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COMMUNICATION FROM THE COMMISSION TO THE COUNCIL

EXPIRY OF THE ECSC TREATY - FINANCIAL ACTIVITIES

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I - INTRODUCTION

A - PREVIOUS COMMISSION DECISIONS

On 15 March 1991 the Commission came out in favour of allowing the ECSC Treaty to expire as scheduled on 23 July 2002 ("The Future of the ECSC Treaty" - SEC(91) 407 final of 15 March 1991).

In its communication to the Council "The Future of the ECSC Treaty - Financial Activities" (SEC(92) 1889 final of 18 November 1992), the Commission reiterated this policy approach, opting for the coal and steel sectors to be phased in to the EC Treaty with a possible scenario for phasing out budget expenditure by 2002.

This scenario was updated in a Commission working document (SEC(93) 1596 final of 20 October 1993), to incorporate the proposed reduction of the levy and the release of the ECSC reserves as a result of the reduction in borrowing/lending activity (Communication "Future of the ECSC Treaty - Borrowing/Lending Activity" - COM(93) 512 final, also of 20 October 1993).

In its decision of 22 June 1994 (OJ C 175, 28 June 1994), the Commission took note of the agreement reached by the Industry Council on 22 April 1994 on the adjustment of borrowing and lending policy with a view to the expiry of the ECSC Treaty.

At its meeting on 11 September 1996 the Commission decided that reserves should be maintained to cover 100% of loans outstanding after 2002 not covered by a State guarantee. It also proposed setting up a guarantee fund with the reserves which it suggested should be maintained to guarantee the loans in question.

B - DISCUSSIONS IN OTHER COMMUNITY BODIES

As part of the on-going deliberations concerning the financial activities of the ECSC as the Treaty approaches its expiry date, the Commission has been following as closely as possible discussions in other Community bodies, in particular the Council, the European Parliament and the ECSC Consultative Committee. It has also sought to respond to the call made by the Heads of State and Government at the Amsterdam European Council in their resolution on growth and employment.

II - APPROACH SUGGESTED BY THE COMMISSION

A - PRELIMINARY REMARKS

1 - The new context

In the resolution it adopted in Amsterdam on growth and employment, the European Council invited the Commission to make appropriate proposals to ensure that upon expiry of the ECSC Treaty in 2002 the revenue from outstanding reserves would be used for a research fund for sectors related to the coal and steel industries.

In order to obtain an accurate picture of the assets of the ECSC, both its budget operations and its financial operations must be taken into account. The figures used in the overall financial model set out here have therefore been updated to incorporate the most recent budgetary and financial decisions (on 10 June 1997 the Commission adopted the ECSC financial statements at 31 December 1996), and the target level for reserves for 2002 agreed by the Commission on 11 September 1996.

In the light of the ECSC budget forecasts for 1997-2002, the Commission proposed on 29 May 1997 a nil levy rate on coal and steel products from 1998 onwards and it adopted its ECSC budget proposals for 1997 and 1998 on this basis.

Finally, on 29 July 1997 the Commission took note of the EUROTUNNEL financial restructuring plan. In the light of this plan the most prudent position was adopted which involves constituting straight away the provisions judged necessary to service the borrowings. These provisions will be increased to provide cover amounting to 100% upon expiry of the Treaty, in line with the approach decided by the Commission at its meeting on 11 September 1996.

2 - Interpretation of the results of the model

This scenario is based on cautious assumptions. It none the less manages to reconcile the industries' actual needs in terms of ECSC budget aid between now and 2002 and the technical constraints connected with the performance guarantee for all ECSC budget and financial operations outstanding at that date.

The results of the overall financial model must, of course, be interpreted in the light of the assumptions described in the annex. This simulation will have to be adjusted regularly to allow for financial developments (cancellation of commitments, debtor default, changes in rates, etc.) and political decisions, in particular on future ECSC budgets.

The main results of the model are as follows:

– *For the period 1997-2002*

  Continued budgetary activity is compatible with the target level for reserves envisaged for 23 July 2002, namely 100% of outstanding loans not covered by a State guarantee.

- *Beyond 2002*

  Administered funds from the ECSC will total around ECU 1.3 billion in 2002. They should then decline gradually depending on the rate of utilisation of the provisions for commitments, whereas the proportion of the other components of these funds which can be released should gradually increase.

