

Council Regulation (EC) No 2866/98 (OJ L 359, 31.12.1998, p. 1)

Council Regulation (EC) No 1478/2000 (OJ L 167, 7.7.2000, p. 1)

ANNEX II

CORRELATION TABLE

Regulation (EC) No 2866/98	This Regulation
Article 1	Article 1
–	Article 2
Article 2	Article 3
–	Annex I
–	Annex II