

**European
Investment Bank
BEI | EIB
annual report 1982**



The European Investment Bank in 1981 and 1982

Key data

	1982	1981
	(million ECUs)	
Total financing provided	4 695.7	3 848.1
of which — loans from own resources and guarantees	3 863.4	3 217.9
— loans from other resources (accounted for in the Special Section)	832.3	630.2
 Operations within the Community		
Total	4 244.2	3 361.3
of which — loans from own resources and guarantees	3 453.2	2 821.5
including		
EMS subsidised loans in Italy and Ireland	941.1	911.4
subsidised loans for reconstruction work in earthquake-stricken areas of Italy and Greece	116.4	31.8
— loans from the resources of the New Community Instrument for borrowing and lending (NCI)	791.0	539.8
including		
EMS subsidised loans in Italy and Ireland	230.4	113.7
subsidised loans for reconstruction work in earthquake-stricken areas of Italy and Greece	158.4	296.4
 Operations outside the Community		
Total	451.5	486.8
of which — financing from own resources	410.2	396.4
— financing from Community budgetary funds	41.3	90.4
<i>Breakdown</i>		
Financing provided in the Mediterranean region	292.0	277.0
of which — Spain and Portugal	185.0	119.0
Financing provided in the African, Caribbean and Pacific (ACP) States and in the Overseas Countries and Territories (OCT)	159.5	209.8
 Amount outstanding at 31 December in respect of loans from own resources and guarantees	20 740.0	16 949.3
 Amount outstanding at 31 December in respect of operations accounted for in the Special Section	4 124.1	2 850.5
 Subscribed capital	14 400.0	
of which paid in and to be paid in		1 465.715
 Funds raised during year	3 205.2	2 309.7
in DM	630.7	395.5
in Fl	412.9	319.1
in £	262.9	115.8
in Ffrs	177.4	128.5
in ECUs	112.0	85.0
in Bfrs and Lfrs	116.4	66.2
<i>total EEC currencies</i>	<i>1 667.6</i>	<i>1 063.9</i>
in US\$	760.1	629.9
in Yen	387.1	269.7
in Sfrs	345.7	300.0
 Borrowings outstanding at 31 December	16 570.2	13 481.8
 Balance sheet total at 31 December	23 702.5	19 571.0

Financing provided in the Community in 1982

Breakdown by location, economic policy objective and sector

1. Loans from own resources

	(million ECUs)								
					Objective				Sector
	Common interest/modernisation — conversion				Modernisation and conver- sion of undertakings	Total (1)	Industry, agriculture and services	Energy	Infrastructure
	Regional development	Energy	Community infrastructure						
Belgium	5.5	55.0	—	—	60.5	5.5	55.0	—	
Denmark	106.9	100.3	83.0	—	209.3	9.8	100.3	99.2	
Germany	—	20.8	—	—	20.8	—	20.8	—	
Greece	333.6	70.3	—	—	333.6	138.7	50.8	144.1	
France	195.2	323.0	—	18.1	424.3	39.8	311.7	72.7	
Ireland	325.4	66.6	—	—	325.4	113.7	66.6	145.1	
Italy	1 239.4 (2)	404.1	79.4	45.7	1 588.7 (2)	652.6	249.6	686.5	
United Kingdom	414.4	170.4	3.5	—	490.6	79.9	188.3	222.3	
Total	2 620.4	1 210.5 (4)	165.9	63.8	3 453.2	1 040.1	1 043.2 (4)	1 369.9	

2. Loans from NCI resources

	(million ECUs)								
					Objective				Sector
	Regional infrastructure	Community infrastructure	Energy	SMEs (*)	Total (1)	Industry and services	Energy	Infrastructure	
Denmark	48.6	48.6	47.4	—	96.0	—	47.4	48.6	
Greece	124.9 (3)	—	—	—	124.9 (3)	—	—	124.9	
France	—	—	—	37.6	37.6	37.6	—	—	
Ireland	83.1	—	37.8	—	83.1	—	37.8	45.3	
Italy	210.7 (3)	56.7	46.2	192.6	449.5 (3)	223.7	15.1	210.7	
Total	467.3	105.3	131.4 (4)	230.2	791.0	261.3	100.3 (4)	429.4	

(1) The amounts given represent total lending but do not necessarily correspond to the totals emerging from reading across the "Objective" columns, as certain financing operations are justified on the basis of several objectives (see also Note 1 to Tables 2 and 3).

(2) Of which loans for reconstruction work in earthquake-stricken areas of Italy: 116.4 million.

(3) Of which loans for reconstruction work in earthquake-stricken areas: Greece: 80.0 million; Italy: 78.4 million.

(4) The difference between the Energy policy objectives and Energy sector columns is due to the fact that certain industrial projects contribute to attaining energy policy objectives and, conversely, certain energy sector projects contribute solely to attaining the regional development objective.

(*) Small and medium-sized enterprises.

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European
Investment Bank



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Board of Governors

Situation at 1 June 1983

Chairman	Beniamino ANDREATTA (Italy) <i>until June 1982</i>
	Pierre WERNER (Luxembourg)
BELGIUM	Willy DE CLERCQ, Deputy Prime Minister, Minister of Finance and Foreign Trade
DENMARK	Knud HEINESEN, Minister of Finance <i>until September 1982</i>
	Henning CHRISTOPHERSEN, Deputy Prime Minister, Minister of Finance
GERMANY	Hans MATTHÖFER, Minister of Finance <i>until April 1982</i>
	Manfred LAHNSTEIN, Minister of Finance <i>until October 1982</i>
	Gerhard STOLTENBERG, Minister of Finance
GREECE	Apostolos LAZARIS, Minister for Coordination <i>until July 1982</i>
	Gerassimos ARSENIS, Minister for national Economy
FRANCE	Jacques DELORS, Minister for Economic and Financial Affairs
IRELAND	John BRUTON, Minister for Finance <i>until March 1982</i>
	Ray MacSHARRY, Deputy Prime Minister and Minister for Finance <i>until December 1982</i>
	Alan DUKES, Minister for Finance
ITALY	Beniamino ANDREATTA, Minister of the Treasury <i>until December 1982</i>
	Giovanni Giuseppe GORIA, Minister of the Treasury
LUXEMBOURG	Pierre WERNER, Prime Minister, Minister of State
NETHERLANDS	Fons van der STEE, Minister of Finance <i>until November 1982</i>
	H. Onno RUDING, Minister of Finance
UNITED KINGDOM	Sir Geoffrey HOWE, Chancellor of the Exchequer

Audit Committee

situation at 1 June 1983

Chairman

Corneille BRÜCK, Président-Directeur de la Caisse d'Épargne de l'État, Luxembourg

Members

Patrick L. McDONNELL, Comptroller and Auditor General, Audit Department, Dublin
until June 1982

Jørgen BREDSDORFF, Rigsrevisor, Audit Department, Copenhagen
Chairman until June 1982

Board of Directors

situation at 1 June 1983

Chairman

Yves LE PORTZ

Vice-Chairmen

Horst-Otto STEFFE

C. Richard ROSS

Arie PAIS, *from June 1982*

Lucio IZZO, *from June 1982*

Noel WHELAN, *from June 1982*

Messrs Giorgio BOMBASSEI FRASCANI de VETTOR and Maurits ESSELENS served as Vice-Chairmen until 1982, when they were appointed Honorary Vice-Presidents of the Bank

Directors

Paul ARLMAN	Plaatsvervangend Directeur Buitenlandse Financiële Betrekkingen, Ministry of Finance, The Hague
Karl BREDAHL	Afdelingschef, Ministry of Finance, Copenhagen
Ernst-Günther BRÖDER	Sprecher des Vorstands der Kreditanstalt für Wiederaufbau, Frankfurt
Michel CAMDESSUS	Directeur du Trésor, Ministry of Economic and Financial Affairs, Paris, <i>from May 1982</i>
Giorgio CAPPON	Direttore Generale, Banca per i Finanziamenti a Lungo e Medio Termine SpA — Interbanca, Milan
André de LATTRE	Président du Crédit National, Paris, <i>until August 1982</i>
Salvatore GUIDOTTI	Presidente dell'Istituto Italiano per lo Studio della Congiuntura (ISCO), Rome
Pierre GUILL	Président-Directeur honoraire de la Caisse d'Épargne de l'État, Luxembourg
Jean-Yves HABERER	Directeur du Trésor, Ministry of Economic and Financial Affairs, Paris, <i>until April 1982</i>
David HANCOCK	Deputy Secretary (Overseas Finance), H.M. Treasury, London, <i>until January 1982</i>
Maurice HORGAN	Former Second Secretary, Department of Finance, Dublin
Robert LION	Directeur Général de la Caisse des Dépôts et Consignations, Paris, <i>from August 1982</i>
Geoffrey LITTLER	Deputy Secretary (Overseas Finance), H.M. Treasury, London, <i>until February 1983</i>
Ludovicus MEULEMANS	Inspecteur-generaal van de administratie der Thesaurie, Ministry of Finance, Brussels
Rudolf MORAWITZ	Ministerialdirigent, Federal Ministry of Economic Affairs, Bonn
Sotiris MOUSOURIS	Vice-Governor, Hellenic Industrial Development Bank (ETBA), Athens, <i>until January 1983</i>
Anne E. MUELLER	Deputy Secretary, Department of Industry, London
Waldemar MÜLLER-ENDERS	Ministerialdirigent, Federal Ministry of Finance, Bonn
Maurice PÉROUSE	Directeur Général de la Caisse des Dépôts et Consignations, Paris, <i>until July 1982</i>
Felice RUGGIERO	Direttore Generale del Tesoro, Ministry of the Treasury, Rome, <i>until April 1982</i>
Massimo RUSSO	Director General for Economic and Financial Affairs, Commission of the European Communities, Brussels, <i>from April 1983</i>
Jean SAINT-GEOURS	Président du Crédit National, Paris, <i>from September 1982</i>
Mario SARCINELLI	Direttore Generale del Tesoro, Ministry of the Treasury, Rome, <i>from April 1982</i>
Ioannis SPENTZAS	Governor, National Mortgage Bank of Greece, Athens, <i>until January 1982</i>
Stavros THOMADAKIS	Special Adviser to the Minister for national Economy, Ministry for national Economy, Athens, <i>from February 1983</i>
James Brian UNWIN	Deputy Secretary (Overseas Finance), H.M. Treasury, London, <i>from February 1983</i>
Malcolm WILCOX	Director, Midland Bank plc, London

Alternates

Sven BOYER-SØGAARD	Prokurist, National Bank of Denmark, Copenhagen
Michel CAMDESSUS	Directeur du Trésor, Ministry of Economic and Financial Affairs, Paris, <i>until May 1982</i>
Lionello FRONZONI	Ex-Direttore, Banca d'Italia, Rome
Winfried HECK	Ministerialdirigent, Federal Ministry of Finance, Bonn
Mary E. HEDLEY-MILLER	Under-Secretary, European Community Group, H.M. Treasury, London
Philippe JURGENSEN	Chef du Service des Affaires Internationales, Direction du Trésor, Ministry of Economic and Financial Affairs, Paris, <i>from November 1982</i>
P. C. MAAS	Ex-President-Directeur van de Nationale Investeringsbank N.V., The Hague, <i>until June 1982</i>
Pierre MATHIJSEN	Director-General for Regional Policy, Commission of the European Communities, Brussels
Horst MOLTRECHT	Ministerialdirektor, Federal Ministry for Economic Cooperation, Bonn
Ian PLENDERLEITH	Head of Gilt-edged Division, Bank of England, London
Yves ROLAND-BILLECART	Directeur Général de la Caisse Centrale de Coopération Économique, Paris
Savino SPINOSI	Direttore Generale, Ministry of the Treasury, Rome
Jan VANORMELINGEN	Adviseur bij de administratie der Thesaurie, Ministry of Finance, Brussels, <i>from July 1982</i>

Management Committee

Yves LE PORTZ, President
 Horst-Otto STEFFE, Vice-President
 C. Richard ROSS, Vice-President
 Arie PAIS, Vice-President, *from June 1982*
 Lucio IZZO, Vice-President, *from June 1982*
 Noel WHELAN, Vice-President, *from June 1982*

Messrs Giorgio BOMBASSEI FRASCANI de VETTOR and Maurits ESSELENS served as Vice-Presidents until 1982, when they were appointed Honorary Vice-Presidents

Organisation Structure of the Bank

Situation at 1 June 1983

Manager	Head of Department	Head of Division
<p>General Administration Directorate Paul DIRIX, Secretary-General <i>since January 1983</i> Hans HITZLBERGER Acting Manager <i>until December 1982</i></p>	<p>Coordination, Information — Public Relations</p> <p>Management Services Organisation and Methods Data Processing</p> <p>Personnel Hans HITZLBERGER, Co-Manager, Head of Personnel Recruitment, Training, Careers, Postings Personnel Administration Regulations</p> <p>Secretariat and General Affairs Michel LAUCHE, Deputy Manager Secretariat Translation Representative Office in Brussels</p> <p>Budget Management, Financial Monitoring and Internal Services Jean EQUINET, Adviser Financial Monitoring Internal Services</p>	<p>Thomas CRANFIELD Karl Georg SCHMIDT, Adviser</p> <p>Penrhyn TURNER, Adviser Ernest ERPELDING, Deputy Adviser</p> <p>Ronald STURGES, Adviser </p> <p>Christopher SIBSON Klaus WOSZCZYNA, Adviser Manfred TEICHERT, Principal Adviser</p>
<p>Directorate for Operations in the Community Eugenio GREPPI</p>	<p>Coordination</p> <p>Operations in Belgium, Denmark, France, Germany, Greece, Luxembourg and the Netherlands Helmuth CRAMER, Co-Manager</p> <p>Operations in Italy, Rome Giorgio RATTI, Deputy Manager</p> <p>Operations in Ireland and the United Kingdom Dennis KIRBY, Deputy Manager</p> <p>Monitoring Gérard d'ERM, Principal Adviser</p>	<p>Alessandro MORBILLI, Adviser</p> <p>Jean-Pierre LACAILLE, Principal Adviser Jean-Marie PAYEN, Principal Adviser Fridolin WEBER-KREBS, Adviser</p> <p>Manfred KNETSCH, Adviser Filippo MANZI, Deputy Adviser Francis CARPENTER</p> <p>André DUNAND Joseph VAN KAAM</p> <p>Giovanni TORELLI, Adviser Brian FEWKES</p>
<p>Directorate for Operations outside the Community Dieter HARTWICH</p>	<p>Coordination</p> <p>Operations in the ACP-OCT Jacques SILVAIN, Associate Manager</p> <p>Operations in the Mediterranean Countries Christopher LETHBRIDGE, Deputy Manager</p> <p>Monitoring Robert CORNEZ, Deputy Manager</p>	<p>Terence BROWN</p> <p>Thomas OURSIN, Adviser John AINSWORTH, Adviser Rex SPELLER, Adviser Jean-Louis BIANCARELLI</p> <p>Thomas HALBE, Adviser Pietro PETTOVICH, Adviser Ernest LAMERS, Adviser Roger ADAMS, Deputy Adviser</p> <p>Alfred KAWAN, Adviser Nicolas URMES, Deputy Adviser</p>

Organisation Structure of the Bank *(cont.)*

Situation at 1 June 1983

Manager

Finance and Treasury Directorate

André GEORGE
until December 1982
Philippe MARCHAT
since January 1983

Head of Department

Issues

Wolfgang THILL, Deputy Manager

Treasury

John VAN SCHIL, Deputy Manager

General Accountancy

Anthon PETERSEN, Deputy Manager
deceased January 1983
François ROUSSEL, Deputy Adviser

Head of Division

Rutger ADVOCAAT, Adviser
Jean-Claude BRESSON, Deputy Adviser
Ulrich MEIER, Deputy Adviser
Araldo BONDURRI

Anthony CLOVER, Deputy Adviser
Lucio RAGUSIN

Research Directorate

John H. WILLIAMS
until April 1983
.....