  By way of illustration, the provisions for commitments will have been used in full by 2007, the Guarantee Fund will be fully released in 2019, the Special Reserve in 2021 and the Former Pension Fund in 2026.

  The amount of the funds under administration may be affected, as stated above, by market factors beyond our control, by the default of ECSC debtors and by budgetary decisions to be taken between now and 2002.

  This analysis also reveals (see table 4) that the interest which could be earned on the funds under administration would be around ECU 40 million per year, if the reserves released with the gradual redemption of loans outstanding after 2002 are retained in full.

3 - Succession of the ECSC Treaty in financial matters

The problems posed by the succession of the ECSC Treaty in financial matters are essentially as follows:

- ownership of the ECSC assets at the time of its disappearance, plus (or minus) the net amounts generated by operations connected with the management of ongoing business;
- management of budgetary and financial operations not completed in 2002. This will essentially be servicing of loans and borrowings and management of the reserves (Guarantee Fund, Special Reserve, Former Pension Fund), and any other outstanding items which could constitute either claims (e.g. disputed levy payments) or debts (clearance of commitments entered into before 23 July 2002).

Under public international law the assets, claims and debts of an international organisation in liquidation are in principle taken over by the Member States of this organisation.

B - GUIDELINES PROPOSED BY THE COMMISSION IN THE LIGHT OF THE AMSTERDAM CONCLUSIONS

Implementing the Amsterdam European Council conclusions means determining the arrangements for the succession of the ECSC, management of the ongoing business and assets and allocation to research of revenue deriving from the management of the ECSC reserves.

1 - Succession of the ECSC

As already stated, upon expiry of the Treaty it is in principle for the Member States, acting together, to mange outstanding ECSC financial business and to assume ownership of its assets. Clearly, joint management of this kind would in practice pose enormous problems. Moreover, once the funds were divided among the Member States, the amounts concerned would be insignificant.

The task set the Commission by the Heads of State or Government in Amsterdam does not envisage the possibility of returning the ECSC assets to the Member States. The most appropriate structure must therefore be found to receive these assets. The most simple and natural solution would be for the Communities remaining to take over the financial succession of the ECSC. As the ECSC Treaty is very much a part of the European structure, with common institutions and administration, and as the ECSC industries will automatically come under the EC Treaty, the arguments in favour of succession by the Communities remaining are very strong.

A decision by the Representatives of the Governments of the Member States meeting within the Council would probably be the appropriate instrument. This decision would have to settle not only the transfer of the assets, claims and debts of the ECSC, specifying where appropriate what future use is to be made of them, but also the question of the management of unfinished business.

For the Communities still remaining, Community law provides appropriate structures and mechanisms. For instance, Article 4 of the Financial Regulation allows the Commission to accept any donation made to the Communities, and in particular foundations, subsidies, gifts and bequests. Acceptance of gifts which may involve some financial charge requires prior authorisation of Parliament and the Council.

In this respect it should be noted that the prudent management of the ECSC, reflected in particular in the level of the Guarantee Fund which it is planned to retain after 2002 (100% of outstanding loans not covered by a State guarantee), will mean that the general budget does not have to provide any direct guarantee.

2 - Management of ongoing business and assets

If the Communities remaining succeed the ECSC, they should also administer ongoing business and assets; this task should be undertaken by the Commission, which has the necessary experience, files and skills to see through all operations in progress on 23 July 2002. This solution would ensure continuity of routine management operations and monitoring of litigation and would be subject to the control of the budgetary authority.

3 - Use of financial revenue from reserves for research purposes

The Amsterdam European Council's resolution on growth and employment calls for a research effort to be maintained, after 2002, in favour of sectors related to the coal and steel industries. This is consistent with the wishes already expressed by the European Parliament, the ECSC Consultative Committee and the coal and steel industries which, through their levy payments, have made a significant contribution to the ECSC assets. The question now is to determine the arrangements and level of financing, the lifespan, the scientific and technical content and the method of operation of this new instrument.

(a) *Financing arrangements*

It is proposed that all net revenue from the management of the ECSC assets should constitute earmarked revenue in the general budget ("miscellaneous revenue"), to be used to finance research outside the framework programme focusing on coal and steel and to be administered by the Commission.

