

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82) 411 final

Brussels, 25 June 1982

Proposal for a
COUNCIL REGULATION (EEC)

amending Council Regulation (EEC) N° 1736/79 of 3 August 1979
on interest subsidies for certain loans granted under the
European Monetary System.

(submitted to the Council by the Commission)

COM(82) 411 final

EXPLANATORY MEMORANDUM

Article 1 of Council Regulation (EEC) N° 1736/79 on interest subsidies for certain loans granted under the European Monetary System refers to NCI loans granted under Decision 78/780/EEC.

The funds borrowed and on-lent under the basic Decision setting up NCI I (1 000 million ECU) have now been entirely committed.

The EMS interest subsidy scheme will continue to operate until the end of 1983, but NCI loans will no longer be able to benefit unless the Regulation in question is amended.

The new Decision 82/169/EEC adopted by the Council on 15 March 1982 ensures the continuity of the NCI by providing for further borrowings up to a ceiling of 1 000 million ECU.

With a view to a further renewal of the NCI beyond this ceiling, which may be reached well before the end of 1983, the Commission will shortly ask the Council for a third authorization empowering it to borrow 3 000 million ECU for the purpose of the NCI.

Consequently, Article 1 of Regulation (EEC) N° 1736/79 of 3 August 1979 must be so amended that it continues to apply to all NCI loans eligible up to the end of 1983.

Proposal for a

Council Regulation (EEC) amending

Council Regulation (EEC) N° 1736/79 of 3 August 1979 on interest subsidies for certain loans granted under the European Monetary System.

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 235 thereof,

Having regard to the proposal from the Commission, ¹⁾

Having regard to the opinion of the European Parliament, ²⁾

Having regard to the opinion of the Economic and Social Committee, ³⁾

Whereas Council Regulation (EEC) N° 1736/79 ⁴⁾ introduced for a period of five years from 1 January 1979 a system of interest subsidies financed from the General Budget of the European Communities for investments in the less prosperous Member States effectively and fully participating in the mechanisms of the European Monetary System;

Whereas this system of interest subsidies applies to loans granted from the resources of the European Investment Bank and of the New Community Instrument within the limits laid down by Article 7 of Regulation (EEC) N° 1736/79;

Whereas Article 1 of Regulation (EEC) N° 1736/79 refers to Council Decision 78/870/EEC concerning borrowing and lending by the New Community Instrument 5); whereas it is therefore necessary to ensure the continuity of this measure by bringing successive Council Decisions on the renewal of borrowing and lending authorizations within the scope of that Regulation.

1) OJ N°

2) OJ N°

3) OJ N°

4) OJ N° L 200, 8.8.1979, p. 1

5) OJ N° L 298, 25.10.1978, p. 9

HAS ADOPTED THIS REGULATION :

Article 1

Article 1 of Council Regulation (EEC) N° 1736/79 of 3 August 1979 is hereby replaced by the following :

"Loans granted from its own resources by the European Investment Bank, hereinafter referred to as "the Bank", and loans granted under Council Decisions concerning successive authorizations for borrowing operations under the New Community Instrument during the period of application and within the limits laid down by Article 7 of this Regulation to aid investments in the less prosperous Member States may carry an interest subsidy financed by the budget of the European Communities, provided that these States effectively and fully participate in the mechanisms of the European Monetary System."

Article 2

This Regulation shall enter into force on the day on which it is published 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,

For the Council