Economic Research

Henri LEROUX, Associate Manager

Jean-Paul JACQUOT, Adviser
Klaus ACKERMANN, Adviser
Joachim MÜLLER-BORLE, Deputy Adviser
Luigi GENAZZINI, Deputy Adviser

Financial Research

Desmond G. McCLELAND, Deputy Manager

Documentation and Library

Francis THOUVENEL, Principal Adviser

Legal Directorate

Herman J. PABBRUWE

Jörg KÄSER, Deputy Manager

Xavier HERLIN, Principal Adviser
Bruno EYNARD, Principal Adviser
Konstantin ANDREOPOULOS
Andrew SCOTT-PLUMMER

Technical Advisory Service

Group A: Special Projects

Hellmuth BERGMANN, Chief Technical Adviser
Filippo BARILLI, Principal Technical Adviser

Group B: Operations in the Community

Walter LOWENSTEIN-LOM, Group Leader
Giuseppe DURANTE, Principal Technical Adviser
Thomas FLYNN, Technical Adviser
Peter BOND, Deputy Technical Adviser

Group C: Operations outside the Community

Robert VERMEERSCH, Group Leader
Zdenek HAVELKA, Technical Adviser
J. Garry HAYTER, Deputy Technical Adviser

Unit of account

In accordance with Article 4 (1) of the Statute, the Bank's Board of Governors decided on 13 May 1981 to adopt, with effect from 1 January 1981, the following new definition of the unit of account of the Bank (Official Journal of the European Communities L 311 of 30 October 1981):

"The unit of account shall be defined as being the ECU used by the European Communities".

See Note A to Annex E to the Financial Statements (page 89) for the value of the ECU.

The conversion rates used by the Bank during each quarter for its financing and borrowing statistics are those obtaining on the last working day of the previous quarter; in 1982, these were as follows:

	during the 1st quarter	during the 2nd quarter	during the 3rd quarter	during the 4th quarter
1 ECU =				
DM	2.44436	2.40088	2.36212	2.35365
£	0.566523	0.558308	0.552098	0.549768
Ffrs	6.20177	6.21543	6.55319	6.64257
Lit	1 303.57	1 315.39	1 327.20	1 323.77
Fl	2.68309	2.66331	2.61168	2.57309
Bfrs	41.7467	45.3008	45.0061	45.6409
Lfrs	41.7467	45.3008	45.0061	45.6409
Dkr	7.94077	8.19137	8.17529	8.23109
IR£	0.686819	0.692302	0.685588	0.690606
Dr	62.2263	62.5573	66.5276	66.7793
US\$	1.08517	0.995185	0.959823	0.930592
Sfrs	1.95169	1.92588	2.02062	2.01864
Yen	238.304	245.860	245.139	249.585
Sch.	17.1132	16.8709	16.6481	16.5459
£Leb.	5.01891	4.91621	4.91909	4.00620

The balance sheet and financial statements have been drawn up on the basis of the conversion rates obtaining at 31 December of the financial years concerned (see page 89).

Financing provided in 1982

In the main, the European Investment Bank grants loans from its own resources (principally the proceeds of its borrowings on capital markets) and furnishes guarantees. It also acts as agent of the Community in providing financing from budgetary funds in non-member countries in furtherance of the Community's policy of economic and financial cooperation and, since 1979, in Member Countries by making loans from the resources of the New Community Instrument for borrowing and lending (NCI); such operations are accounted for off balance sheet in the Bank's Special Section and are included in the statistics and reports of Bank activity when the decision to provide financing is the responsibility of the Bank's Board of Directors.

Financing provided by the Bank in 1982 totalled 4 695.7 million ECUs ⁽¹⁾, as against 3 848.1 million in 1981 and 3 489.5 million in 1980. The 22 % increase over the 1981 figure was comparable with those achieved in the three preceding years. Financing from own resources, amounting in all to 3 863.4 million, was 20 % up on 1981 (3 217.9 million), while Special Section operations (see page 82) came to 832.3 million, as against 630.2 million in 1981 (+ 32 %).

As shown in Table 1, operations within the Community financed from own resources amounted to 3 453.2 million in 1982 and those from NCI resources to 791 million, making a total of 4 244.2 million, or 90.4 % of new financing overall. *Lending in Member Countries from the Bank's own resources pursues the objectives set out in Article 130 of the Treaty of Rome (see page 25). Lending from NCI resources is applied to the purposes specified in the Decisions taken by the Council of the European Communities on 16 October 1978, 14 May 1979, 22 July and 25 November 1980, 15 March and 26 April 1982, and 19 April 1983 (see page 26).*

Operations outside the Community financed from the Bank's own resources came to 410.2 million and

⁽¹⁾ Except where otherwise indicated, all amounts quoted are expressed in ECUs (see page 10). Differences between totals shown and the sum of individual amounts are due to rounding.

Table 1: **Financing provided in 1982 and 1981 and from 1958 to 1982**

Broad breakdown by origin of resources and project location

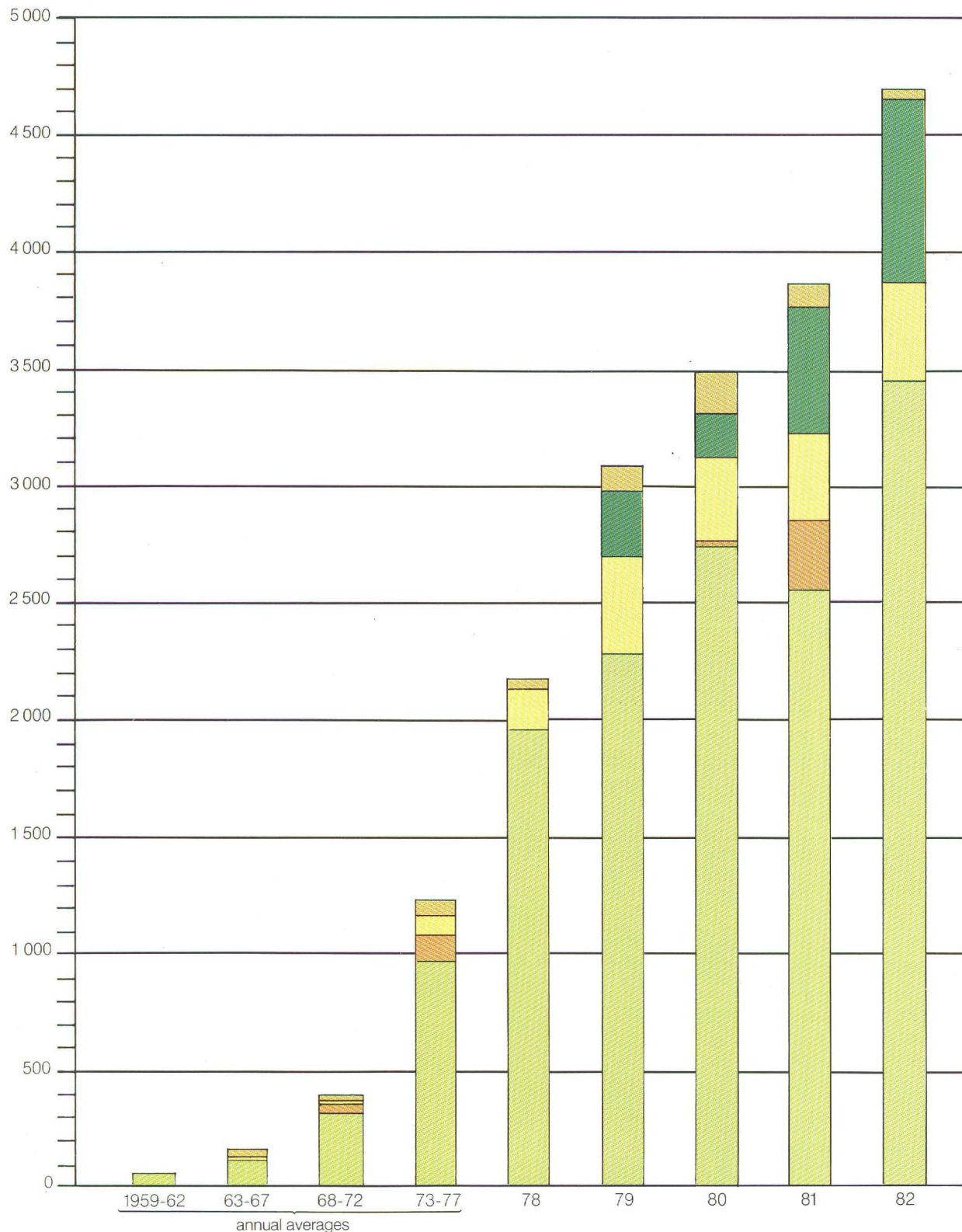
	1982		1981		1958—1982 ⁽¹⁾	
	million ECUs	%	million ECUs	%	million ECUs	%
Loans from own resources and guarantees						
within the Community	3 453.2	73.6	2 821.5	73.3	20 682.4	80.1
of which, guarantees	—	—	282.1	7.3	524.5	2.0
outside the Community	410.2	8.7	396.4	10.3	2 343.8	9.1
Total	3 863.4	82.3	3 217.9	83.6	23 026.2	89.2
Financing ⁽²⁾ provided from other resources (accounted for in the Special Section)						
within the Community, from the resources of the New Community Instrument for borrowing and lending (NCI)	791.0	16.8	539.8	14.0	1 805.5	7.0
outside the Community, from Member States' or Community budgetary resources	41.3	0.9	90.4	2.4	975.4	3.8
Total	832.3	17.7	630.2	16.4	2 780.9	10.8
Grand Total	4 695.7	100.0	3 848.1	100.0	25 807.1	100.0
of which: — within the Community	4 244.2	90.4	3 361.3	87.3	22 487.9	87.1
— outside the Community	451.5	9.6	486.8	12.7	3 319.2	12.9

⁽¹⁾ Amounts at current prices and exchange rates. A summary of financing provided over such a long period should be interpreted cautiously; data for individual years are affected by price movements and exchange rate variations occurring between 1958 and 1982.

⁽²⁾ Excluding Euratom loans and loans on special conditions made available under the Lomé Conventions as decided by the Commission of the European Communities.

Development of the Bank's activities

million ECUs



- Lending within the Community from own resources
- Loans on mandate and guarantees provided within the Community
- Lending outside the Community from own resources
- Lending within the Community from the resources of the New Community Instrument for borrowing and lending (NCI)
- Operations outside the Community financed from budgetary resources

(see Table 14, page 94)

those from the budgetary resources of the Community to 41.3 million, making 451.5 million in all. *Financing in non-member countries is provided in support of investment consonant with the objectives set out in the Agreements and Protocols signed with them.*

To finance its lending from own resources, the Bank raised a total of 3 205.2 million ECUs, mainly by means of public and private borrowing operations on the international capital markets and the national markets of certain Member and non-member countries. Of these funds, 112 million was raised in ECUs, 630.7 million in Deutsche Mark, 412.9 million in Guilders, 262.9 million in sterling, 177.4 million in French francs, 79.2 million in Belgian francs and 37.2 million in Luxembourg francs. Borrowings in U.S. dollars totalled 760.1 million, while 387.1 million were raised in Yen and 345.7 million in Swiss francs (see page 71 et seq.).

Disbursements on loans from own resources totalled 3 606.7 million: 3 232.7 million for lending in the Community and 374 million for operations outside.

The amount of loans from own resources and guarantees outstanding rose from 16 949.3 million at 31 December 1981 to 20 740.0 million at 31 December 1982, an increase of 22.4 %. Particulars of the principal forms of guarantee attaching to loans outstanding are given in Annex B (Note 3) to the Financial Statements (see page 87).

Disbursements in respect of financing from Community resources came to 686.8 million, 631.1 million being accounted for by NCI operations and 55.7 million by operations outside the Community.

The amount outstanding in respect of Special Section operations (see page 82) rose from 2 850.5 million at 31 December 1981 to 4 124.1 million at 31 December 1982, an increase of 44.7 %.

Economic Background

The background to the Bank's operations in 1982 was one of continuingly low economic activity, further deterioration in the employment situation and monetary and exchange rate instability.

The upturn that all industrialised countries had been looking forward to for two years failed to materialise. The general atmosphere of increased uncertainty and the persistently high level of real interest rates both played their part in a further slide in business investment, while the slackening growth in incomes eroded private consumption, resulting in economic stagnation and a massive increase in unemployment.

Inflation eased under the combined effects of the tight monetary and credit policies that continued to be applied, a more contained rise in the wages bill and the weakness of commodity prices in terms of dollars. Flagging consumption of raw materials and petroleum products coupled with the run-down of stocks accentuated the decline in the export earnings of developing countries and oil-exporting

countries, whose aggregate imports fell, contributing to the shrinkage in the volume of world trade.

