

**L.N. 369 of 2007**

**EURO ADOPTION ACT  
(CAP. 485)**

**Smoothing of Monetary Amounts Regulations, 2007**

IN EXERCISE of the powers conferred by article 3 of the Euro Adoption Act, the Prime Minister and Minister of Finance has made the following regulations:-

Title. **1.** The title of these regulations is the Smoothing of Monetary Amounts Regulations, 2007.

Objective. **2.** The objective of these regulations is to regulate the conversion of values and monetary amounts of goods and services offered to a consumer to ensure fair practices in euro pricing, thereby facilitating the smooth changeover of the currency unit from the Maltese lira to the euro.

Interpretation. **3.** In these regulations, unless the context otherwise requires:-

“the Act” means the Euro Adoption Act;

“the Authority” means the Authority designated under regulation 4 of these regulations and to the extent of any authority given includes any officer or employee of such Authority;

“consumer” means any person viewing, requesting or using the provision of a good or service, not for re-sale, at a price or for an amount which will be representative of payment, or which the person will be required to pay, for such provision;

“conversion rate” means the irrevocably fixed conversion rate adopted for the Maltese lira as provided for in paragraph (c) of Article 1 of Council Regulation (EC) No. 2169 of 2005;

“Euro Observatory” and “Observatory” mean the unit set up by the Euro Adoption (Dual Display and Euro Pricing) Regulations, 2007 and to the extent of any authority given, includes any officer or employee of the Euro Observatory;

“monetary amount” means the amount showing the monetary value of any goods or services being offered for sale or purchase or being accounted for;

“price” means the purchase price;

“purchase price” means the final retail selling or unit price, including Value Added Tax and any other taxes or charges;

“smoothing” means the process of changing an awkward price to a more acceptable or memorisable price resulting from the conversion of a price from Maltese Lira to euro using the conversion rate.

### **When smoothing is allowed.**

**4.** (1) Without prejudice to the provisions of the Dual Display and Euro Pricing Regulations, 2007, the smoothing of monetary amounts is only permitted when such smoothing results in a monetary amount in euro which is less than the equivalent monetary amount in Maltese lira prior to conversion. Smoothing

(2) Notwithstanding the provisions of sub-regulation (1) in the case of monetary amounts forming part of a continuum for the purpose of establishing threshold values, the conversion of such amounts into euro may, provided this is necessary, be smoothed to ensure continuity in the threshold values of neighbouring brackets to distinctly delimit the bracket in a threshold.

(3) Where exceptional circumstances motivated by technical constraints so dictate, and after an application is made to the Euro Observatory, a concession may be granted by the Euro Observatory allowing smoothing to take place in a manner other than as provided in sub-regulation (1), under such terms and conditions as the Euro Observatory may determine.

### **Administrative offences and penalties.**

**5.** (1) Any person who contravenes or fails to comply with any provision of these regulations or with any condition of any concession made under these regulations shall be guilty of an administrative offence against these regulations and shall be liable to an administrative penalty of seven hundred and fifty liri (Lm750) and an administrative penalty of seventy five liri (Lm75) for each subsequent day during which the said contravention persists. Procedures for non-compliance.

(2) Where the Euro Observatory finds that any person is not complying with any provision of these regulations the procedures for non-compliance outlined in the Euro Adoption (Dual Display and Euro Pricing) Regulations, 2007 shall apply.