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EUROPEAN INVESTMENT BANK

APPROVES THREE NEW LOANS

WASHINGTON, D.C., Feb. 24 - The European Investment Bank today approved three new loans for a total of \$27,000,000. Two of these loans will be used to modernize rail transport within the European Community -- the first time that the Bank has entered this field. Announcement of the loans was made in Brussels following a regular meeting of the Bank.

One loan for \$21,000,000 will go to the Italian railroads for the installation of a new electrical system on the transalpine line between Genoa and Modane on the Franco-Italian border. A second loan amounting to \$4,000,000 will go to the French National Railroads to improve the rail route from Modane to Chambéry and to build additions to certain railroad stations. These improvements are expected to increase greatly the load capacity of the international road.

A third loan amounting to \$2,000,000 will be used for the construction of a chemical factory near Grenoble, France. The project is being sponsored by a joint Franco-German group.

The European Investment Bank was established under the Common Market by the Treaty of Rome and is capitalized at \$1,000,000,000. Its main purposes are:

1. to aid projects in the less-developed regions;
2. to assist in modernizing industry;
3. to encourage projects of common interest to several member countries which could not be otherwise financed.