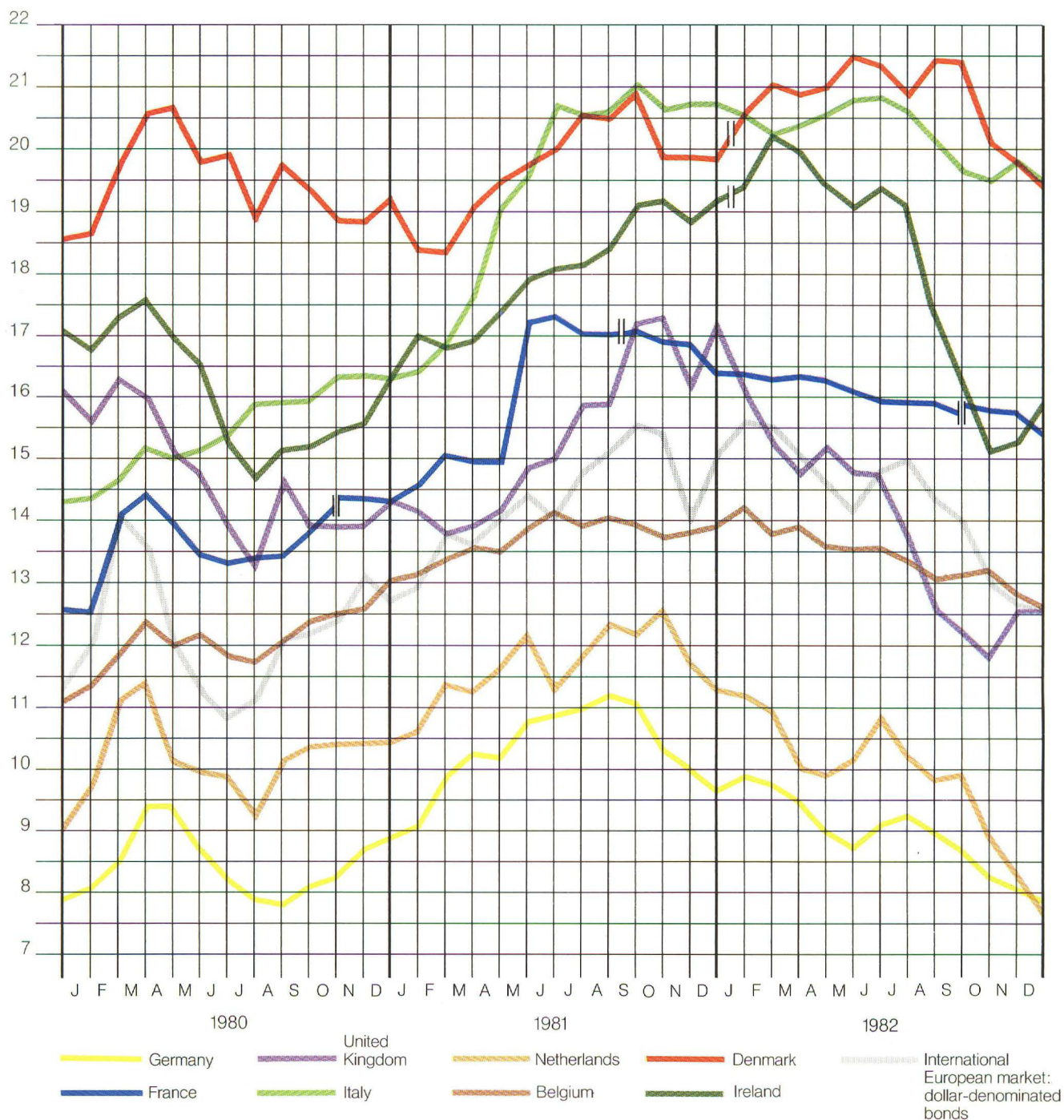
The improved terms of trade benefited on the whole the balance of payments on current account of industrialised countries.

In the United States, economic policy took a new turn in July with the adoption of measures aimed at pruning the budget deficit, and this was followed by a relaxation of monetary policy that coincided with a marked slowing in the rate of inflation. In the second half of the year, the recovery in private consumption and housing construction was not, however, sufficient to offset the further drying-up of corporate investment: the year as a whole showed a marked downturn in production.

The dramatic drop in the volume of exports, reflecting the high dollar rate on the currency markets, further deepened the trade deficit and, in spite of the continuing surplus on services and transfers, caused a deficit to open up in the current balance.

Gross yields on bonds

quoted on the various financial markets in the Community that offer the closest comparison with those issued by the European Investment Bank. For the United Kingdom and Ireland, yields have been calculated, for purposes of comparability, on the basis of an annual rather than a semi-annual compounding of interest.



In Japan, private consumption forged ahead, but the rate of growth flagged because of declining investment and a sharp slowing in exports. Imports too slowed, however, enabling the country to maintain a substantial surplus on its balance of trade and, by virtue of a healthier situation in the area of invisible transactions, to expand the surplus on its current balance.

As the pressure of inflation abated in 1982, there was scope for reducing interest rates on **capital markets** in Europe, although for the first seven months of the year high rates persisted in the United States and this, on a number of occasions, tended to thwart the trend, especially in those countries that had a balance of payments deficit.

Short and long-term interest rates, which by mid-year were already appreciably lower than they had been at the end of 1981, fell still further in the second half, in parallel with the relaxation of monetary policy in America. The worsening U.S. balance of payments on current account reduced the attractiveness of dollar-denominated investments and it thus became easier to contain the pressure on other currencies.

The downward shift in interest rates in general which occurred in 1982 encouraged borrowing on the international capital market and in the foreign issues sector of national markets. A number of additional features, however, also contributed to the raising of a much larger amount on these markets than in 1981. The first two months of the year saw a large number of zero coupon issues. These issues were mostly placed with Japanese investors who, under Japanese regulations, were exempt from tax on the capital gain, but they ceased when the Japanese authorities, as from the end of February, banned sales of such securities to their residents. In the first quarter of the year, but even more so during the second quarter, issues of dollar-denominated floating rate notes were rising rapidly, because of expectations that interest rates would move higher still. As the decline in interest rates steepened during the second half of the year, issues of floating rate notes fell abruptly in amount, their place being taken by an increased flow of new issues of fixed-interest securities. Borrowers were evidently encouraged to seek fixed-interest finance on more favourable terms than had been available for some time and, for their part, investors sought to place their funds at comparatively high yields while they were still available. Aiding the placement of the new fixed-interest issues were devices such as the attachment of warrants entitling

investors to purchase securities on similar terms within a specified period or the requirement of only a small downpayment on the purchase price at the time of issue and the balance after an interval of several months.

While new issues on bond markets increased markedly in 1982, activity in internationally syndicated bank credits fell, largely because the difficulties of certain countries in the Third World and Eastern Europe induced greater caution on the part of lenders. National Governments in Western Europe, however, together with their subsidiary authorities and national enterprises nevertheless continued to have recourse to this type of credit.

During the first half of 1982 the very high cost of borrowing on the U.S. domestic market increased the risks of taking on long-term financial commitments for even top-rated U.S. public utilities and industrial corporations. A tentative decline in bond yields however began in July and accelerated in the autumn before being checked towards the end of the year by fears of a renewed upsurge in interest rates when economic activity picked up again. When heavy borrowing activity by the Federal Treasury in the second half of the year resulted in a slower decline in yields on Federal Government securities than in those on securities of non-Government borrowers, the yield differential over Federal Government securities, which the latter, including foreign borrowers, would be required to pay, narrowed significantly. Non-Government borrowers were accordingly tempted to launch new issues on comparatively favourable terms.

Within the European Community, reductions in interest rates on the German and Netherlands capital markets tended to lead the way in 1982, though both markets suffered an adverse reaction for a while after the currency realignment in June. The amount of new issues subscribed during the year was much larger on both markets than in 1981.

The amount raised on capital markets in France and Belgium also rose substantially while interest rates declined throughout 1982 despite periods in which pressures built up on foreign exchange markets leading to the devaluations of their currencies.

Conditions on the capital markets of the United Kingdom, Ireland and Greece improved to a greater

extent than elsewhere in the Community. On the United Kingdom market, moreover, a much larger number of issues was launched by domestic corporations and non-resident borrowers than in recent years; towards the end of the year, however, the market reacted temporarily to the decline in the exchange value of the pound.

In Italy and Denmark, long-term interest rates were kept high by substantial deficits in the balance of payments on current account and by rapid inflation.

An important development on the international market was the increase in number and amount of issues denominated in ECUs. On the other hand no public issues denominated in Special Drawing Rights (SDRs) were launched in 1982.

The **Community's** gross domestic product rose by about 0.2 %, having fallen in 1981 by 0.4 % (1). In most countries, business investment declined, in line with the downward revision of production forecasts, depressed by two years of sagging demand. Another key factor cramping economic activity was the fall in orders from OPEC and other developing countries, the effect of which was more noticeable during the second half of the year.

The fact that interest rates remained very high throughout most of the year reinforced this trend and caused a further sharp dip in private spending on consumer durables and housing. Investment in public infrastructure also lost ground, except in energy supply, where there was steady growth in France, Germany and Belgium.

Investment directed in recent years towards the more rational use of energy has made further cuts possible in energy demand per unit of production. Whereas the 1975 recession was followed by a rapid return to heavy demand for energy in most countries, the second oil price shock produced a strong downward trend in that demand: gross domestic product in the Community grew by 2.5 % between 1979 and 1982, but gross domestic energy consumption fell by over 8 % and that of oil by more than 18 %. The result was that the percentage share of oil

in total energy consumption — which the Community is set to reduce to 40 % as its target for 1990 — fell from 54.5 % in 1979 to 48.6 % in 1982. Parallel with this development, electricity consumption accelerated by 50 % between 1979 and 1982, with solid fuel sales stagnating and gas suffering a slight decline. Primary energy production in the Community also rose conspicuously over the same period, thanks largely to expanding production of North Sea oil and electricity generated by nuclear plants. The role of natural gas continued to diminish. One effect of the trend was to cut net energy imports by over a fifth between 1979 and 1982, with net imports of oil pruned to such an extent that, even with imports of natural gas and solid fuels rising in net terms, the Community's dependence on imported energy, which stood at 64.2 % in 1973, was clipped to 55.2 % in 1979 and 47 % in 1982. Dependence on imported oil over this period was reduced from 61.8 % in 1973 to 48.1 % in 1979 and 37.6 % in 1982. Such was the explosion in prices, however, that even this volume decrease in energy imports proved insufficient to prevent the Community's "energy bill" from swelling, especially for oil, expenditure on which, expressed in terms of U.S. dollars, was multiplied by a factor of six between 1973 and 1980, before dropping by around 13 % in the last two years.

In spite of the investment drive in the energy sector, however, the general trend of investment and productivity in the Community has been dislocated since 1973, with gross fixed capital formation contracting by an annual average of 0.5 % between 1973 and 1982, in contrast with its rise of over 5 % a year during the preceding ten-year period.

Gross fixed capital formation has in consequence shrunk considerably as a proportion of gross domestic product, falling from 22.5 % in 1973 to only about 19 % in 1982. This was a general trend, most marked in Belgium, Denmark and the United Kingdom, but there were two major exceptions: Ireland, where the cumulative growth in investment in 1978 and 1979 touched 33 %, and Germany, where investment showed a steady rise between 1976 and 1980. Even in these two countries, however, it has proved impossible during the last two years to keep the proportion of investment up to its previous levels. With investment and economic activity generally at such a low ebb, the Community's productivity growth rate sagged from around 4.5 % per annum between 1961 and 1973 to rather less than 2.5 % between 1974 and 1978 and only 1.5 % between 1979 and 1982.

(1) Except where otherwise stated, aggregate increases and decreases are expressed in volume terms.

Budget deficits, which widened in 1981, were for the most part stabilised in 1982 in proportion to gross domestic product, thanks to more concerted efforts to keep transfers and public consumption on a steady course, coupled with increases in direct taxation and social security contributions. This two-

pronged approach succeeded across the board in offsetting the inevitable deepening of deficits associated with the torpid state of the economy, although there were Member Countries in which the mounting burden of public debt, both domestic and external, grew still heavier.

Gross domestic product in the Community

variations by comparison with previous year (1)



(1) Derived from aggregates expressed in national currencies in the case of Member Countries and in ECUs in the case of the Community.

Further job cuts and the continuing steep rise in the workforce combined to bring the total unemployment figure up from under 9 million, as an annual average, in 1981 to 12 million by the end of 1982. Already high, unemployment rates reached critical levels in certain of the weaker areas, with some 20 % out of work in Belgian Limbourg, Northern Ireland, Basilicata, Sardinia, Sicily and Campania. The more structural nature of unemployment in the less favoured regions — apparent in the higher proportion of women and young people among job applicants — in conjunction with demographic factors likely to accentuate the imbalance in the future, made the employment problem there all the more acute.

One of the major problems in the Community is thus the persistence within the Member Countries of less-developed regions. The 1960s saw a marked whittling away of disparities between the regions, but the situation more or less became set in the early 1970s. Expressed in terms of purchasing power parities, the ratio between average GDP per head in the ten least-favoured and the ten most prosperous regions remained virtually constant between 1970 and 1979.

For the first time in four years, there was a moderate improvement in the terms of trade which, allied with the low prices of imported raw materials, generally tended to improve the balance of payments on current account in 1982. With economic policies following divergent paths and the varying success of efforts to combat inflation and redress payments balances, there was recurrent tension between the currencies within the EMS, to the extent that the monetary authorities were constrained on two occasions to readjust various central rates: on 22 February the Belgian and the Luxembourg francs were devalued in terms of the ECU by 8.8 % and the Danish krone by 3 %. On 14 June the Deutsche Mark and the Guilder were revalued by 3.6 %, while the French franc and Lira were devalued by 6.3 % and 3.3 % respectively in relation to their former central rates for the ECU.

In **Germany**, activity continued to stagnate in line with a trend that had been evident for some time. At the beginning of the year, with the balance of payments deficit trimmed, interest rates on the downturn in keeping with monetary policy and the public sector budget staging a recovery, everything pointed to a revival in the economy. The main reason why this failed to materialise was that export demand suffered a setback in mid-year, although conditions were not

improved by the persistent decline in capital investment occasioned partly by the marked squeeze on profits during the previous period.

Unemployment rose strongly throughout the year, mainly because of a sharp drop in employment in industry and the construction sector. The additional outlay on supporting the labour market had much to do with frustrating the aim of reducing deficits of the public authorities.

The rise in consumer prices was equivalent to half the Community average. There was an appreciable improvement in the terms of trade and wage increases were contained below the rate of inflation. Exports kept to a high level, once again outstripping imports to the extent that the balance of payments recorded a surplus for the first time in four years.

In **France**, economic growth continued, at a modest rate, largely under the influence of private consumption, itself bolstered by the additional social security benefits conceded at the beginning of the year. In the first six months, domestic demand was underpinned by further stockbuilding aided by importers hedging against exchange risks.

Business investment, after a two-year slide, suffered only a marginal downturn, the shrinkage in industry being partially offset by a marked improvement in investment by commerce. Housing investment fell once again, chiefly under the influence of discouragingly high interest rates.

The impact of the reduction in working hours decided upon at the beginning of the year was partly dulled by productivity improvements, and the result was only to keep the level of the workforce steady. It proved possible to cushion the effects on unemployment of the continued increase in the number of new job seekers coming on to the market by means of Government-sponsored job creation agreements and measures adopted to help young people. There was a further rise in Government spending, channelled mainly into the creation of public-sector jobs and investment, causing the percentage which the authorities' deficit formed of gross domestic product to increase, although it still remained within the bounds set originally. Fed by rising production costs, prices increased rapidly at the beginning of the year, rather than slowed down as was observable in most of

France's principal trading partners. This tended to undermine the country's ability to compete, both at home and on outside markets. The volume of exports fell and the flow of imports strengthened, to the detriment of domestic manufacturers' market shares, especially in motor vehicles, consumer goods and capital equipment. The worsening trade and current account deficits heightened the tensions on the foreign exchange market, which culminated in a downwards revision in June of the central rate for the franc. At the same time, the Government introduced a series of measures to ease the period of monetary adjustment, which included a temporary, four-month freeze on prices and wages. There was wider recourse to borrowing on external capital markets.

In the **United Kingdom**, there was a gradual recovery in economic activity. Private consumption increased quite strongly during 1982 despite a fall in real disposable income, reflecting both the easing of hire purchase restrictions and a falling savings ratio, the latter being, in part, a response to lower inflation and interest rates. Although manufacturing investment remained weak, investment in other sectors picked up as domestic demand strengthened and, particularly towards the end of the year, the prospects for further recovery improved. Manufactured exports increased slightly despite the fall in world trade. This was a considerable improvement on the performance between 1977 and 1981 when the United Kingdom's share in world trade declined. The volume of imports levelled off during the year, since the increase in personal consumption was initially met from stocks and from some increase in output in the consumer goods industries. The current account of the balance of payments remained in substantial surplus, reflecting both the exceptionally large surplus on oil account in the second half of the year and some improvement in the volume of other exports.

