

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(80) 3 final

Brussels, 14th January 1980

**REQUEST FOR ASSENT, SUBMITTED UNDER PARAGRAPH 2 OF ARTICLE 54
OF THE ECSC TREATY, TO AUTHORIZE THE GRANTING OF LOANS TO
BENEFICIARIES OTHER THAN UNDERTAKINGS, FOR THE FINANCING OF
HOUSING FOR PERSONS EMPLOYED IN THE INDUSTRIES OF THE ECSC**

(Communication from the Commission to the Council)

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1. Since 1955, the ECSC High Authority and - after the merger of the executive bodies - the Commission of the European Communities, has been active in the field of financial aid for the construction, modernization, and in a few instances the purchase, of dwellings for employees of the ECSC industries.

To ensure the continuity of these measures, the Commission decided, on 29 June 1979 (*), to launch a 9th programme of aid to finance ECSC low-cost housing.

The continuation of this action, to provide for the housing requirements of employees of the ECSC industries, corresponds to the wishes expressed by the European Parliament and the employers' and workers' organizations which have, on several occasions (**), requested, that Community activity in the field of financial aid for low-cost housing should be continued and intensified.

2. The ECSC's own funds drawn from the "special reserve" are supplemented by other resources to increase their effectiveness. These additional resources are mobilized on the financial markets. In practice, the ECSC either floats loans on the open market to obtain funds for loans it grants, or instructs banks and financial establishments to make loans directly or indirectly to the prime contractors. The use by the ECSC of funds supplied from the capital market, which are combined with resources from the "special reserve" to increase the volume of aid, requires - in accordance with the second paragraph of Article 54 of the ECSC-Treaty - the assent of the Council, because the loans are generally made to borrowers other than "undertakings" within the meaning of Article 80 of the Treaty; ECSC housing programmes are usually carried out by housing associations or other specialized bodies.
3. The table set out in Annex I to this note provides a summary of the measures taken by the ECSC in relation to the financing of low-cost housing up to 1st January 1979. Annex II provides a resumé of the proposals of the Commission of the European Communities under paragraph 2 of Article 54 of the ECSC and the assents given by the Council for the granting of loans under the 8 earlier programmes of low-cost ECSC housing.

(*) Launching of a ninth programme to be carried out over 5 years in two tranches : 1979/1981 and 1982/1983

(**) In particular, resolution of the ECSC Consultative Committee: 198th. session of 19.9.1978.

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4. The Commission estimates that for the first instalment of this programme, the ECSC will grant financial aid amounting to a maximum of 120 million u.a. of which 30 million will be drawn from its own funds (special reserve) and a further 90 million mobilized on the capital markets.

 5. Therefore, the Commission hereby requests the assent of the Council, under the second paragraph of Article 54 of the ECSC Treaty to authorize the granting of loans to a total of 120 million units of account to beneficiaries other than undertakings as defined in the ECSC Treaty, in the context of the first tranche of the 9th programme of aid for the financing of low-cost housing for miners and workers in the iron and steel industry.
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Annex I

Summary table of the financial aid programme for housing for persons employed in the ECSC industries

Estimated Figures : 1.1.1980

Million U.S.A.

C O U N T R Y	Number of dwellings (1)	Construction cost	F I N A N C I N G				Financing from other sources
			E C S C		Other resources		
			Special reserve	Loan funds			
BELGIUM	8.321	103,77	10,87	23,04	2,30	67,56	
DANEMARK	678	11,47	1,70	-	0,72	9,05	
GERMANY	96.845	1.350,67	80,31	13,24	159,50	1.097,62	
FRANCE	33.639	400,79	43,99	0,43	23,71	372,66	
IRELAND	259	3,65	0,93	-	0,77	1,95	
ITALY	8.532	124,61	24,60	24,71	11,18	64,12	
LUXEMBOURG	1.284	27,67	4,35	1,70	3,36	18,26	
NETHERLAND	6.141	78,54	9,02	2,14	8,47	58,91	
UNITED KINGDOM	9.594	57,93	14,05	-	11,96	31,92	
TOTAL	165.293	2.159,10	189,82	65,26	221,97	1.722,05	

(1) already financed, under examination, or still to be submitted for financing from the ECSC funds listed in this table.

(2) These are other resources mobilized by the ECSC

Recital of previous ASSENTS given on the subject of low-cost ECSC housing

Programmes - E.C.S.C. low-cost housing	Requests for assent	Assents given by the Council	Amounts
1st programme	3 February 1955	21 March 1955 (23rd session)	25 mio. u.a.
2nd programme	3 April 1956	3 May 1956 (32nd session)	30 mio. u.a.
3rd programme	20 May 1958	16 June 1958 (51st session)	40 mio. u.a.
4th programme	12 April 1961	16 May 1961 (74th session)	45 mio. u.a.
5th programme	1 June 1962	17 July 1962 (83rd session)	75 mio. u.a.
6th programme	13 January 1966	7 March 1966 (103rd session)	60 mio. u.a.
7th programme / 1st instalment	2 March 1970	25-26 May 1970 (113rd session)	30 mio. u.a.
7th programme / 2nd instalment	3 April 1973	18-19 June 1973 (247th session)	60 mio. u.a.
8th programme / 1st instalment	19 March 1975	28-29 April 1975 (339th session)	75 mio. u.a.
8th programme / 2nd instalment	6 May 1977	18 July 1977 (463rd session)	120 mio. u.a. (*)

(*) The amount of loans granted under the 2nd instalment of the 8th programme has not yet reached the ceiling of 120 mio. u.a. authorised by the Council.