



*European Communities
Commission
Press Release*

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EMBARGO UNTIL 12.00 HOURS
WEDNESDAY, JUNE 25

June 24, 1975

NEW COMMUNITY LOAN TO BRITISH STEEL

North Sea Oil Requirements

The Commission has approved another loan to the British Steel Corporation to help boost capacity to meet increased North Sea oilfields requirements.

At the same time the Commission has approved the first allocation of the 1975 grants for technical steel research.

The loan is of £6 million towards the cost of two new electric arc furnaces and ancillary equipment to replace six open-hearth furnaces at the Clydesdale tube works.

The investment will increase production capacity from 250,000 to 360,000 metric tons a year of large seamless tube and pipe which is required for North Sea oil development.

The loan is made under Article 54 of the ECSC treaty which empowers the Commission to assist the modernisation of the coal and steel industries. The precise terms of the loan (payment date, term and interest rate) will now be agreed with the BSC. Interest rates on ECSC loans are currently around 9 per cent.

This loan brings the total of ECSC loans made available to the BSC to £74.3 million, together with £49.7 million from the European Investment Bank.

Commission grants for technical steel research for 1975 will total 15 million units of account (approximately £7.5 million). In all, 66 research projects in different parts of the Community will be helped.

These grants are made under Article 55 of the ECSC treaty, which empowers the Commission to provide aid, normally 60 per cent of the total research cost, for technical research and research into working conditions, industrial health and safety in the Community's coal and steel industries.

Under this latest allocation 10 British research projects will receive aids totalling £897,000 as detailed below:

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<u>BENEFICIARY</u>	<u>PROJECT</u>	<u>GRANTS</u>
1. BSC - Corporate Development Laboratory, Sheffield	Development of novel slag systems for electro slag refining	£ 49,380
2. BSC - Swinden Laboratories, Sheffield	Segregation in wide-end-up ingots	£181,680
3. BSC - Corporate Advanced Process Laboratory, Teesside	Electromagnetic stirring of steel during solidification	£ 73,074
4. BSC - Swinden Laboratories, Sheffield	Mathematical model for the prediction of metal flow in hot steel	£ 79,980
5. AERE (Harwell)	Ultrasonic holography for the inspection of thick sections	£ 74,400
6. BSC - Swinden Laboratories, Sheffield	Surface quality of stainless steel sheet	£ 92,940
7. BSC - General Steels Division, Motherwell	Design conditions for avoidance of brittle fracture	£ 66,000
8. BSC - Strip Mills Division Laboratories, Newport, South Wales	Basic properties of grain oriented electro technical steel	£222,180
+ 9. BSC - Swinden Laboratories, Sheffield (joint programme with Belgium, France, Germany)	Cold forming	£ 48,420
+ 10. Cold Rolled Sections Associations, Birmingham (joint programme with France, Germany, Netherlands)	Cold-rolled steel sections	£ 9,000
	Total	£897,054 =====

+ The figures are for the aid going to the UK partner, not for the whole joint programme.

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