Continued monetary and fiscal restraint, further progress on reducing pay settlements, significant productivity improvements — especially in manufacturing industry — and depressed commodity prices continued to reduce further the rate of inflation and to keep it below the Community average. Unemployment continued to rise, although the rate of increase was below the average for the Community.

In **Italy**, production dipped slightly. Private consumption stagnated as the incidence of a drop in savings was reduced by slackening growth in real

incomes. Business investment on the other hand declined faster, chiefly because of high interest rates, which also lay behind the pronounced fall in housing construction. The only factors ranged against the trend were the beginnings of a rebuilding of stocks and an increase in public consumption. With employment in the tertiary sector continuing to grow and the rate of increase in the working population now easing, it was possible to limit the impact on the unemployment rate of reduced manning in industry.

In July, the Government brought in a range of measures including the acceleration of certain direct tax payments, the scaling-up of public sector charges and an increased VAT rate, in order to trim the financing requirements of the authorities and public sector undertakings which, as a percentage of GDP remained at the previous year's very high level. The depreciation of the Lira sharpened competitiveness sufficiently for exports to expand more than imports. The trade deficit was cut accordingly, as was the current account deficit, notwithstanding the increase in external debt service.

In 1982, the Treasury's borrowing requirement increased to about Lit 70 000 billion from around Lit 51 000 billion in 1981. This increase, however, was due entirely to a rise in interest payments and capital expenditure. In fact, public saving net of interest swung into surplus in 1982. In spite of the increase in the actual deficit, the so-called structural deficit, i.e. the budgetary balance adjusted to allow for cyclical variations, recorded a distinct improvement in 1982.

In **Denmark**, a resurgence of economic activity at the beginning of the year gradually lost momentum. Private consumption grew steadily during the first half, only to slacken later, as real earnings contracted and savings moved sharply upwards.

The downturn in housing construction steepened, in spite of measures adopted to ease financial charges and to get subsidised building programmes under way. There was however no let-up in investment in oil production and distribution activities and the North Sea gas industry. Public consumption, which again grew briskly, also played its part in expanding domestic demand.

Consumer prices continued to rise swiftly, and the authorities' financing requirement climbed, under the influence of measures adopted during the year to

curb the sharp rise in unemployment. With exports growing more slowly than imports and the country saddled with a larger external debt service burden, the deficit in the balance of payments on current account worsened.

The new Government, which took office in September, carried out various incomes policy measures, among these a suspension of the cost-of-living adjustment of wages and considerable retrenchments on the state budget. The Danish Central Bank reduced the bank rate by 1 % to 10 % at the end of November and this was accompanied by a drop in the bond interest rate, which fell by a total of some 2 % from mid-October to the end of the year.

In **Ireland**, economic growth faltered in spite of brisk progress in exports. Consumption and housing investment alike declined, with a still high rate of inflation hampering the expansion of disposable earnings in volume terms and high interest rates adding to the burden of debt service. This did not however detract from the buoyancy of investment of private business and the public sector, under the impetus of decisions taken in previous years. The authorities' financing requirements, amongst the highest anywhere in the Community as a percentage of GDP, were held at the 1981 level. The balance of payments deficit on current account was reduced, with a drop in imports during the second half serving to offset the worsening net position on invisible transactions resulting from the rising burden of external debt service.

In the **Netherlands**, the recession that became apparent in 1981 continued, with business and public investment falling once again. Housing investment and private consumption contracted, as a sharp rise in savings coincided with a surge in unemployment at a time when interest rates remained high. Tax revenue failed to grow; earnings from natural gas production dropped and Government spending, largely because of measures to shore up employment, increased: the net result was a rise in the authorities' financing requirements. Wages pressure however eased, which made for a somewhat slackened rate of increase in consumer prices. The terms of trade improved and, with exports performing well and imports slack, the trade and current account surpluses both expanded appreciably.

In **Belgium**, the decline in economic activity slowed. Wage and price controls introduced alongside de-

valuation of the Belgian franc in February helped to contain its effect on rising prices, as a result of which businesses enjoyed a slight recovery in profitability and competitive capacity and gradually scaled up their investment activity. Real earnings however fell and private consumption declined accordingly, along with private investment in housing. Measures adopted to limit Government spending and social security payments enabled the authorities to contain their financing requirements to some extent as a percentage of GDP. The rising tide of unemployment, the highest in any Community country, could not however be stemmed. At the same time, exports grew steadily, aided by the lowering of the exchange rate, and this, coupled with stagnating imports, indicative of the low level of domestic demand, helped to prune the deficits in both the balance of trade and the balance of payments on current account.

In the **Grand Duchy of Luxembourg**, the indifferent performance of the economy could be ascribed to the shrinking exports and investment of the iron and steel sector, coupled with declining private consumption and housing investment, occasioned by the drop in real earnings. The introduction of stabilising measures accompanied the devaluation of the Luxembourg franc, but the rate of inflation remained high just the same.

In **Greece**, the economy flagged, with private consumption hardly growing as the effects of the rise in earnings at the beginning of the year were subsequently offset by increased pressure of taxation. The decline in investment continued, for the third consecutive year, chiefly because of increasing pessimism over prospective external demand. The previous year's upturn in Government spending gave way to a more sedate rate of growth which, coupled with a sizeable increase in direct and indirect taxation and transfers from the European Agricultural Guidance and Guarantee Fund, helped to trim the percentage which the substantial deficit of the authorities formed of GDP. The rate of increase in consumer prices continued to be very high, in spite of controls adopted at the beginning of the year. There was a reduction in the trade deficit, but this was partly negated by a poorer performance on invisible transactions, which left the deficit in the balance of payments on current account only very slightly reduced.

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In those countries with which the Community has signed financial cooperation agreements, the economic situation in most cases continued to deteriorate, especially when it came to financing deficits in the balance of payments. As a general rule, ongoing implementation or the introduction of stabilisation programmes designed to contain inflation and the rise in external indebtedness, squeezed domestic demand and, with demand from the industrialised countries depressed, caused economic growth to slacken noticeably. Such has been the scale and terms of the borrowings contracted in recent years that the burden of external debt service in these countries has generally increased, weighing heavily upon their public finances and balances of payments alike.

In **Spain**, activity picked up appreciably under the influence of a fairly expansionary budgetary policy, but not sufficiently to stave off a further rise in unemployment. The authorities pumped more funds into public sector undertakings, which made for a further deepening of the budget deficit and added to inflationary pressure. The fairly good showing of exports, however, combined with the relatively moderate growth in imports and a revival in revenue from tourism to bring about a slight reduction in the deficit in the balance of payments on current account.

In **Portugal**, there was little economic growth. Private consumption grew more slowly and rapid inflation eroded the growth in real earnings. Business investment sagged. There was very little increase in the volume of exports, owing to the weakness of demand in Community countries which provide Portugal's chief markets. The year's harvests proved better than those of 1981, which had occasioned massive buying-in of foodstuffs. This helped to put a slight brake on import growth, although this still persisted and the trade deficit remained large. The growing burden of debt service and the levelling-off of income from tourism and of repatriated earnings from migrant workers made for a further deterioration in the current account deficit.

In **Turkey**, economic recovery continued. A tight rein was maintained on budgetary, monetary and credit policies which, at a time when rising wages were brought under control, weighed heavily upon domestic demand and helped to curb inflation. Private consumption showed little or no growth and private business investment remained unimpressive, re-

flecting the high cost of credit and the uninspiring outlook for demand. Public sector investment, on the other hand, held up well. There was a slight rise in the number of people in employment. Competitiveness remained keen and this, coupled with periodic adjustment of the exchange rate, resulted in a further surge in exports. As import growth remained moderate, the deficit on current account was cut by a healthy margin. Capital inflows were substantial, serving not only to cover the deficit but also to help build up foreign exchange reserves.

In **Yugoslavia**, the austerity programme launched in 1980 was tightened in 1982 with the introduction of a series of measures, including further devaluation of the dinar, import controls and energy rationing. This put a brake on the rate of inflation, reduced economic growth considerably and left the country with unemployment still at a high level. Exports however, boosted by devaluation, remained buoyant, which, coupled with a slow-down in imports, served to reduce the trade deficit and, even though revenue from tourism fell, the current account deficit as well. With a large proportion of the country's foreign debts falling due, there had to be massive recourse to foreign currency borrowing, with the result that debt service rose once again.

In the **Maghreb and Mashreq countries**, economic growth was for the most part maintained, except in Tunisia where activity slumped. The downturn in demand and prices for petroleum products and phosphates eroded public sector earnings in most of these countries. With Government financial support for public enterprises still at a high level, along with military spending and subsidised activities, there was a general tendency for budget deficits to increase, stoking the already brisk rate of inflation. Unemployment worsened and the balance of payments on current account deteriorated, hit by declining exports and the levelling-off or diminution of remittances by migrant workers and revenue from tourism. By and large, deficits were covered by public and private external credit, although this in most countries tended to generate a massive increase in debt servicing, especially in Morocco and Algeria. In spite of the hostilities and attendant disarray in Lebanon, that country still managed to maintain a certain level of economic activity.

In **Malta**, poor returns from tourism and low export earnings put a damper on economic growth, pushed up unemployment and deepened the deficit in the

balance of payments on current account. In **Cyprus**, economic growth appears to have continued in the South but once again stagnated in the North. In **Israel**, rising private consumption and investment went hand-in-hand with an increase in imports which, with exports falling, depressed the balance of trade.

The economic and financial situation in those **African, Caribbean and Pacific States** that signed the Second Lomé Convention generally suffered further deterioration. Dwindling activity in the industrialised countries and a slide in international trade together made for the continuing shrinkage of demand for and market prices of most commodities. The vast majority of the ACP States was affected to a greater or lesser extent by the persistent world economic crisis, the poorest of them being hardest hit, particularly a number of the Sahel countries which were once again smitten by drought. Only one or two oil-exporting countries were left still enjoying a reasonably advantageous position.

This was hardly a climate conducive to fresh investment. Having ushered in industrialisation, with an initial phase of projects designed to substitute home-produced manufactures for various imported consumer goods and intermediate products, most of the ACP States are now finding themselves increasingly hard-put to widen their industrial base. The narrowness of national markets combines with the inadequacy of vocational training, especially for

middle management, and the relatively high cost of labour to impede further industrialisation. The world recession, narrowing outlets and keener competition have all underlined these difficulties, prevented the launching of new industrial projects and impaired the operation and profitability of those already completed.

Rising external indebtedness has for the most part been the price to pay for recourse to the international capital market for financing operating costs or servicing debts contracted earlier for investment projects that have shown a disappointing return. In addition, the appreciation of the U.S. dollar has added considerably to the burden of servicing external public debts on the part of many ACP States.

Deepening deficits in public finances and on current account in the balance of payments have made it more and more difficult to carry through the economic recovery programmes adopted in most of the countries in question in recent years, with the help in particular of the International Monetary Fund and the World Bank. Such have been the difficulties that serious consideration has been given to re-thinking the economic policies followed to date. New policies could work towards development less vulnerable to the international situation, hinging upon higher growth rates for agricultural production, which in turn would help to ease the balance of payments situation.

Economic and Financial Objectives

In 1982, the European Council addressed itself several times to the disquieting problem of the major structural crisis affecting all the countries of the Community, which are faced with the same hazards and share an interest in tackling unemployment and getting back to economic growth in stable monetary conditions while safeguarding the competitiveness of their output.

The European Council stressed the need for a coordinated approach to policies for the promotion of investment and combating unemployment, with a stronger bias towards productive investment by both

the public and private sectors. It was concerned about the level of productive investment in Europe, especially in growth sectors, which is too low in proportion to GDP, and agreed on the need for the Community and each of the Member States to take all appropriate measures from 1982 onwards to reverse the trend. In so doing, the European Council reiterated the importance it attached to the reinforcement of the Community's investment credit instruments, especially in the field of energy and the development of the industrial and food-processing sectors. These findings were put to the Bank in a letter from the President of the Council of Ministers of the European Communities on 8 June 1982. This

alluded to the importance of the Bank's role in Community lending as a whole and pointed out that the financing that the Bank could provide would obviously be a key element in the achievement of the aims that had been set.

In addition, as a result of the conclusions drawn at its meeting on 6 and 7 December in Copenhagen, the European Council instructed the Council of the European Communities:

- to decide, before the end of March 1983, on the priority measures proposed by the Commission to reinforce the internal market;
- to speed up the adoption of the Commission's current and forthcoming proposals in the field of research innovation and energy;
- to agree rapidly and before the next European Council on the Commission's proposal to expand the NCI by a further 3 billion ECUs;
- to give urgent consideration to the Commission's proposals for ways and means to ensure young people professional training or a first work experience; and on the reorganisation of working time".

Consistent with these guidelines was the Council's view that there were good reasons not only to step up the activities of the existing institutions and financing agencies, but also to promote NCI operations, and it had accordingly taken decisions on 15 March and 26 April 1982 empowering the Commission to contract loans for an additional 1 billion ECUs. The proceeds would go for lending in support of projects furthering pursuit of the Community's priorities in the fields of energy, infrastructure of regional or Community interest and productive investment on the part of small and medium-sized enterprises (NCI II). As under the enabling legislation previously passed, a mandate was given to the Bank to grant loans, subject to eligibility decisions from the Commission. In addition, the Council took a further decision in principle to authorise the Commission to contract loans for up to 3 billion ECUs (NCI III), to be issued in tranches, for financing projects "in the energy and infrastructure sectors, and . . . investment principally in small and medium-sized undertakings, in industry and in other productive sectors, taking account, inter alia, of their regional impact and the need to combat unemployment".

A further recommendation from the Council on 28 July 1982 again underlined the need for redoubled efforts to make rational use of energy, in particular by means of pricing and tariff policies geared to energy objectives and by the more thorough dissemination of information designed to generate greater interest among local authorities and small and medium-sized enterprises in Community loans.

It was decided on 15 March 1982 that the authorised total for Euratom borrowings raised by the Community for financing commercially-rated nuclear power stations would be increased from one to two billion ECUs. The Council also gave further consideration to the Commission's proposal that the Regulation governing the European Development Fund be modified.

The Danish Government, acting on the implications of the referendum that has resulted in the decision for Greenland to withdraw from the European Community as from 1 January 1984, has filed an application with the Community authorities for that territory to be accorded associate status under the provisions of Article 131 of the Treaty, and the Commission has delivered a favourable opinion.

Development Cooperation

Three new States, Zimbabwe, Belize and Antigua & Barbuda acceded in 1982 to the Second Lomé Convention, signed on 31 October 1979 between the Community and 58 African, Caribbean and Pacific States, bringing the number of signatories to 63. Furthermore, Angola and Mozambique have decided to participate in the negotiations for the renewal of this Convention, which expires in 1985. The Community authorities embarked on the groundwork for these negotiations in 1982.