This expenditure from the general budget would not count towards the financial perspective ceilings nor to the own resources ceiling, to which it would be added.

It would be an exception to the principle of universality since the revenue would be intended for a specific purpose.

Such arrangements are covered by Article 4 of the Financial Regulation. This earmarked revenue would be subject to the management and control rules applicable to the general budget, thus satisfying Parliament's concern. The advantage of such an arrangement would be simplicity and administrative efficiency (in comparison, in particular, with the creation of an agency).

The budgetary procedure to apply will be that of the general budget. The first financial year concerned will be 2003, as expenditure for 2002 will be covered by the final ECSC operating budget.

(b) *Level of financing*

Funding for ECSC research dropped from ECU 128 million in 1991 to ECU 85 million in 1996, mainly as a result of the decline in the ECSC levy. It should also be borne in mind that over this period the assumption by the fourth research and technological development framework programme (1994-98) of activities initially financed by the ECSC involved only around ECU 10 million per year (for 1995 and 1996). Moreover the experts agree that Community-level research under the ECSC Treaty represents at least 14% of total research expenditure in the coal and steel industries. This figure is far higher than in most other industries. This is an achievement well worth preserving.

The coal and steel industries, for obvious economic reasons and in particular economies of scale, have no alternative but to conduct research jointly (essentially medium- and long-term work), and so far they have made very effective use of Community funding. Thanks to ECSC research operations, potential synergies have been harnessed, a critical size has been achieved by a lever effect and the research results have been made available faster to the industries concerned throughout the Community. Moreover a specific research operation for the coal and steel industries after 2002 can be maintained only if there is a significant European-level contribution and financial resources can be put together, with some degree of continuity, in amounts which coal and steel companies, no matter how big they are, in most cases cannot mobilise.

Given the two separate sectors involved (coal and steel), the wide variety of research areas covered and the large number of potential recipients, a critical mass is required to warrant launching research work at European level, to produce an economic impact and to guarantee efficient management. Experience acquired during the years of operation of the ECSC would suggest that something like ECU 40 million, which the financial scenario prepared for the period 2002-26 shows could be yielded by the ECSC funds under administration, would be the right sort of amount for financing research operations of this kind outside the framework programme in the fields of coal and steel and capable of generating significant value added at European level.

(c) Lifespan

As the successor to the ECSC will be the Communities remaining, this "financial mechanism" would be set up for an indefinite period but with the possibility of a revision (review of the situation with proposals for any changes required) which could be timed to coincide with the end of the sixth framework research programme.

(d) Scientific and technical content/scope of the financial mechanism

From 2002 onwards the research operations referred to here would have to be concentrated, complementary to those under the framework programmes and consistent with the scientific, technological and political objectives of the European Union, with due allowance for the employment, environment and innovation dimensions. They would therefore have to be the continuation of the programmes financed by the ECSC, which relate to production and use of coal and steel, and also to health and safety aspects for workers in these industries and to environmental protection.

It is important in this context to preserve the European research capacity in the areas of the future which concern the coal and steel industries, such as the development of clean technologies and high value added products, so that Community firms can remain competitive and maintain their presence on the international markets.

* Guidelines for coal
Support in this sector should be aimed at satisfying a genuine need for public aid to Community-level research (critical size, synergy, dissemination of technology) and should also be directed at growth sectors associated with coal where technological progress can create jobs, in particular in the areas of clean technologies and reduction of emissions (CO_2, acidification). The scope of research should be enlarged from hard coal to other associated solid fuels, primarily brown coal and biomass. Two large sectors involving many small businesses would also be concerned: coal combustion and conversion technologies and mining technologies in the broad sense.

* Guidelines for steel
In addition to the production and use of steel (research into processes and products), activities in which small businesses are heavily involved (first-stage processing, not currently covered by ECSC research), scrap recuperation and preparation, which have a positive environmental impact, and targeted innovation schemes and measures to exploit research results. It is also planned that pilot and demonstration projects would continue.

* Other guidelines common to coal and steel
Hygiene, health and safety at the workplace aspects and environmental matters would also have to be maintained in post-2002 research under the conditions currently prevailing both for coal research and for steel research.

