

**ARCHIVES HISTORIQUES
DE LA COMMISSION**

**COLLECTION RELIEE DES
DOCUMENTS "COM"**

COM (82)427

Vol. 1982/0142

Historical Archives of the European Commission

Disclaimer

Conformément au règlement (CEE, Euratom) n° 354/83 du Conseil du 1er février 1983 concernant l'ouverture au public des archives historiques de la Communauté économique européenne et de la Communauté européenne de l'énergie atomique (JO L 43 du 15.2.1983, p. 1), tel que modifié par le règlement (CE, Euratom) n° 1700/2003 du 22 septembre 2003 (JO L 243 du 27.9.2003, p. 1), ce dossier est ouvert au public. Le cas échéant, les documents classifiés présents dans ce dossier ont été déclassifiés conformément à l'article 5 dudit règlement.

In accordance with Council Regulation (EEC, Euratom) No 354/83 of 1 February 1983 concerning the opening to the public of the historical archives of the European Economic Community and the European Atomic Energy Community (OJ L 43, 15.2.1983, p. 1), as amended by Regulation (EC, Euratom) No 1700/2003 of 22 September 2003 (OJ L 243, 27.9.2003, p. 1), this file is open to the public. Where necessary, classified documents in this file have been declassified in conformity with Article 5 of the aforementioned regulation.

In Übereinstimmung mit der Verordnung (EWG, Euratom) Nr. 354/83 des Rates vom 1. Februar 1983 über die Freigabe der historischen Archive der Europäischen Wirtschaftsgemeinschaft und der Europäischen Atomgemeinschaft (ABl. L 43 vom 15.2.1983, S. 1), geändert durch die Verordnung (EG, Euratom) Nr. 1700/2003 vom 22. September 2003 (ABl. L 243 vom 27.9.2003, S. 1), ist diese Datei der Öffentlichkeit zugänglich. Soweit erforderlich, wurden die Verschlussachen in dieser Datei in Übereinstimmung mit Artikel 5 der genannten Verordnung freigegeben.

Communication from the Commission to the Council

Request for assent, pursuant to Article 56 2a) of the ECSC Treaty
to granting a global loan to Finance for Industry Limited (F.F.I.),
United Kingdom

Communication from the Commission to the Council

Subject: Request for assent, pursuant to Art. 56 2a) of the ECSC Treaty to granting a global loan to Finance for Industry Limited (F.F.I), United Kingdom.

I. FINANCIAL INTERMEDIARY

No. 349

Applicant : Finance for Industry Limited (F.F.I.)

Registered office : London

Shareholders : Finance for Industry is owned by the Bank of England and the main London and Scottish clearing banks.

II. RECIPIENTS

: Through its subsidiary I.C.F.C., with 18 area offices throughout the U.K., F.F.I. will pass on the loan to small and medium-sized firms which are extending existing activities or creating new ones.

Field of activity of recipients : Industrial and service activities.

III. THE PROJECT

Procedure

The Commission will make £30 M (about 53.64 MioECU) available to Finance for Industry. The loan will be paid in tranches over three years, as sub-loans are approved. Decisions to approve individual sub-loans will be taken by the Commission on the basis of the application criteria and objectives published by the Commission (O.J. No. 178/2 of 27 July, 1977 and O.J. No. C 82/8 of 29 March, 1979).

The F.F.I. will report to the Commission annually on the use made of the global loan. Each year it will also draw up a report on the re-employment of former ECSC workers in the firms financed from the global loan.

Total amount of investment: At least £60 M (about 107.28 MioECU)

IV. THE REGION

- Project location : The global loan will apply in all areas in the U.K. which are affected by the run-down in coal and steel.
- Unemployment rate : Ranging from 10% to 25% (e.g. Consett 25.2%, Corby 20.7%, Irvine 24.2% at November 1981).
- National aid status of project area : Assisted areas and steel conversion areas.

V. CONFORMITY WITH ART. 56 OF THE ECSC TREATY

ECSC redundancies in project area : From April 1977 to 1979 British Steel Corporation reduced its labour force by some 22,000. In 1979 B.S.C. announced a plan to reduce manned capacity from 21.5 million tonnes liquid steel per year to 15 million tonnes, and employment in iron and steel making from 152,000 in September 1979 to 100,000 by about the end of 1980. The plan affected the works at Consett, Hallside (Scotland), Port Talbot, Llanwern and Scunthorpe and various rolling mills. Faced with a worsening market situation and continuing losses, B.S.C. announced a new corporate plan in December 1980. The plan involved a further cut-back in capacity to 14.4 million tonnes of liquid steel per year together with a further reduction of 20,000 in the workforce. Implementation of the plan is now under way.

Jobs to be created by project: At least 2,682 jobs.

Training : Through Manpower Services Commission and recipients of sub-loans.

The Commission considers that the request complies with Art. 56 2a) of the ECSC Treaty.

VI. GLOBAL LOAN

Loan requested : £30 M

Loan granted : The Commission has approved a loan of £30 M (about 53.64 MioECU) or equivalent to the above mentioned institution in accordance with Art. 56 application criteria (O.J. No. C 82/8 of 29 March, 1979).

Interest rebate : 3 percentage points per year for five years on 53.64 MioECU.

Job basis of interest rebate : 2,682 jobs suitable for former coal and steel workers who are to be given priority.

VII. COUNCIL ASSENT

The Commission invites the Council to give its assent to the foregoing decision.