The Community's negotiations with the Maghreb and Mashreq countries led in 1982 to the signature with them of new financial protocols to take over from those that had expired in 1981. The new protocols provide for the continuation of Bank activity in those countries up to 1986 (see p. 58). The Council, having first invited the Bank to consider what financial means it might be able to deploy towards reconstruction in Lebanon, gave its approval for exceptional aid to that country, in addition to the

funds already earmarked under the Second Financial Protocol. The aid takes the form of a grant drawn from budgetary funds and, following authorisation by the Board of Governors, loans for 50 million ECUs from the Bank's own resources.

On 26 April 1983, the Bank endorsed the Declaration of Environmental Policies and Procedures Relating to Economic Development signed on 10 June 1981 between ten international institutions. In this Declaration, the signatories reaffirm their commitment to the principles proposed at the United Nations Conference on the Environment in Stockholm in 1972, which all the countries of the Community have adopted. They also declare that

they will "to the best of their abilities" foster activities in the developing countries consonant with the aims of the Conference.

Enlargement of the Community

The negotiations embarked upon in 1978 and 1979 with Portugal and Spain on their prospective accession to the Community are still in progress. With the way things are shaping and the Bank soon to commit the last of the funds reserved for pre-accession financial cooperation, these countries have applied for increases in the ceilings for lending to them to be authorised.

Operations within the Community

Aims pursued and resources deployed

Loans from the Bank's own resources and guarantees

The economic policy objectives for EIB financing from own resources within the Community are defined in Article 130 of the Treaty of Rome and set out in the Bank's Statute and the general lending policy directives laid down by the Bank's Board of Governors. In practice, the Bank finances:

— first and foremost, projects concerned with production, infrastructure and energy, which contribute to the economic development of regions in difficulty — **regional development projects** (Article 130 (a) and (b) of the Treaty of Rome);

— projects of **common interest to several Member Countries or benefiting the Community as a whole** and projects to **modernise or convert undertakings or create fresh activities** called for by the gradual establishment of the Common Market.

These two categories embrace:

— projects in the **energy sector** which help to attain the aim of reducing the Community's dependence on

oil: the development of indigenous resources, more rational use of energy, diversification of energy imports (Article 130 (c) of the Treaty of Rome);

— **Community infrastructure** projects which contribute towards European economic integration (motorways, railways and waterways, telecommunications improving links within the Community) or help to attain Community objectives, such as protection of the environment (Article 130 (c));

— certain projects for the **modernisation or conversion of undertakings** whether necessitated by structural difficulties (Article 130 (b)), specifically contributing towards **developing** sectors with a high **innovative potential** or introducing advanced technology, or, in certain cases, projects resulting from close **technical and economic cooperation** between enterprises in different Member Countries (Article 130 (c)).

In addition, the Bank grants loans from its own resources with an interest subsidy for **reconstruction in areas damaged by the earthquakes** in Italy in November 1980 and in Greece in February-March 1981, in pursuance of the decisions taken by the

Table 2: Loans from the Bank's own resources in 1982

Breakdown by location, economic policy objective and sector

	Economic policy objective						Sector		
	Regional development	Common interest/modernisation — conversion			Deduct (1)	Total	Industry, agricult. and services	Energy	Infra-structure
		Energy policy objectives	Community infrastructure	Modernisation, conversion of undertakings					
Belgium	5.5	55.0	—	—	—	60.5	5.5	55.0	—
Denmark	106.9	100.3	83.0	—	80.9	209.3	9.8	100.3	99.2
Germany	—	20.8	—	—	—	20.8	—	20.8	—
Greece	333.6	70.3	—	—	70.3	333.6	138.7	50.8	144.1
France	195.2	323.0	—	18.1	112.0	424.3	39.8	311.7	72.7
Ireland	325.4	66.6	—	—	66.6	325.4	113.7	66.6	145.1
Italy	1 239.4 (2)	404.1	79.4	45.7	179.9	1 588.7 (2)	652.6	249.6	686.5
United Kingdom	414.4	170.4	3.5	—	97.7	490.6	79.9	188.3	222.3
Total	2 620.4	1 210.5 (3)	165.9	63.8	607.4	3 453.2 (4)	1 040.1	1 043.2 (3)	1 369.9

(1) Deduct to allow for duplication in the case of financing justified on the basis of several objectives.

(2) Including loans for reconstruction work in earthquake-stricken areas of Italy: 116.4.

(3) The difference between the Energy policy objectives and Energy sector columns is due to the fact that certain industrial projects contribute to attaining energy policy objectives and, conversely, certain energy sector projects contribute solely to attaining the regional development objective.

(4) Disbursements in 1982, including amounts disbursed under finance contracts signed previously, totalled 3 232.7 million (at conversion rates applicable at 31. 12. 82).

Operations within the Community

Council of the European Communities on 20 January and 14 December 1981 providing for exceptional Community aid (also mentioned below in "Loans from NCI resources" and "Loans attracting interest subsidies from the general budget of the European Communities").

The Bank pays particular heed to seeing, in accordance with Article 20 of its Statute, that "its funds are employed as rationally as possible in the interests of the Community" and provides financing only "where the execution of the project contributes to an increase in economic productivity in general and promotes the attainment of the common market".

The stipulations of paragraphs 4 and 5 of this same article provide that "Neither the Bank nor the Member States shall impose conditions requiring funds lent by the Bank to be spent within a specified Member State" and that "the Bank may make its loans conditional on international invitations to tender being arranged", which explains why the Bank requires that orders, supply contracts and works relating to projects which it helps to finance be open as far as possible to international tendering, embracing at least the Member Countries of the European Community. It examines with the promoter procedures designed to attain this objective, in the light of the type and scale of the project concerned, and ensures that Community directives governing public works and supply contracts are respected.

Table 2 shows the breakdown of 176 finance contracts signed in 1982 in respect of loans from the

Bank's own resources for operations within the Community, by economic policy objective, major sector and project location.

Loans from NCI resources

The Bank has since 1979 granted loans from the resources of the New Community Instrument for borrowing and lending for which the Council of the European Communities initially authorised two tranches of funds, each for 500 million (NCI I), followed by a further tranche of one billion (NCI II).

Loans granted by the Bank from these resources must comply with the guidelines laid down by the Council of the European Communities, in the light of which the Commission decides on the eligibility of individual projects. In accordance with the decision implementing NCI II, these loans must be for:

— projects contributing towards **rational use of energy, replacement of oil** by other sources of energy in all sectors of the economy and infrastructure facilitating such replacement;

— **infrastructure projects contributing to regional development or of common interest to several Member Countries**, such as transport, telecommunications, including data processing and transmission, energy transmission, water schemes and environmental protection;

Table 3: **Loans from NCI resources in 1982**

Breakdown by location, economic policy objective and sector

	(million ECUs)								
	Regional Infra- structure	Community infra- structure	Energy policy objectives	Economic policy objective		Total	Sector		
				SMEs	Deduct (1)		Industry, services	Energy	Infrastructure
Denmark	48.6	48.6	47.4	—	48.6	96.0	—	47.4	48.6
Greece	124.9 (2)	—	—	—	—	124.9 (2)	—	—	124.9
France	—	—	—	37.6	—	37.6	37.6	—	—
Ireland	83.1	—	37.8	—	37.8	83.1	—	37.8	45.3
Italy	210.7 (2)	56.7	46.2	192.6	56.7	449.5 (2)	223.7	15.1	210.7
Total	467.3	105.3	131.4 (3)	230.2	143.1	791.0 (4)	261.3	100.3 (3)	429.4

(1) Deduct to allow for duplication in the case of financing justified on the basis of several objectives.

(2) Including loans for reconstruction in earthquake-stricken areas — Greece: 80.0 million; Italy: 78.4 million.

(3) See Note 3 to Table 2.

(4) Of which: NCI I: 85.0 million; NCI II: 547.6 million; NCI-Reconstruction: 158.4 million.

Amounts disbursed in 1982, partly in respect of contracts signed previously, totalled 631.1 million (at conversion rates applicable at 31. 12. 82). They come under different borrowing authorisations as follows: NCI I: 86.5 million; NCI II: 227.4 million. Reconstruction Italy: 267.7 million (of which 212.1 million under pre-1982 contracts); Reconstruction Greece: 49.6 million.

— productive investment in **small and medium-sized enterprises**.

In addition, the second NCI I tranche of 500 million may be used, exceptionally and within the limit of 100 million, to finance advance factories and housing, provided that they form an integral part of a wider project designed to promote the economic and industrial development of a region of the Community.

At the same time, borrowing tranches have been authorised to finance projects designed to restore production facilities and reconstruct economic and social infrastructure in those **areas** of Italy and Greece **stricken by the earthquakes** in November 1980 and February-March 1981 respectively; these operations are subject to ceilings of one billion and 80 million respectively, excluding financing provided by the Bank from its own resources for the same purposes.

The Bank has received a mandate to grant these loans on behalf, for the account and at the risk of the Community. The Bank finds suitable projects and, following the decision of the Commission of the European Communities as to the eligibility of each project, appraises applications, decides on the granting of loans and administers them, all in accordance with the procedures laid down in its Statute and its usual criteria. The Commission negotiates borrowings and deposits the proceeds with the Bank which invests them temporarily, if necessary, pending their disbursement as loans.

With a view to offering loans from NCI resources at rates of interest and in currency mixes tailored as far as possible to borrowers' needs, the Board of Governors authorised the Bank on 28 April 1982 to establish a treasury facility by opening accounts in its books, in the name of the Commission, for recording movements of funds for NCI lending operations other than those mounted on a back-to-back basis.

Table 3 shows the breakdown, by economic policy objective, major sector and project location, of the 22 finance contracts in respect of loans from NCI resources signed by the Bank jointly with the Commission in 1982.

The economic policy objectives which projects financed with NCI resources must meet are very similar to those governing Bank financing from its own resources; loans are often granted for the same project from both categories of resources. Because of this, combined figures for lending are shown and the origin of the resources used is clearly indicated.

Loans attracting interest subsidies from the general budget of the European Communities

Of aggregate financing provided from the Bank's own or NCI resources, 39 loans totalling 1 171.5 million attracted the 3% per annum **interest subsidy introduced in conjunction with the European Monetary System (EMS)** by the Council Regulation of 3 August 1979 in support of projects implemented in the less

Table 4: **Loans attracting interest subsidies financed from the general budget of the European Communities in 1982**

	EMS subsidised loans (1)		Subsidised loans for reconstruction in the earthquake-stricken areas of Italy and Greece (2)		Total
	from own resources	from NCI resources	from own resources	from NCI resources	
	(million ECUs)				
Italy	693.2	147.3	116.4	78.4	1 035.3
Ireland	247.9	83.1	—	—	331.0
Greece	—	—	—	80.0	80.0
Total	941.1	230.4	116.4	158.4	1 446.3
Grand Total	1 171.5		274.8		1 446.3 (3)

(1) Council Regulation of 3 August 1979, loans attracting 3% interest subsidies for their full term.

(2) Council Decisions of 20 January and 14 December 1981, loans attracting 3% interest subsidies for a maximum term of 12 years.

(3) Amounts disbursed in 1982, partly in respect of contracts signed previously, totalled 1 592.7 million (at conversion rates applicable at 31. 12. 1982) and broke down as follows:

EMS subsidised loans from EIB own resources: 955.1 million (of which 53.7 million under pre-1982 contracts); EMS subsidised loans from NCI resources: 214.4 million; subsidised loans from EIB own resources for reconstruction work: 105.8 million; subsidised loans from NCI resources for reconstruction work: 317.3 million (of which 212.1 million under pre-1982 contracts).

prosperous Member States effectively and fully participating in the EMS. The total amount for which contracts were signed includes a loan to be disbursed in 1983 and consequently the relevant budget appropriations for interest subsidies will also be charged to that financial year. The breakdown of these loans between Italy and Ireland according to origin of resources is shown in Table 4 (1).

These loans represent 28.2 % of total lending from own resources and 36.4 % of lending from NCI resources, excluding loans granted for reconstruction, or 50.8 % of total lending in Italy and 81 % in Ireland. They constitute the full amount reserved for EMS subsidised loans for the financial year 1982.

Loans totalling 274.8 million, carrying a 3 % per annum interest subsidy for a maximum of 12 years financed from the general budget of the European Communities, were granted for **reconstruction in the**

(1) These amounts differ from those given by the Commission of the European Communities as conversions into ECUs were effected on the basis of rates obtaining at different dates. The Commission uses the following amounts which correspond to the subsidies recorded in its accounts: Italy, 711.6 million; Ireland, 330.4 million; total, 1 042 million.

earthquake-stricken areas of Italy (Campania and Basilicata) and Greece.

In the case of projects in **Campania and Basilicata**, where urgent work undertaken immediately gave way to permanent reconstruction, lending amounted to 194.8 million. Including the loans totalling 328.2 million granted in 1981, more than half the total package of subsidised loans had been committed within the first two years for which it had been available.

In **Greece**, the total amount of 80 million authorised by the Council of the European Communities was committed during the first year.

The loans granted in Member Countries with interest subsidies financed from the general budget of the European Communities thus amounted to 1 446.3 million or 34.1 % of Bank lending within the Community from own and NCI resources in 1982. *Details are provided in the chapters dealing with loans from the Bank's own resources (pages 44 to 54) and from NCI resources (pages 55 and 56).*

Survey of financing in the Community in 1982

Financing provided by the Bank in 1982 from its own resources for projects in Member Countries amounted to 3 453.2 million as against 2 821.5 million in 1981, while loans from the resources of the New Community Instrument for borrowing and lending (NCI) stood at 791 million compared with 539.8 million in 1981.

Total lending in the Community thus rose from 3 361.3 million in 1981 to 4 244.2 million in 1982, an increase of 26.3 % taken as whole following rises of 13.9 % in 1981 and 15.3 % in 1980.

By continuing to increase the financing it provided and fulfilling the task entrusted to it, the Bank helped to foster development of the least favoured regions, to reduce the Community's dependence on petroleum, assist reconstruction in the earthquake-stricken areas of Italy and Greece, and, subject to certain conditions, to modernise and convert European industry with particular emphasis on the promotion of advanced technology. The Bank thus followed up the conclusions of the European Council regarding the need for greater investment and job creation.

The dominant feature of the year's activity was the vigorous growth in total financing provided for industry including, to a lesser extent, services and agriculture, which soared from 472.3 million in 1981 to 1 301.4 million; of this 1 040.1 million was from own resources and 261.3 million from NCI resources, chiefly for productive investment in small and medium-sized enterprises.

Table 5 shows the breakdown of financing according to project location.

On the whole, financing continued to be concentrated in those Member Countries facing the most acute regional problems, with 80 % of loans from own and NCI resources going to projects located in Italy, Ireland, the United Kingdom and

Greece. By bringing in large amounts of external capital, the Bank thus contributed towards financing priority projects.

The total amount of **investment financed**, to which the Bank contributed an average 31.7 % of the project cost, is estimated at almost 12.2 billion, of which 2.4 billion related to industrial investment.

