

COMMISSION OF THE EUROPEAN COMMUNITIES

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COMMISSION REPORT TO THE COUNCIL AND THE EUROPEAN PARLIAMENT

on the rate of utilization of the New Community Instrument (NCI)
(half-year from 1 January 1992 to 30 June 1992)

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1. Introduction

Council Decisions 83/200/EEC (Article 6) and 87/182/EEC (Article 8) on the financing of the NCI provide for the Commission to draw up a six-monthly report on the rate of utilization of the tranches of NCI III and IV.

The present report covers the period from 1 January 1992 to 30 June 1992.

2. Overall situation at 30 June 1992

The different legal bases determine the method of assessing the amount of loans signed in relation to the maximum authorized borrowing:

(i) for NCI III, the volume of loans is lower than that of borrowings in order to take account of the currencies borrowed and the associated costs and expenses;

(ii) for NCI IV, the ceiling applies to the loans signed.

At the end of the half-year, the situation regarding the use of the tranches for which a six-monthly report has to be drawn up was as follows (in ECU million):

	Ceiling	Amounts used	Balance
NCI III	3 000	2 862	133*
NCI IV	750	693	57

* The special borrowing of ECU 100 million for European innovation projects has not yet been authorized by the Council.

The borrowing operations carried out in the six months under review for financing NCI activities are shown, by currency used, in Annex 2(B).

3. Breakdown of loans by country and sector

The table below provides an overall view of loans signed, converted into "borrowing equivalents", at 30 June 1992. The loans in the various currencies have been converted into ecus at the exchange rate in force on the last working day of the quarter preceding the signing of the contract.

DISTRIBUTION OF LOANS BY COUNTRY AT 30.6.1992

(ECU million)

COUNTRY	NCI I	NCI II	NCI III	NCI IV	NCI RECONSTRUCTION	TOTAL	%
BELGIUM	-	-	-	23,58	-	23,58	0,38
DENMARK	66,75	100,59	302,97	63,22	-	533,54	8,56
GREECE	-	114,92	111,22	-	80,00	306,14	4,91
SPAIN	-	-	69,21	131,97	-	201,18	3,23
FRANCE	70,02	124,97	938,71	76,60	-	1210,33	19,41
IRELAND	238,98	116,59	68,44	-	-	424,01	6,80
ITALY	479,94	473,41	1228,54	285,73	608,77	3076,39	49,37
NETHERLANDS	-	-	3,22	-	-	3,22	0,05
PORTUGAL	-	-	29,93	9,91	-	39,84	0,64
UK	134,85	67,05	109,33	105,72	-	416,95	6,69
TOTAL	990,54	997,53	2861,57	692,45	688,77	6230,86	100,0

SECTOR	Productive sector	Infrastructure	Energy	
NCI III	52,80%	26,46%	20,74%	100%
NCI IV	100,00%			100%

As they are nearing exhaustion, the resources available under the NCI can no longer change the breakdown by country and sector.

This tranche is of interest because of its special features, such as the options of converting loans into risk capital, using loans to finance the purchase of intangible assets and deferring interest payments.

NCI IV LOANS

CEILING: ECU 750 MILLION (1)
(Situation at 30.6.1992)

Ref.	Project description (2)	Date of contract	ECU million (3)	Breakdown by country, in ECU million (3)									
				B	DK	E	F	I	P	UK			
	<u>I. LOANS SIGNED</u>												
64/87	FIH (Small Business) PG-VI/A	15.09.87	31,80		31,80								
64/87	FIH (Small Business) PG-VI/B	24.05.88	31,43		31,43								
68/87	BNL - PMI V/A	12.10.87	18,68					18,68					
68/87	BNL - PMI V/B	12.10.87	8,01					8,01					
69/87	IMI - PMI V/A	31.07.87	37,29					37,29					
69/87	IMI - PMI V/B	31.07.87	15,98					15,98					
70/87	MEDIOCR. CENTR. - PMI IV/A	15.09.87	6,19					6,19					
70/87	MEDIOCR. CENTR. - PMI IV/B	10.12.87	5,88					5,88					
70/87	MEDIOCR. CENTR. - PMI IV/C	03.02.88	4,81					4,81					
70/87	MEDIOCR. CENTR. - PMI IV/D	16.03.88	3,27					3,27					
70/87	MEDIOCR. CENTR. - PMI IV/E	23.06.88	18,98					18,98					
71/87	INTERBANCA - PMI IV/A	07.10.87	9,34					9,34					
71/87	INTERBANCA - PMI IV/B	07.10.87	4,00					4,00					
73/87	BPI - PG V	22.07.87	9,91							9,91			
105/87	CENTROBANCA - PMI IV/A	11.12.87	9,34					9,34					
105/87	CENTROBANCA - PMI IV/B	11.12.87	4,00					4,00					
106/87	SAN PAOLO Agroindustria II	05.11.87	13,34					13,34					
107/87	CREDIOP - PMI I/A	18.12.87	4,67					4,67					
107/87	CREDIOP - PMI I/B	18.12.87	2,00					2,00					
108/87	BANCO DI NAPOLI - PMI A	18.12.87	4,60					4,60					
108/87	BANCO DI NAPOLI - PMI B	18.12.87	1,97					1,97					
110/87	B° DE SANTANDER - PYME	24.07.87	20,19							20,19			
121/87	B° DE BILBAO - PYME	23.07.87	31,64							31,64			
148/87	EFIBANCA - PMI IV/A	17.12.87	4,67					4,67					
148/87	EFIBANCA - PMI IV/B	17.12.87	2,00					2,00					
148/87	EFIBANCA - PMI IV/C	24.06.88	4,55					4,55					
148/87	EFIBANCA - PMI IV/D	24.06.88	1,95					1,95					
206/87	B° DE VIZCAYA - PYME A	17.12.87	9,37							9,37			
206/87	B° DE VIZCAYA - PYME B	30.11.88	8,60							8,60			
207/87	B° ESPANOL DE CREDITO - PYME A	18.12.87	12,04							12,04			
207/87	B° ESPANOL DE CREDITO - PYME B	18.11.88	10,94							10,94			