(e) Award procedures and implementation arrangements

The decision of the Representatives of the Governments of Member States meeting within the Council should lay down the arrangements for using amounts allocated to research. It is proposed that as far as possible they should be based on existing procedures which have proved satisfactory.

The Commission could, for instance, adopt guidelines for new operations every five years and issue calls for proposals on this basis. Two committees (Steel Research Committee and Coal Research Committee), made up of experts appointed by the Commission, would be consulted prior to the appraisal and selection of proposals.

For projects then to be adopted on an annual basis, the procedure applied would have to be relatively simple. For example, the Commission would take its formal decision after consulting the industries, through an ad hoc committee, which could be made up of members appointed by the Council along the lines of the ECSC Consultative Committee (which will cease to exist when the Treaty expires) but on a smaller scale. The Commission would then produce an annual report for the Council and Parliament.

The decision-making procedure would thus be as follows:

- adoption of multiannual guidelines by the Commission;
- annual calls for proposals on the basis of these guidelines;
- appraisal and selection of proposals (with the assistance of committees of experts appointed by the Commission);
- draft Commission decision;
- consultation: ad hoc committee made up of members appointed by the Council and representing the various sectors concerned (producers, users, workers, small businesses);
- Commission decision.

For <u>implementation</u> too, it is proposed that the existing arrangements, which have proved satisfactory, should be continued. It is agreed that the undoubted success of ECSC research is the result of the very close cooperation between researchers, producers and users and of the effectiveness of the arrangements for implementing the programmes, which have ensured that all the sectors concerned are involved and that research projects actually reflect the real needs of producers and users.

The present structures (committees of experts) would therefore have to be retained but with appropriate adjustments so that they cover all activities "related to" coal and steel which are also to benefit from this specific research from 2002 onwards. In the case of steel this could take the form of closer involvement of the user industries and first-stage processing, which are currently outside the ECSC. In the case of coal, these structures should be extended to include the new sectors of coal use and mining technology, and in particular representatives of small businesses active in this sector.

To sum up, the broad lines suggested by the Commission are as follows:

- the assets of the ECSC in liquidation, following expiry of the Treaty, should revert to the Communities remaining;
- administration of these assets should therefore be entrusted to the Communities remaining, represented by the Commission;
- all the net revenue (around ECU 40 million a year) from the management of the ECSC assets would constitute earmarked revenue under the general budget for financing research

outside the framework programme, to be managed by the Commission and directed at sectors related to the coal and steel industries;

- this mechanism would be set up for an indefinite period with the possibility of a revision (review of the situation accompanied by any appropriate proposals) which could be timed to coincide with the end of the sixth framework research programme;
- research activities would carry on from ECSC-funded programmes with due allowance for the desire to open them up to other sectors as expressed in the Amsterdam European Council's resolution on growth and employment;
- the procedures and implementation arrangements should be based broadly on the approach which has proved successful in the past.

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Annexes

- Assumptions made
- Table 1: ECSC 2002 scenario
- Table 2: Reserves and provisions up to 2002
- Table 3: Reserves and provisions after 2002
- Table 4: Amounts available for the financial mechanism

Annex 1

ASSUMPTIONS MADE

Very broadly, the assumptions on which this scenario is based are as follows:

Principal assumptions

- ECSC budget operations should produce, by 23 July 2002, a level of reserves covering 100% of loans outstanding after 2002 not covered by a State guarantee, to which must be added ECU 63 million to cover additional risks resulting from the debt restructuring plan of a defaulting debtor. To achieve this the Guarantee Fund will be boosted regularly.
- The levy rate from 1998 onwards is nil.
- The twelfth ECSC workers' housing programme covering the period 1995-97 will be the last.
- Payments of fines shown in the ECSC balance sheet (ECU 99.8 million) are not taken into consideration, nor are uncertain payments from defaulting debtors (around ECU 70 million).