According to information gathered when loan applications were being appraised, this total investment should directly create **around 26 000 permanent jobs** and safeguard some 32 000 others, most of them in industry.

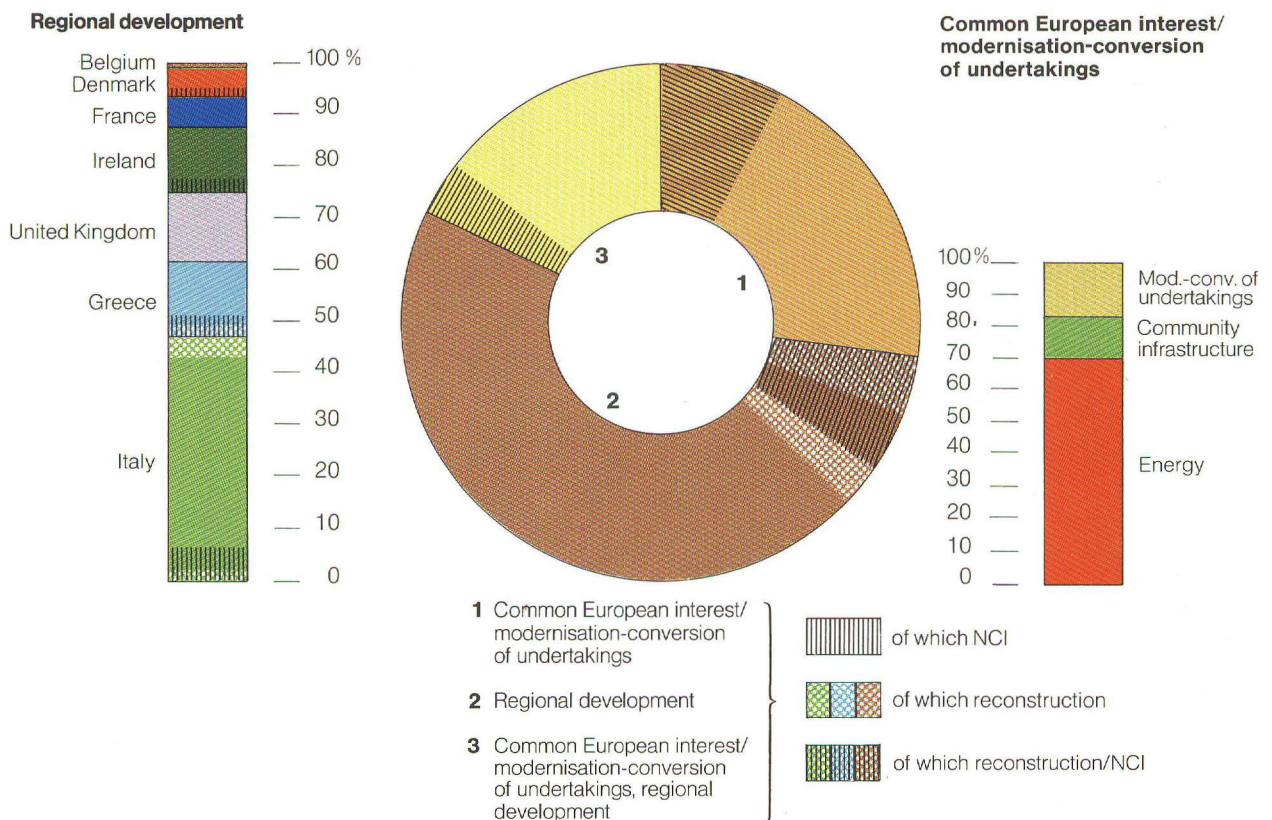
At the same time, the work and supplies needed to implement projects also provide employment for a considerable number of workers in the different sectors concerned during construction periods which are sometimes fairly lengthy. This **temporary boost**, both direct and indirect, to employment is estimated at around 480 000 man-years,

corresponding to almost 100 000 jobs during the first two years, but diminishing gradually thereafter. When the similar impact of projects financed during the previous five years is also taken into account, some 400 000 workers were probably kept in employment in 1982.

The breakdown of loans by **economic policy objective** which the projects financed help to attain shows a preponderance in 1982 of operations concerned with regional development, financing maintained at a high level for projects meeting the Community's energy objectives and a further large

Financing provided within the Community in 1982

Breakdown by principal economic policy objective (1)



(1) Certain projects contribute simultaneously to more than one objective, see page 25 and Table 15 page 100.

Operations within the Community

increase in lending for Community infrastructure and, more especially, the modernisation and conversion of enterprises (see Table 15).

Loans for **regional development** projects increased by 39 % to reach 3 087.7 million (2 620.4 million from own resources and 467.3 million from NCI resources), mainly in Italy, Greece, the United Kingdom, France and Denmark. This sum included 247.8 million for reconstruction in the earthquake-stricken regions of Italy and Greece (116.4 million from own resources and 158.4 million from NCI resources).

Such financing made up almost three quarters of Bank activity compared with two thirds in 1981 and continued to be concentrated in the regions accorded the highest priority from the point of view of Community regional policy or in regions with the highest unemployment and the lowest output per head.

In addition to a brisk rise in lending for projects concerned with telecommunications and transport, water supply and sewage treatment, support for regional development included a twofold increase in lending for investment in industry and other productive enterprise, which amounted to 900.1 million or 29.1 % of total lending in assisted regions.

Loans granted for projects helping to attain the Community's **energy objectives** made up almost one third of financing provided in Member Countries: 1 210.5 million from own resources and 131.4 million from NCI resources, together totalling 1 341.9 million (1 439.7 million in 1981).

Almost two thirds (see Table 15), or 857.3 million, went towards developing the **Community's indigenous energy resources** (nuclear power stations, exploitation of oil and gas reserves and solid fuels) and 13 % (174.5 million) to projects serving to **diversify imports of energy**, chiefly the

Table 5: **Financing provided within the Community in 1982, 1981 and from 1958 to 1982** ⁽¹⁾
Geographical breakdown

Location	1982						1981						1958—1982					
	From own resources		From NCI resources		Total		From own resources		From NCI resources		Total		Total					
	million ECUs	%	million ECUs	%	million ECUs	%	million ECUs	%	million ECUs	%	million ECUs	%	million ECUs	%				
Belgium	60.5	1.7			60.5	1.4	182.5	6.5			182.5	5.4	628.8	3.0	628.8	2.8		
Denmark	209.3	6.1	96.0	12.1	305.3	7.2	142.9	5.1			142.9	4.3	641.1	3.1	114.1	6.3	755.2	3.4
Germany	20.8	0.6			20.8	0.5	292.0	10.3			292.0	8.7	1 213.9	5.9			1 213.9	5.4
Greece ⁽²⁾	333.6	9.7	124.9	15.8	458.5	10.8	159.2	5.6			159.2	4.7	492.8	2.4	124.9	6.9	617.7	2.8
France	424.3	12.3	37.6	4.8	461.9	10.9	226.7	8.0	40.3		267.0	7.9	2 961.2	14.3	77.9	4.3	3 039.1	13.5
Ireland	325.4	9.4	83.1	10.5	408.5	9.6	325.3	11.5	17.3		342.6	10.2	1 599.2	7.7	228.9	12.7	1 828.1	8.1
Italy	1 588.7	46.0	449.4	56.8	2 038.1	48.0	1 251.3	44.4	448.3		1 699.6	50.6	8 782.3	42.5	1 120.5	62.1	9 902.8	44.0
Luxembourg													9.0				9.0	
Netherlands													105.2	0.5			105.2	0.5
United Kingdom	490.6	14.2			490.6	11.6	218.8	7.8	33.9		252.7	7.5	4 025.4	19.5	139.2	7.7	4 164.6	18.5
Non-member countries ⁽³⁾							22.8	0.8			22.8	0.7	223.5	1.1			223.5	1.0
Total	3 453.2	100.0	791.0	100.0	4 244.2	100.0	2 821.5	100.0	539.8		3 361.3	100.0	20 682.4	100.0	1 805.5	100.0	22 487.9	100.0
<i>of which guarantees</i>							282.1	10.0					524.5	2.5				

(1) See Note 1 to Table 1.

(2) See Table 10 and page 91 of 1980 Annual Report for particulars of investment financing in Greece from 1964 to 1980 under the Association Agreement.

(3) Loans made in accordance with the second paragraph of Article 18 (1) of the Bank's Statute empowering the Board of Governors to authorise the Bank to contribute towards financing projects outside, but of direct interest to, the Community.

construction of gaslines; the dominant feature, however, was the growth in financing provided for projects designed to achieve more **rational use of energy**, consisting of 310.1 million for such projects as district heating systems, conversion of cement works to coal firing and other diverse industrial ventures, both large and small.

Investment financed in 1982 along these lines will help to reduce the Community's dependence on oil by about 17 million toe ⁽¹⁾ per annum, of which 4.8 million toe will be saved solely through projects concerned with more rational use of energy; this was equivalent to about 3.6 % of imports in 1978, the level adopted by the Council of the European Communities as the ceiling for oil imports in 1990. The corresponding saving achieved through projects financed during the last six years is 78 million toe per annum, corresponding to 16.5 % of oil imports in the same year.

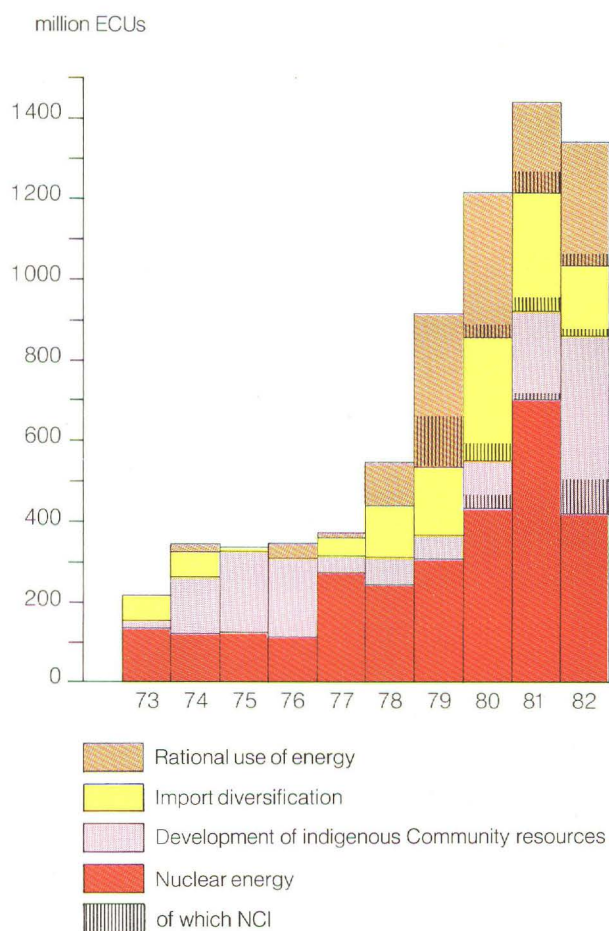
In addition, the Bank, acting as agent for Euratom, signed jointly with the Commission twelve finance contracts for a total of 357.5 million for nuclear power stations in Italy, Belgium and France and a uranium enrichment plant in France. These operations are accounted for off balance sheet in the Bank's Special Section (see page 82) and, although appraised and managed by the Bank, are not included in its operating statistics as the financing decisions are taken by the Commission.

Loans for **Community infrastructure** concerned, on the one hand, projects contributing towards **improving communications between Member Countries** (159.6 million from own resources and 48.6 million from NCI resources) and, on the other, projects concerned with **protection of the environment** (56.7 million from NCI resources and 6.3 million from own resources). Projects covering a wider range of activities generally financed for their regional benefits also contributed to environmental protection: particular instances were sewerage and sewage treatment schemes; in addition, numerous industrial projects financed included various installations to reduce the discharge of effluent or other sources of pollution affecting workers. In fact, all projects for which the Bank provides financing must comply with the relevant national or Community standards.

⁽¹⁾ Tonnes of oil equivalent.

Total lending for **modernisation and conversion**, mainly of small and medium-sized enterprises, amounted to 63.8 million from own resources and 230.2 million from NCI resources. Loans were granted for fisheries in France, for textiles and for industrial projects promoting advanced technology in Italy, and especially, for productive investment in non-assisted regions out of the first global loans from NCI resources made in France and Italy.

Financing for projects contributing towards attaining Community energy policy objectives, from 1973 to 1982



Numerous other loans granted in consideration of the regional benefits of the projects concerned should also be mentioned for their general contribution to modernisation and conversion. Thus loans totalling 137.3 million helped to finance 38 industrial projects in areas with obsolescent industries, including ventures receiving financing in the form of global loan allocations; 314.3 million supported infrastructure schemes which should promote the establishment of new economic activities in these areas; in addition, of the total amount of financing provided for industrial projects, 478.2 million (including 135.2 million in the form of global loan allocations) was for improving the productivity and competitiveness of some 225 industrial and service enterprises.

Certain projects financed will exploit advanced technology, e.g. in integrated circuits and calculators, microprocessor-based computer systems and a fishery research and development centre.

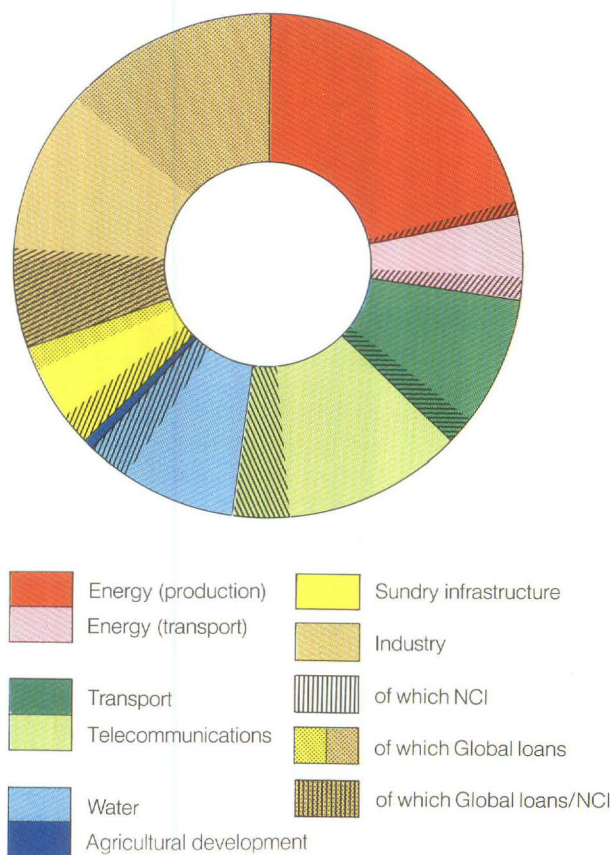
At the same time, loans totalling 160 million ⁽¹⁾ were granted for industrial ventures (production of aluminium, glass, thermal insulation, electrical consumer goods and plant health products) and energy schemes (development of oil and gas deposits and construction of a nuclear power station based on a fast breeder reactor) attracting finance and technical contributions from different Member Countries.