Ref.	Project description (2)	Date of contract	ECU million (3)	Breakdown by country, in ECU million (3)								
				B	DK	E	F	I	P	UK		
231/87	CREDIT NATIONAL - PMI III	05.02.88	20,00									
64/88	INVESTORS IN INDUSTRY - GROUPED LOAN V	28.12.88	30,54				20,00					30,54
101/88	EFIBANCA - PMI V/A	05.10.88	4,53						4,53			
101/88	EFIBANCA - PMI V/B	05.10.88	1,94						1,94			
101/88	EFIBANCA - PMI V/C	16.01.89	4,57						4,57			
101/88	EFIBANCA - PMI V/D	16.01.89	1,96						1,96			
103/88	MEDIOCR. LOMBARDO - PMI A	10.10.88	6,79						6,79			
103/88	MEDIOCR. LOMBARDO - PMI B	10.10.88	2,91						2,91			
103/88	MEDIOCR. LOMBARDO - PMI C	06.02.89	9,14						9,14			
103/88	MEDIOCR. LOMBARDO - PMI D	06.02.89	3,92						3,92			
109/88	BARCLAYS BANK II GL	21.12.88	45,81									45,81
128/88	CENTROBANCA - PMI V/A	19.12.88	19,23						19,23			
128/88	CENTROBANCA - PMI V/B	19.12.88	5,67						5,67			
135/88	CREDIOP - PMI II/A	09.12.88	4,53						4,53			
135/88	CREDIOP - PMI II/B	09.12.88	1,94						1,94			
185/88	BANCO DI SICILIA - PMI II/A	25.05.89	4,58						4,58			
185/88	BANCO DI SICILIA - PMI II/B	25.05.89	1,96						1,96			
199/88	CREDIT INDUSTRIEL ET COMM.	29.11.88	52,32				52,32					
237/88	IMI - PMI VI/A	19.12.88	9,06						9,06			
237/88	IMI - PMI VI/B	19.12.88	3,88						3,88			
237/88	IMI - PMI VI/C	06.02.89	13,72						13,72			
237/88	IMI - PMI VI/D	06.02.89	5,88						5,88			
175/89	BARCLAYS BANK III/A	30.11.89	29,38	18,04								29,38
119/90	KREDIETBANK N.V. -GL	20.12.90	18,04									
119/90	KREDIETBANK N.V. -GL	20.12.90	5,54									
48/91	B° ESPANOL DE CREDITO PG PY	28.05.91	39,19							39,19		
	I. TOTAL I		692,5	23,58	63,22	131,97	72,32	285,73	9,91			105,72
	II. LOANS APPROVED, AWAITING SIGNATURE			28,00								
	BALANCE		29,5									
	CEILING		750,00									

(1) OJ n° L 271 of 14.03.1987 (loans ceiling).

(2) See list of abbreviations in Annex.

(3) Conversion rate are those obtaining on the last working day of the quarter preceding the signing of each loan.

NCI BORROWING BY CURRENCY**A.- DEBT OUTSTANDING AT 30.6.1992 (1)**

Currency (million)		Equivalent in MECU (2)
ECU	735,00	735,0
BFR	2750,00	65,2
DM	976,70	476,5
FF	2100,00	304,8
HFL	1118,55	484,2
LFR	2830,00	67,1
LIT	100000,00	64,5
PTA	25000,00	193,2
UKL	119,25	168,8
CAD	-	-
SFR	544,00	294,1
USD	812,36	605,2
YEN	3820,80	22,7

		3481,3

B. - NEW OPERATIONS: 1.1.1992 - 30.6.1992

				Equivalent in MECU (3)	
Date of issue	Duration (years)	Coupon (%)	Currency million)	Fresh capital (1)	Re- financings
-	-	-	-	-	-

- (1) Excluding refinancing operations, designed to reduce the of servicing existing debt initially contracted at higher interest rates.
- (2) Exchange rates as at 30.6.1992.
- (3) Exchange rates at signature.