

COUNCIL DIRECTIVE

of 2 August 1978

amending Directive 71/305/EEC concerning the coordination of procedures for the award of public works contracts

(78/669/EEC)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 57 (2), 66 and 100 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament (1),

Having regard to the opinion of the Economic and Social Committee (2),

Whereas Council Directive 71/305/EEC of 26 July 1971 concerning the coordination of procedures for the award of public works contracts (3) lays down a threshold in units of account for determining the estimated amount of public works contracts from which the Directive applies;

Whereas, in accordance with the said Directive, the rates used for converting units of account into national currencies were defined by reference to the gold parity unit of account; whereas the conversion of the said threshold into national currencies on the basis of this definition does not reflect the present values of those currencies and has, therefore, produced differing effects in the various Member States;

Whereas Article 10 of the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities (4) defines a European unit of account representing the average variation in value of the currencies of the Community Member States; whereas the exchange value of this unit of account in each of the currencies of the Member States is determined daily; whereas its use for the purpose of the Directive requires that a reference date be fixed;

Whereas Council Directive 77/62/EEC of 21 December 1976 coordinating procedures for the award of public supply contracts (5) expresses the threshold from which that Directive shall apply in European units of account,

HAS ADOPTED THIS DIRECTIVE:

Article 1

Directive 71/305/EEC is amended as follows:

1. Article 7 (1) shall be replaced by the following:

1. (a) The provisions of Titles II, III and IV and Article 9 shall apply, under the conditions laid down in Article 5, to public works contracts the estimated value of which net of VAT is not less than 1 000 000 European units of account.
- (b) The European unit of account shall be that defined by Article 10 of the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities.
- (c) The exchange value in national currency to be applied shall be the average of the daily value of this currency over the preceding 12 months, calculated on the last day of October every two years, with effect from the following 1 January. This exchange value, calculated by the Commission, shall be published in the *Official Journal of the European Communities* during the first days of November.
- (d) The method of calculation laid down in subparagraph (c) shall be examined, on the Commission's initiative, within the Advisory Committee for Public Contracts two years after its initial application.

(1) OJ No C 108, 8. 5. 1978, p. 56.

(2) OJ No C 101, 26. 4. 1978, p. 28.

(3) OJ No L 185, 16. 8. 1971, p. 5.

(4) OJ No L 356, 31. 12. 1977, p. 1.

(5) OJ No L 13, 15. 1. 1977, p. 1.

(e) This method shall in any event be reviewed once the Council has acted on the proposal for a Regulation, submitted by the Commission, applying the European unit of account (EUA) to the general budget of the European Communities and to the legal Acts adopted by the institutions.'

2. The following footnote shall be added: '(1) OJ No L 356, 31. 12. 1977, p. 1'.
3. In Article 19, the words 'such contract is not less than 500 000 units of account' shall be replaced by 'such contract net of VAT is not less than 500 000 European units of account'.

Article 2

Member States shall adopt the measures necessary to comply with this Directive within six months of its notification. They shall forthwith inform the Commission thereof.

Article 3

This Directive is addressed to the Member States.

Done at Brussels, 2 August 1978.

For the Council

The President

K. von DOHNANYI