The outstanding feature of the **sectoral breakdown** of financing (see Table 16 and graph alongside) is the **near trebling** of loans for the **productive sector**, which totalled 1 301.4 million and helped to finance 1 247 projects, most of them industrial. To the 38 individual loans totalling 459.4 million from own resources must be added 42 global loans in favour of small and medium-sized enterprises; these totalled 842 million, comprising 592.9 million from own resources and 249.1 million from NCI resources.

Around 30 % of the amount of financing provided in these sectors concerned the production of consumer goods, 58 % that of intermediate goods and 12 % that of capital goods. Some 60 % was taken up by industrial investment in Italy and the remainder by projects in Ireland, Greece, France, Denmark, the United Kingdom and Belgium.

Allocations from ongoing global loans increased in terms of both number and amount: 1 209 small and medium-scale ventures attracted 453.5 million by way of allocations under global loans from the Bank's own resources, compared with 860 ventures and 288.3 million in 1981. The average amount per allocation was 375 000. The first allocations from global loans from NCI resources were under way at the end of the year. Global loan allocations made up half the financing provided by the Bank during the year for industry, agriculture and services (912.9 million) (see Table 6).

Financing provided within the Community in 1982
Sectoral breakdown



⁽¹⁾ See Nos 27, 40, 70, 71, 108, 111, 112, 118-119 and 121 of the list of loans.

The projects financed concerned cement works (in particular conversion to coal firing), foodstuffs, mechanical engineering, motor vehicles, chemicals and electrical engineering; to a lesser extent, they also benefited agriculture and the service sector, particularly tourism.

These projects are expected to lead to the creation of around 16 300 permanent jobs. The investment cost per job directly created works out at 53 400, whereas in the case of larger industrial projects financed by means of individual loans the cost is 153 500; 95 % of global loan allocations by number and 83 % by amount went to independent enterprises employing less than 500 persons; the corresponding percentages for businesses with less than 200 employees were 91 % and 75 % and for small businesses with less than 50 employees 76 % and 48 %.

Global loans in 1982 financed investment contributing to the development of assisted areas (35 global

loans totalling 570.7 million) and rational use of energy (6 global loans for 102.5 million, including 18.9 million from NCI resources) as well as productive investment in small and medium-sized enterprises irrespective of their location (5 global loans for 230.2 million from NCI resources).

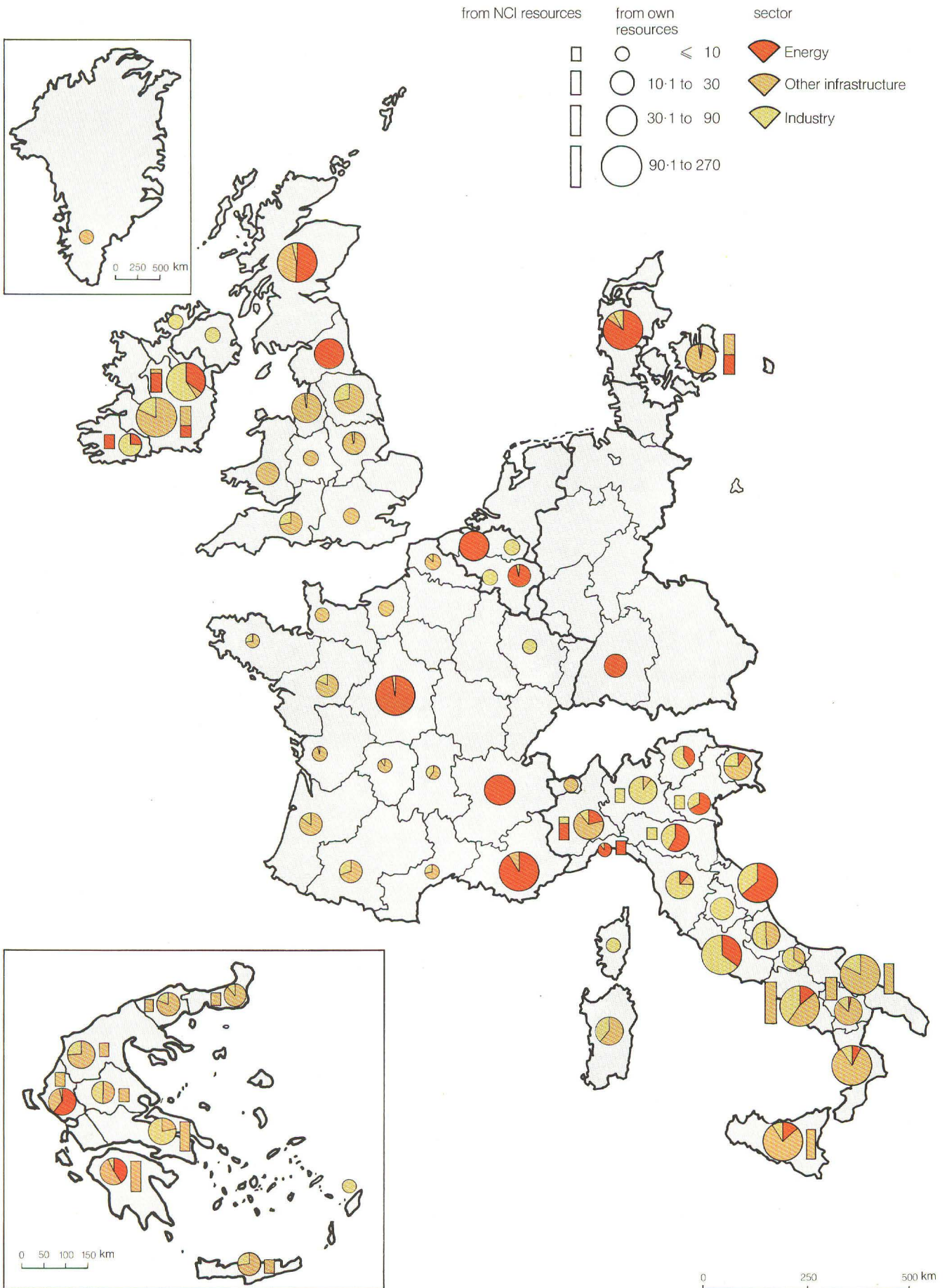
The average term of the loans was around 14 years in the case of infrastructure schemes and equipment for the energy sector; in the case of industrial projects, it was 10 years.

Of the latter, 80 % concerned private industry, about 10 % public enterprises and the remainder semi-public companies. Although granted mainly to public or semi-public financial institutions, global loan financing is naturally intended mainly for private enterprises. One eighth of the projects in the energy sector were mounted by private enterprises and the remainder by public bodies which are almost the sole promoters of infrastructure investment.

Table 6: **Contribution made by global loans to total financing for industry, agriculture and services from 1977 to 1982**

	1977	1978	1979	1980	1981	1982
(million ECUs)						
Allocations from current global loans:						
number	125	148	411	515	847	1 209
amount (a)	53.6	68.3	128.2	128.2	282.9	453.5
Individual loans and global loan allocations:						
amount (b)	388.5	231.0	368.6	448.1	436.8	912.9
Contribution of global loan allocations to total financing						
(a)/(b) — %	14	30	35	29	65	50

Projects financed within the Community in 1982
million ECUs



Detailed presentation of loans

Lending in **Italy** once again increased, exceeding the two billion mark: 1 588.7 million from the Bank's own resources (compared with 1 251.3 million in 1981) and 449.4 million from NCI resources (compared with 448.3 million). Almost two thirds of loans went to projects in the Mezzogiorno (1 125.2 million from own resources and 210.7 million from NCI resources). Despite the difficult economic background, financing for industry trebled, thanks especially to the Bank's close collaboration with a large array of Italian credit institutions.

Loans in support of projects in industry and to a lesser extent in agriculture and the service sector accounted for 43 % of total lending in Italy (652.6 million from own resources and 223.7 million from NCI resources, a total of 876.3 million), almost three quarters of this being provided by means of global loans for financing small and medium-scale ventures. Several of these global loans were intended for projects contributing towards more rational use of energy. The largest projects financed by means of individual loans concerned motor vehicles, building materials (conversion of several cement works to coal firing), foodstuffs, chemicals, glass, and electrical engineering and electronics.

Table 7 shows the breakdown of lending in Italy by economic policy objective and major sector; 71 % of the total amount contributed towards financing **regional development** projects (1 450.1 million, including 210.7 million from NCI resources). Lending for **reconstruction in the areas of Campania and Basilicata** stricken by the earthquakes at the end of 1980 amounted to 194.8 million (116.4 million from own resources and 78.4 million from NCI resources).

About 92 % of funds lent for **regional development** projects supported investment in the **Mezzogiorno**. Lending in Apulia (249.4 million), Campania (245.9 million) and Sicily (189.8 million) accounted for more than half and global loans for one fifth, with the remainder being shared between Latium, Calabria, Sardinia, Abruzzi and, for smaller amounts, Basilicata, The Marches and Molise.

The Bank also concluded 13 global loans totalling 288.6 million (125.5 in 1981) to help finance small and medium-scale ventures contributing towards

promoting a range of industrial and service activities in the Mezzogiorno.

In addition, as part of exceptional Community aid for reconstruction in the earthquake-stricken areas of Campania and Basilicata, a subsidised global loan was concluded to assist restoration of production facilities of small and medium-sized enterprises (2.6 million).

Ongoing global loans gave rise to 404 allocations totalling 217.2 million in 1982; the main beneficiaries were foodstuffs, metalworking and mechanical engineering, building materials, woodworking, rubber and plastics processing, electrical engineering and chemicals.

Leaving aside the loan for the Algeria—Italy gasline which concerns several regions, lending in the Mezzogiorno assumed the following pattern:

In **Apulia**, the Bank continued to provide financing, with particular emphasis on improving water supplies and the structure of industry. The loans granted financed agricultural drainage schemes at Stornara, projects to improve water supplies and repair of an aqueduct damaged by the earthquakes in November 1980, extension of telephone systems to facilitate the establishment and running of businesses, and the creation and development of industrial zones. Most of the loans to industry concerned small and medium-sized businesses which attracted 72 global loan allocations.

In **Campania**, as well as the reconstruction of water supply, electricity, telephone and railway systems and the establishment of rehousing centres in the earthquake-stricken areas, loans concerned works to improve supplies of drinking water, and a further stage of a sewerage and sewage treatment scheme; the works to reduce pollution in the Bay of Naples form part of one of the largest projects of this type undertaken to date benefiting several million inhabitants, and should dramatically reduce pollution in a large area of Campania. The Bank also made 63 global loan allocations for smaller industrial ventures and granted loans for the modernisation of a glass factory, restructuring of a factory producing washing machines, and two business hotels.

Lending for productive investment — mainly in industry — showed a sharp upturn in 1982, totalling 1 301.4 million. A substantial proportion of the funds (842 million, including 249.1 million from NCI resources) was made available in the form of global loans for small-scale investment, implemented chiefly by small and medium-sized undertakings. Allocations from ongoing global loans helped to finance 1 171 smaller scale industrial and tourism ventures.

Operations within the Community

In **Sicily**, the Bank provided financing for equipment to reduce energy consumption in an oil refinery, for extending industrial infrastructure, equipping an international telecommunications centre and improving telephone equipment. It also helped finance the restructuring, modernisation and enlargement of a motor factory — one of the island's largest industrial complexes — and three of a chain of hotels, as well as some fifty small and medium-sized enterprises.

In **Latium**, the Bank concentrated its financing on industrial projects: the modernisation of factories producing motor vehicle components, integrated circuits and calculators, and hygienic products, as well as on 67 small and medium-sized enterprises.

Loans were granted in **Calabria** for telephone installations and irrigation at Tacina and Alessi.

In **Sardinia**, Bank financing helped to improve water supplies in the west and south of the island, to provide infrastructure in the Olbia industrial zone, irrigation facilities in the Campidano and Oristano plains and to convert two cement works to coal firing, while a global loan was granted in support of small and medium-sized enterprises.

Lending in **Abruzzi** helped to finance extension of the satellite earth station in Fucino forming part of the Intelsat system, improvements to the road network and the provision of infrastructure for industrial estates; the largest financial contributions to industry included those for modernisation of a factory producing mechanical components, a brewery and a factory producing hygienic products.

In **Basilicata**, as well as providing funds for reconstruction of damaged sections of the water supply, electricity, telephone and railway systems and for equipping rehousing centres for those rendered homeless by the earthquakes, the Bank also contributed towards financing various sections of roads and agricultural development.

In **The Marches**, loans were made for a bread and cake factory, and for the modernisation and extension of a factory producing tubing and belting. In **Molise**, the Bank granted a loan for modernising a motor vehicle factory.

The Bank also provided financing for regional development projects, lending a total of 114.2 million in certain less-favoured regions in **Central** and **Northern Italy**, inter alia for a new section of the Friuli motorway and, via a global loan, for small and medium-scale ventures. The 108 allocations made from global loans in force in 1982 amounted to 63.9 million and concerned mainly construction materials, metalworking and mechanical engineering, woodworking and foodstuffs, chiefly in Umbria and Trentino-Alto Adige.

Lending in favour of projects contributing towards attaining the **Community's energy policy objectives** amounted to 450.3 million (404.1 million from the Bank's own resources and 46.2 million from NCI resources); some of these projects were also of regional benefit. They included development of petroleum and natural gas deposits and the acquisition of deep rigs (118.7 million), the construction of several sections, with a combined length of almost 240 km, of gaslines carrying Algerian and Russian natural gas across Campania, Latium and Friuli-Venezia Giulia, compressor stations and improvements and extensions to the natural gas distribution networks in Emilia-Romagna, Tuscany, Liguria and Piedmont (totalling 133.9 million). Other projects were designed to ensure more rational use of energy (171.2 million) at motor vehicle factories in the Turin region, at a chemicals factory in Tuscany, at a factory producing glass fibre for thermal insulation in Lombardy, at a petroleum refinery in Sicily, and at twelve cement works, while financing was also provided for a large number of small and medium-scale ventures under five global loans, including one from NCI resources. Projects of this type attracted 34 allocations totalling 27.7 million from current global loans. In addition, a further global loan was granted for medium-scale schemes helping to achieve rational use of energy.

A total of 136.1 million was provided to improve **Community infrastructure**, including sections of roads and motorways in France, Switzerland and Austria (the Fréjus tunnel, sections of access roads to various Alpine border crossing points and the Friuli motorway) and for projects contributing to **protection of the environment** (reduction of pollution in the Bay of Naples and in two tributaries of the Arno).

Financing totalling 238.3 million, quite distinct from that provided for regional development, supported projects contributing to the **modernisation or conversion of undertakings**. Projects included works

Operations within the Community

connected with conversion of the textile industry at Prato and three projects involving advanced technology (satellite telecommunications, cancer-treatment drugs and plant health products), while four global loans totalling 192.6 million from NCI resources helped to finance smaller-scale productive ventures in industrial and tourism sectors in Central and Northern Italy, outside the assisted areas. At the end of the year, the first allocations for such purposes were already being made.

Financing in the **United Kingdom** almost doubled in 1982, 490.6 million being provided from the Bank's own resources compared with 252.7 million in 1981 (including 33.9 million from NCI resources).