Assumptions relating specifically to the ECSC budget

- Account has been taken of the *draft amending ECSC operating budget for 1997* and the *draft operating budget for 1998.*
- It is not planned at this stage to amend the Council decision of 21 November 1997 setting the amount of the ECSC contribution to administrative expenditure at ECU 5 million.
- The ECSC conversion policy will end in 1997.
- The Commission has extended the social measures for the coal industry by two years beyond 1997, with an estimated amount of ECU 50 million for 1998 and 1999.
- For research, in view of the difficulties with "phasing in" as revealed by the initial calls for proposals, ECSC funding must be continued wherever possible so that these activities can be taken over in part by the research framework programme and, from 2002 onwards for the remainder, by a financial mechanism.
- Cancellations of commitments are put at an annual 5% of the total of provisions for commitments from 1999 onwards, equivalent to ECU 93 million from 1999 to 2002, a continuation of the present trend.
- It is assumed that ECSC investments will yield 4% for short-term investments and 5.5% for medium- or long-term investments.

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Table N° I

ECSC 2002 SPECIMEN SCENARIO VERSION 7

ECSC OPERATING BUDGET

ECU mill.

BUDGET YEAR	1994	1995	1996	1997**	1998**	1999	2000	2001	2002***
1 Administrative expenditure	5	5	5	5	5	5	5	5	5
2 Aid for redeployment (Article 56)	157	123,8	56,27	85	65	57	57	66	41
3 Aid for research (Article 55)	51,97	61,4	85	84	84	84	42	42	42
3.1 Steel	34	39,8	53	55	56	56	28	28	28
3.2 Coal	17	21,6	31	29	28	28	14	14	14
3.3 Social	0,97	0	1	0	0	0	0	0	0
4 Conversion aid (Article 56)	51,465	11,4	36,75	2	0	0	0	0	0
5 Social measures steel (Article 56)	86	41,3	0	0	0	0	0	0	0
6 Social measures coal (Article 56)	40	40	23,15	30	25	25	0	0	0
7 Damages and interest	32,598	0	0	0	0	0	0	0	0
8 Surplus	40,914	14,6	49,13	0	0	0	0	0	0
9 Provision for financing ECSC operating budget				218,4	0	0	0	0	0
TOTAL EXPENDITURE	464,96	297,5	255,31	424,4	179	171	104	113	88

1 Current resources									
1.1 Levy yield	107,67	102,3	95,87	100,3	0	0	0	0	0
(levy rate)	0,23	0,21	0,19	0,17	0	0	0	0	0
1.2 Net balance	115	70	50,5	96,0	55	56	52	62	19
1.3 Fines and surcharges for late payment	0,001	3,3	4,35	0	0	0	0	0	0
1.4 Miscellaneous	4,877	8,3	0	6	5	0	0	0	0
2 Cancellation of commitments	63,252	70,7	90,0	173	84	34	29	22	8
3 Surplus from previous year	60,196	40,9	14,62	49,1	0	0	0	0	0
4 Drawings on provision	91,954				35	83	23	29	61
5 Drawings on special reserve	22	2	0	0	0	0	0	0	0
TOTAL RESOURCES	464,96	297,5	255,31	424,4	179	171	104	113	88

RESERVES AND PROVISIONS ENTERED IN THE ECSC BALANCE SHEET

ECU mill.

BALANCE AT 31 DECEMBER	1994	1995	1996	1997	1998	1999	2000	2001	2002***
Provisions for outstanding commitments	1360,4	1255,3	1059,9	817	673	576	437	339	345
Provisions for financing ECSC budget	70,91	70,60	129,1	298	263	180	157	128	67
Provisions for major risks		55,00	36,00	24	22	20	18	2	0
Guarantee Fund	429,89	435,3	468,7	481	496	510	521	531	541
Special reserve	164,98	170,5	176,1	176	176	176	176	176	176
Former pension fund	62,06	65,8	69,6	71	73	75	77	79	80
TOTAL RESERVES AND PROVISIONS	2088,2	2052,5	1939,4	1867	1703	1538	1386	1256	1210

* Excluding provisions for fines and other amounts to be recovered, provisional figures.

** Draft amending budget for 1997 and draft budget for 1998.

*** Up to 23 July 200

TABLE N°2

RESERVES AND PROVISIONS ENTERED IN THE ECSC BALANCE SHEET

ECU mill.

