



*European Communities
Commission
Press Release*

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ANOTHER COMMUNITY LOAN TO BRITISH STEEL

The Commission of the European Communities has just approved a loan for £14 million to the British Steel Corporation to help finance an £8.8 million scheme to replace coke ovens and associated installations, including coal preheating facilities, at the Orgreave plant near Sheffield. Forty-three of the 86 ovens are to be replaced by new ovens of 4.5 metre height of modern design to be installed on an existing foundation pad. Once completed, in 1976, this project will have increased the plant's production by 80,000 tonnes per annum, i.e. from 450,000 tonnes to 530,000 tonnes.

The loan is granted under Article 54 of the European Coal and Steel Community Treaty, which empowers the Commission to give aid for the modernisation of the coal and steel industries. The precise terms of the loan (term, payment and repayment dates, interest rates) will now be agreed with B.S.C. Interest rates on E.C.S.C. loans are currently around 9 per cent.

Part of this loan will, in fact, qualify for the 3 percentage point interest subsidy which the Commission can give in certain circumstances.

Including this latest loan, the Community has now approved grants and loans to the British Steel Corporation totalling £98,370,000 since 1973, as follows :

Loans

European Investment Bank	£49.4 million
E.C.S.C. Industrial Loans	£45.8 million

Grants

E.C.S.C. Research Grants	£1.17 million
E.C.S.C. Retraining Grants	£2.0 million
