

The President

STATEMENT BY PRESIDENT JENKINS
BRUSSELS : 4TH DECEMBER 1980

ITALIAN EARTHQUAKE RELIEF

As you know, the European Council in Luxembourg on 2 December expressed its strong sympathy and solidarity with the people in Southern Italy affected by the recent earthquake. It invited the Commission to propose, in addition to emergency aid, exceptional measures of assistance to the work of reconstruction of the afflicted areas. There are therefore two lines of action being taken.

First, the Commission yesterday agreed to propose, in the Community's general budget, interest rebates on loans of up to 1000 m. EUA from the Ortooli facility and the European Investment Bank. The rebate will be of 3%.

A budgetary line has been opened, and Commissioner Tugendhat is sending the necessary rectificatory letter in respect of the 1981 budget to the budgetary authority. The Commission has also forwarded a draft regulation to the Council in respect of the proposal. The budgetary line will be of the order of 20 m. EUA in the first year, covering the cost of the 3% interest rebate on the first tranche of the loan. The amount will increase in the second year in order to support an expected increase in the flow of loans to Italy. The total cost is likely to reach a level of 190-200 m. EUA over the whole period.

Second, as far as direct and emergency aid is concerned, you are aware that the Commission decided immediately after the earthquake to put 1.5 m. EUA at the disposal of the Italian Government out of the 1980 budget as a preliminary contribution. In addition, the Commission

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decided yesterday to grant a further sum of 40 m. EUA in emergency aid to the Italian Government under Article 59 of the budget. The use of this aid will be determined by the Italian Government, whose representatives are in touch with the Commission services today to give further details of the likely uses to which the aid will be put. It will primarily cover the immediate provision of transport and temporary housing. It will also cover the costs of 15,000 tons of cereals, 1,000 tons of meat and 900 tons of olive oil which we have already indicated our willingness to supply.

Nothing can make up for the human and material losses so tragically suffered by the people of the afflicted area. The Community and the Commission wish by the actions we are proposing and taking to demonstrate our feelings at this difficult time and to bring immediate relief of the needs of the population, in addition to the contributions of national governments.