BUDGET YEAR	1994	1995	1996	1997	1998	1999	2000	2001	2002*
1/ Provisions for ECSC budget		1325,9	1189,0	1115	936	757	594	468	413
Provisions for outstanding commitments	-	1255,3	1059,9	817	673	576	437	339	345
Provisions for financing ECSC budget		70,6	129,1	298	263	180	157	128	67
Guarantee Fund at 31 December		435,3	468,7	481	496	510	521	531	541
Provisions for major risks		55,0	36,0	24	22	20	18	2	0
Specific value adjustment (SVA)		150	163	154	144	136	128	120	114
Provisions for interest and exchange risks		13,0	63,0	63	63	63	63	63	63
2/ Total Guarantee Fund and provisions and SVA		653,3	730,7	722	725	729	730	716	718
Proportion for servicing borrowings		163,0	230,0	246	246	246	246	246	246
Productive proportion		490,3	500,7	476	479	483	484	470	472
3/ Special reserve at 31 December		170,5	176,1	176	176	176	176	176	176
Proportion assigned to workers' housing		165,5	156,2	162	167	159	143	131	126
Proportion which can be released		5,0	19,9	14	9	17	33	45	50
4/ Former pension fund at 31 December	62,1	65,7	69,6	71	73	75	77	79	80
Proportion assigned to staff loans	39,2	42,1	45,1	47	49	51	53	55	56
Proportion which can be released	22,9	23,6	24,5	24	24	24	24	24	24
TOTAL FUNDS ADMINISTERED (1+2+3+4)		2215,4	2165,4	2084	1910	1737	1577	1439	1387

* Up to 23 July 2002.

TABLE N°3

RESERVES AND PROVISIONS ENTERED IN THE BALANCE SHEET OF THE ECSC IN LIQUIDATION

ECU mill.

AT 31 DECEMBER	2002*	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1/ Provisions for outstanding commitments	345	268	158	75	27	6	0						
cancellations		8	13	8	4	1	0						
payments		68	97	75	44	19	6						
Specific value adjustment (SVA)	114												
Provisions for interest and exchange risks	63												
Guarantee Fund	541												
2/ Total Guarantee Fund and provisions and SVA	718												
cash resources for servicing borrowings (allocated interest)	246	246	246	246	246	246	246	246	246	246	246	246	246
productive cash resources which cannot be released	472	457	210	208	206	204	202	201	114	114	114	69	69
productive cash resources which can be released	0	15	262	264	266	268	270	270	357	357	357	402	402
3/ Special reserve	176	176	176	176	176	176	176	176	176	176	176	176	176
Proportion assigned to workers' housing	126	120	110	100	91	82	74	66	59	52	45	39	33
Proportion which can be released	50	56	66	76	85	94	102	111	117	124	131	137	143
4/ Former pension fund	80	80	80	80	80	80	80	80	80	80	80	80	80
Proportion assigned to staff loans	56	54	50	46	42	38	34	31	28	24	21	19	16
Proportion which can be released	24	27	31	35	39	43	46	50	53	56	59	62	64
5/ Other assets **	67	76	89	97	101	102	102	102	102	102	102	102	102
TOTAL FUNDS ADMINISTERED (1+2+3+4)	1387	1318	1221	1146	1102	1083	1077	1077	1077	1077	1077	1077	1077

* Up to 23 July 2002

** Other assets: total of the budget surplus for 2002 and the provision for financing the ECSC budget at 23 July 2002 and fines received and other amounts recovered. After 2002 the amounts of commitments cancelled each year are added to this total.

TABLE N°3 (CONTINUED)

RESERVES AND PROVISIONS ENTERED IN THE BALANCE SHEET OF THE ECSC IN LIQUIDATION

ECU mill

AT 31 DECEMBER	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
1/ Provisions for outstanding commitments													
cancellations													
payments													
Specific value adjustment (SVA)													
Provisions for interest and exchange risks													
Guarantee Fund													
2/ Total Guarantee Fund and provisions and SVA													
cash resources for servicing borrowings (allocated interest)	246	246	246	164	82	0							
productive cash resources which cannot be released	69	69	69	69	69	0							
productive cash resources which can be released	402	402	402	402	402	472	472	472	472	472	472	472	472
3/ Special reserve	176	176	176	176	176	176	176	176	176	176	176	176	176
Proportion assigned to workers' housing	28	23	18	13	10	7	5	0					
Proportion which can be released	148	153	158	163	166	169	171	**176**	**176**	**176**	**176**	**176**	**176**
4/ Former pension fund	80	80	80	80	80	80	80	80	80	80	80	80	80
Proportion assigned to staff loans	14	11	9	7	6	4	3	2	1	1	0,2	1,1	0
Proportion which can be released	67	69	71	73	75	76	78	79	79	80	80	80	80
5/ Other assets **	102	102	102	102	102	102	102	102	102	102	102	102	102
TOTAL FUNDS ADMINISTERED (1+2+3+4)	1077	1077	1077	995	913	831	831	831	831	831	831	831	831

