COMMISSION REGULATION (EC) No 725/98

of 31 March 1998

adjusting agrimonetary compensatory aid paid in Ireland

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 724/97 of 22 April 1997 determining measures and compensation relating to appreciable revaluations that affect farm incomes [1], and in particular Article 7 thereof,

Whereas Commission Regulation (EC) No 806/97 of 2 May 1997 fixing the maximum amounts of compensatory aid relating to appreciable revaluations of the Irish pound, the pound sterling and the Italian lira occurring prior to 31 March 1997 [2], as amended by Regulation (EC) No 1219/97 [3], *inter alia* fixes the maximum aid for the appreciable revaluation of the Irish pound on 29 March 1997;

Whereas the second subparagraph of Article 4(4) of Regulation (EC) No 724/97 lays down that the second and third tranches of compensatory aid are to be reduced in proportion to the effect on incomes of the movement of agricultural conversion rates up until the beginning of the month preceding the first month of the relevant tranche;

Whereas the conversion rate for the Irish pound increased on several occasions between the date of its appreciable revaluation and the beginning of the month preceding the first month of the second tranche; whereas, given the rate of exchange reached, the second tranche of aid for Ireland should be cancelled;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the relevant Management Committees,

HAS ADOPTED THIS REGULATION:

Article 1

The second tranche of compensatory aid for Ireland provided for by Regulation (EC) No 806/97 for the appreciable revaluation of 29 March 1997 is hereby cancelled. Payment of the third tranche of the aid will be examined in the light of the effects of monetary movements up until the beginning of March 1999.

Article 2

This Regulation shall enter into force on the 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, 31 March 1998.

For the Commission
Franz FISCHLER
Member of the Commission

[1] OJ L 108, 25. 4. 1997, p. 9.
[2] OJ L 115, 3. 5. 1997, p. 16.
[3] OJ L 170, 28. 6. 1997, p. 56.