

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(81) 451 final /2  
Brussels, 30 July 1981

## FINANCIAL RECORD

Community's interventions by way of  
exception in favour of the regions in Greece affected by the  
earthquake

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(Communication of the Commission to the Council)

COM(81) 451 final/2



## FINANCIAL RECORD

### 1. Relevant budget heading

692. Annual funding of interest subsidies on special loans to Greece following the February and March 1981 earthquakes.

### 2. Legal basis

Council Decision of 1981?

### 3. Description of project

#### 3.1 Objectives of the project

3.1.1 General objective: to finance investments for the reconstruction of the means of production and the economic and social infrastructure in the regions affected by the Greek earthquake disaster in February and March 1981 (Article 1 of the Decision).

3.1.2 More specific objective and contribution to the general objective: to promote such investments by granting an interest rebate amounting to 3% per annum for a maximum period of 12 years on loans not exceeding 80 million ECU in principal that are made either by the European Investment Bank out of its own resources or under the New Community Instrument (Articles 2 and 3 of the Decision).

3.2 Areas affected: the western parts of Athens and Piraeus and 146 other towns (recital in the Decision).

### 4. Justification of project

4.1 Justification of the type of project proposed: attainment of the general objective may be facilitated by providing access to Community loans carrying interest rebates chargeable to the General Budget, pursuant to Council Decision 78/870/EEC of 16 October 1978 empowering the Commission to contract loans for the purpose of promoting investments within the Community.

4.2. Reasons for action at Community level: Community solidarity is particularly necessary in order to provide the people in the stricken areas of this new member country with assistance that will help mitigate the effects of the disaster on their economic and social situation.

5. Financial implications of project on intervention appropriations

5.1 Overall cost for the whole of its expected duration: 22 million ECU.

5.2 Percentage of financing: project wholly financed out of the Community Budget.

5.3 Timetable of appropriations required:

Appropriations required (non-differentiated), in million ECU

1982	1983	1984	1985	1986
2.4	2.4	2.4	2.4	2.4

6. Not applicable.

7. Financing from intervention expenditure

Appropriations to be entered in future budgets.

8. Not applicable.

9. Type of control to be applied

9.1 What controls will be carried out by the authorizing department?:

Each investment loan application will be vetted and a decision taken on the granting of interest rebates on these special loans.

9.2 Control of the economic/social effectiveness of the project: the Commission is required to inform the Council and Parliament each year of the operations carried out (Article 7 of the Decision).

9.3 Thorough review of the project: the guidelines and eligibility criteria for the granting of interest rebates will be reviewed periodically and adapted in the light of experience gained in providing these special loans for the stricken areas in Greece.