** Other assets: total of the budgt surplus for 2002 and the provision for financing the ECSC budget at 23 July 2002 and fines received and other amounts recovered.
After 2002 the amounts of commitments cancelled each year are added to this total.

TABLE N°4

AMOUNTS AVAILABLE FOR THE FINANCIAL MECHANISM

PRODUCTIVE AMOUNTS AT 31 DECEMBER	2002*	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total non-productive sums (allocated interest)	246	246	246	246	246	246	246	246	246	246	246	246	246
Proportion of special reserve not released yielding 1%	126	120	110	100	91	82	74	66	59	52	45	39	33
Proportion of former pension fund not released yielding 4%	56	54	50	46	42	38	34	31	28	24	21	19	16
Total amounts not released on short-term deposit	817	726	368	283	233	210	202	201	114	114	114	69	69
Tot. amnts which can be relsed on med- or long-term deposit	142	174	447	471	491	506	521	533	630	640	650	704	712
1/ Total	1387	1318	1221	1146	1102	1083	1077	1077	1077	1077	1077	1077	1077

* Up to 23 July 2002

INTEREST YIELDED AT 31 DECEMBER		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Special reserve (1%)		1	1	1	1	1	1	1	1	1	0	0	0
Former pension fund (4%)		2	2	2	2	2	1	1	1	1	1	1	1
Sums not released on short-term deposit	4,00%	29	15	11	9	8	8	8	5	5	5	3	3
Sums released on medium- or long-term deposit	5,50%	10	25	26	27	28	29	29	35	35	36	39	39
1/ Total		42**	42	40	39	39	39	39	41	41	42	43	43
2/ Amounts which may be recovered from defaulting debtors		**7**	**15**	**15**	**16**	**16**	**14**	**15**	**16**	**16**	**17**	**17**	**15**
TOTAL (1+2)		49	58	55	55	55	53	54	57	57	59	60	58

* Up to 23 July 2002

** The ECU 19 million used in the ECSC operating budget in 2002 as the net balance will have to be subtracted from this amount.

TABLE N°4 (CONTINUED)

AMOUNTS AVAILABLE FOR THE FINANCIAL MECHANISM

PRODUCTIVE AMOUNTS AT 31 DECEMBER	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total non-productive sums (allocated interest)	246	246	246	164	82	0	0	0	0	0	0	0	0
Proportion of special reserve not released yielding 1%	28	23	18	13	10	7	5	0	0	0	0	0	0
Proportion of former pension fund not released yielding 4%	14	11	9	7	6	4	3	2	1	1	0	0	0
Total amounts not released on short-term deposit	69	69	69	69	69	0	0	0	0	0	0	0	0
Tot. amnts which can be released on medium- or long-term deposit	720	727	734	741	746	819	822	829	829	830	830	831	831
1/ Total	1077	1077	1077	995	913	831	831	831	831	831	831	831	831

INTEREST YIELDED AT 31 DECEMBER		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Special reserve (1%)		0	0	0	0	0	0	0	0	0	0	0	0	0
Former pension fund (4%)		1	0	0	0	0	0	0	0	0	0	0	0	0
Sums not released on short-term deposit	4,00%	3	3	3	3	3	0	0	0	0	0	0	0	0
Sums released on medium- or long-term deposit	5,50%	40	40	40	41	41	45	45	46	46	46	46	46	46
1/ Total		43	43	44	44	44	45	45	46	46	46	46	46	46
2/ Amounts which may be recovered from defaulting debtors		**16**	**18**	**18**	**19**	**19**	**18**	**19**	**20**	**13**	**9**	**7**	**20**	**20**
TOTAL (1+2)		59	61	62	63	63	63	64	66	59	55	53	66	66

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