This increase resulted mainly from the resumption of lending for investment in the energy sector (188.4 million) and industry (79.9 million). Financing for transport infrastructure (52.1 million), water supply

Table 7: Financing in Italy in 1982
Breakdown by origin of resources, economic policy objective and sector

	From own resources Amount	From NCI resources Amount	Total	
			Amount	%
Total Italy	1 588.7	449.4	2 038.1	100
Breakdown by economic policy objective				
Regional development	1 239.4	210.7	1 450.1	71.1
of which Mezzogiorno	1 125.2	210.7	1 335.9	65.5
<i>Reconstruction</i>	116.4	78.4	194.8	9.5
Energy ⁽²⁾	404.1	46.2	450.3	22.1
Oil and natural gas deposits	118.7	—	118.7	5.8
Gas pipelines	118.8	15.1	133.9	6.6
Rational use of energy	166.6	31.1	197.7	9.7
<i>Individual loans</i>	83.0	12.2	95.2	4.7
<i>Global loans</i>	83.6	18.9	102.5	5.0
Communications and other Community infrastructure	79.4	56.7	136.1	6.7
Modernisation and conversion of undertakings	45.7	192.6	238.3	11.7
Modernisation and conversion	4.6	—	4.6	0.2
Advanced technology	41.1	—	41.1	2.0
Productive investment by SMEs	—	192.6	192.6	9.5
<i>Deduct</i> ⁽¹⁾	— 179.9	— 56.7	— 236.6	— 11.6
Breakdown by major sector				
Energy, communications and other infrastructure	936.1	225.7	1 161.8	57.0
Energy ⁽²⁾	249.6	15.1	264.7	13.0
Communications	380.9	97.5	478.4	23.5
Water schemes	221.3	113.1	334.4	16.4
Other infrastructure	84.3	—	84.3	4.1
Industry, agriculture and services	652.6	223.7	876.3	43.0
Individual loans	247.4	12.2	259.6	12.7
Global loans	405.2	211.5	616.7	30.3
<i>Allocations from current global loans</i>	309.1	—	309.1	15.2

(1) Deduct to allow for duplication in the case of financing justified on the basis of several objectives.

(2) See Note 3 to Table 2.

and sewage treatment schemes (90 million) and various other infrastructure projects (80.2 million) was maintained at a high level.

Some 84 % of lending concerned regional development projects; 36 % of projects were of common European interest, mainly by virtue of the contribution they made to attaining energy policy objectives, while 20 % of projects were eligible for financing on both accounts.

This lending was largely concentrated in Scotland (159.7 million or almost a third of the total amount), the North, Yorkshire and Humberside, and the North West (184 million in all).

Projects in the energy sector were chiefly concerned with developing the country's own resources: Torness Point nuclear power station; facilities for storing and handling nuclear fuel at Windscale; and development of the Magnus oil field in the North Sea (162.2 million in all). They were also intended to supply the northern groups of islands with electricity: construction of a power station in the Shetlands and linking up the Orkneys to the Scottish electricity grid by means of a submarine cable which, by reducing the use of local generating units operating on diesel, will lead to fuel savings (26.2 million).

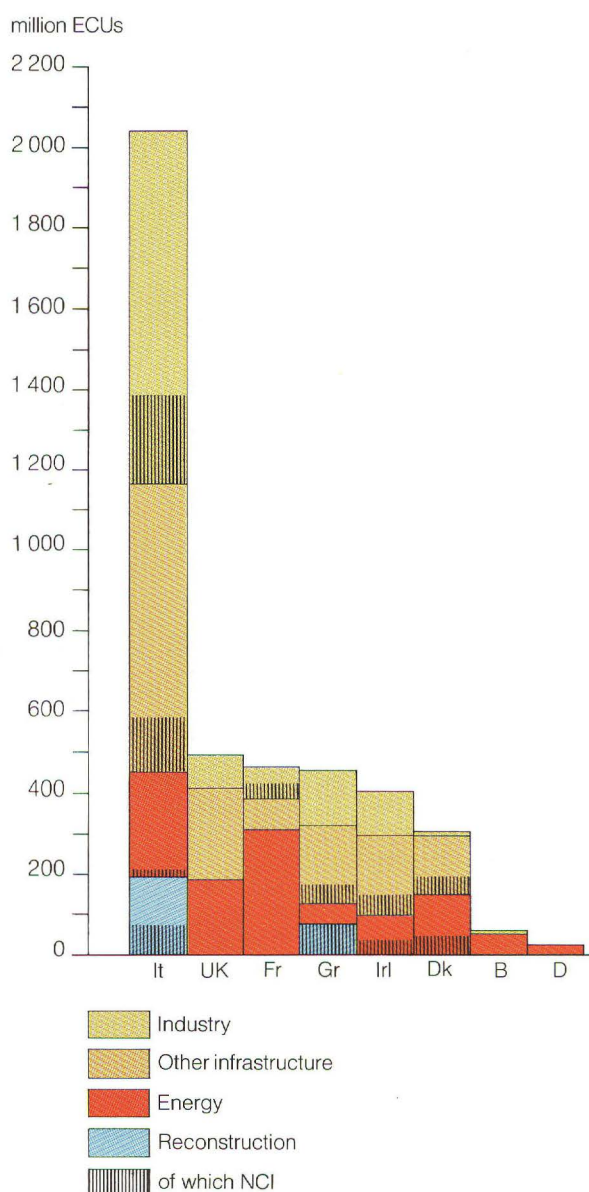
Infrastructure of regional interest, for which financing was provided, was located mainly in **Scotland** (84.3 million) and included roads, in particular around Edinburgh and Glasgow, water supply, sewerage and sewage disposal schemes and road improvements in the Highlands, the Grampians, Dumfries and Galloway, Strathclyde, Tayside and the Borders region, various construction schemes such as extension of Dundee airport and industrial estates, sometimes including advance factories, in the south. Financing was also provided for further sleeping cars on the railway lines linking Scotland with Bristol and London. Elsewhere, the Bank granted loans: in **Yorkshire and Humberside** for water schemes, improving the road network and for works disposing of solid waste; in the **North West** for water schemes and the Calder Valley motorway; in **Wales** for water supplies, sewerage and sewage treatment works and part of the Cardiff peripheral distributor road (23.4 million); and in the **South West** for drainage systems at Plymouth, Bideford and Wadebridge (9.1 million).

Lending for **industrial projects** rose threefold to reach 79.9 million, benefiting very diverse sectors: a

factory near Glasgow producing gas circulators for AGR nuclear power stations, a factory producing microprocessor-based computer systems at Leeds, factories producing hydraulic motors at Plymouth and electric cable factories in the North West. In addition, small and medium-sized industrial and tourist businesses in the country's various assisted areas

Financing provided within the Community in 1982

Breakdown by project location and major sector



Operations within the Community

will be able to avail themselves of funds provided under three global loans and a mandate contract.

Under the global loans and mandate contracts already in force, 33 allocations were made for small and medium-scale industrial and tourism ventures

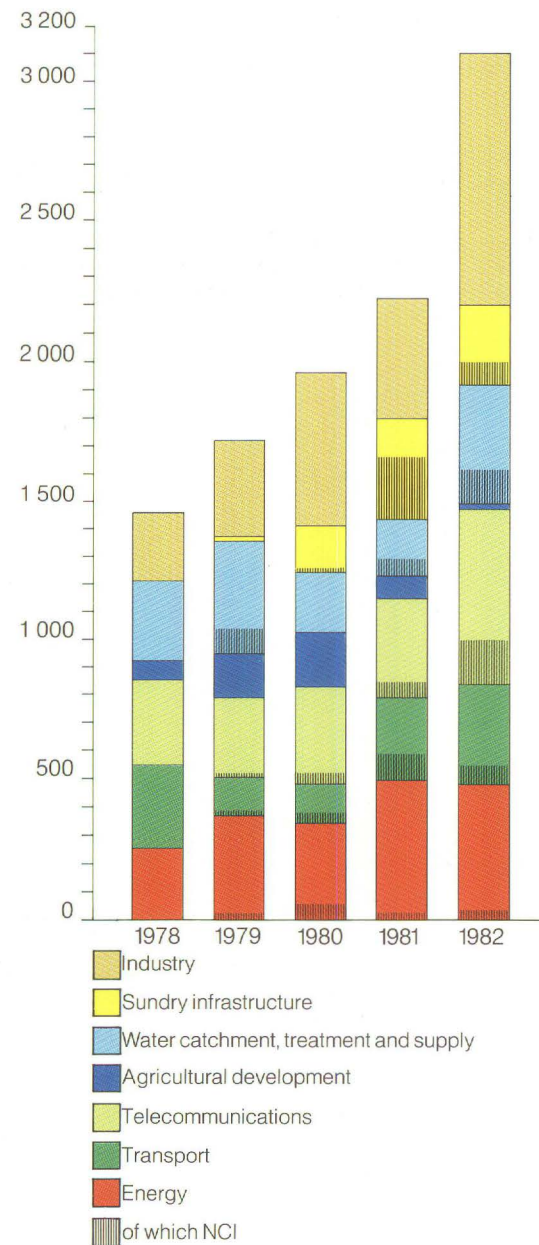
(7.8 million) mainly located in Yorkshire and Humberside, the North West and Scotland.

Total lending in **France** rose by 73 % to 461.9 million, including 424.3 million of loans from own resources and 37.6 million from NCI resources.

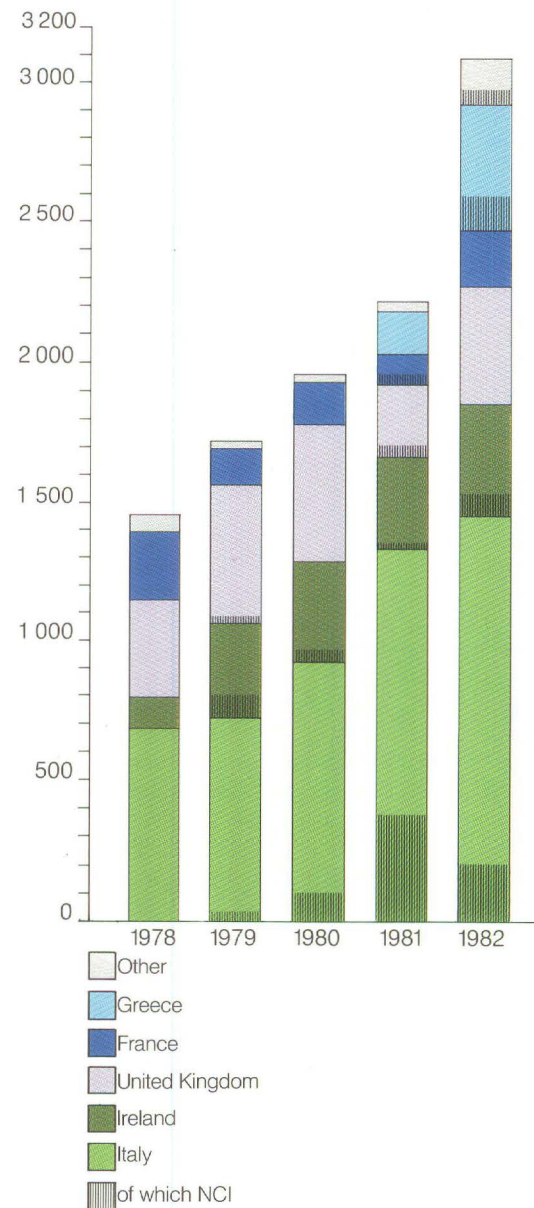
Financing provided for regional development within the Community from 1978 to 1982

million ECUs

Sectoral breakdown



Geographical breakdown



As in previous years, projects in the energy sector attracted the bulk of lending (311.7 million); there was also a resumption in lending to productive enterprises (39.8 million from own resources and 37.6 million from NCI resources) and an increase in financing for small infrastructure schemes (72.7 million).

In several cases, financing was provided to develop indigenous **energy resources** so as to reduce dependence on oil: the first two units of the light-water nuclear power station at Belleville, downstream of Cosne-sur-Loire in the Department of Cher, and the Super-Phénix fast breeder reactor at Creys-Malville in the Alps. At the same time, in the south of the country, the Bank helped to finance a new unit of the Meyreuil thermal power station together with extended working of the lignite deposits at Gardanne supplying the power station; prolonging the life of this mine will safeguard some 2 000 jobs.

On the **industrial** front (77.4 million), as well as helping to finance extension and modernisation of a steelworks, located in Ariège, south of Toulouse, processing special steels and alloys for use in aircraft construction and the energy sector, loans were also granted in support of small and medium-sized industrial projects.

Two global loan contracts were concluded for providing allocations for small and medium-scale industrial or service ventures, both inside areas receiving development and conversion aid (16.1 million was lent from the Bank's own resources) and outside such areas (37.6 million from NCI resources). In 1982, 51 global loan allocations totalling 16.1 million went to finance 38 industrial ventures (11.7 million) and 13 projects in the tourism sector (4.4 million), all located in assisted areas, mainly in the West (16 allocations) and the South West (13 allocations).

A further global loan was provided to finance small-scale projects concerned with coastal fishing, in particular modernisation of fishing vessels and processing facilities.

As regards **infrastructure**, the Bank helped to finance work on the Le Mans—Nantes railway line to provide faster links with the Atlantic Coast, as well as various harbour works: jetties at the ports of La Rochelle-La Pallice, in Charente-Maritime, and Sète, in Hérault, coal terminals in the ports of Rouen Grand-Couronne and Saint-Wandrille (Seine-Maritime) and Marseilles-Fos (Bouches-du-Rhône).

Three further global loans were granted for financing small and medium-scale public investment.

Drawing on these global loans and others granted previously, 158 allocations totalling 46.6 million benefited road schemes carried out by local authorities, mainly in South-West France (115 allocations for 26.9 million) and in the West (21 allocations for 11.4 million); in addition, allocations totalling 4.8 million were made available for the ports of Nantes, Dieppe and Saint-Vaast-la-Hougue.

In **Greece**, financing almost trebled compared with 1981, reaching 458.5 million, comprising 336.6 million from own resources and 124.9 million from NCI resources. The subsidised loan for 80 million from NCI resources for the **repair** of roads and railways and **reconstruction** of housing, schools and other buildings damaged by the earthquakes in February 1981 used up all the funds provided for this purpose (see page 28).

Loans granted in Greece will contribute towards **developing the different regions** of the country, especially by improving communications infrastructure (139.6 million from own resources and 44.9 million from NCI resources) and strengthening productive enterprises (138.7 million). The two hydro-electric power stations at Pigai and Stratos with their combined output of 360 MW will help to reduce the need for imported oil.

In the **communications sector**, loans were granted for extending and modernising local and trunk telephone networks outside the Athens and Thessaloniki conurbations; the Thessaloniki—Serres road link (forming part of the main road to the Bulgarian frontier) and the Patras—Olympia road will foster economic development in Eastern Macedonia and Western Peloponnese.

The Bank also made a loan to enable work to be continued on developing the industrial estates at Komotini, Kavala, Volos, Patras and Heraklion, accorded priority under Greece's regional development programme.

Financing for investment in productive activities and, especially, in the basic **industries**, was provided for the construction or conversion to coal firing of three cement works, establishment of a terminal to supply them with coal, and for the modernisation and up-rating of plant producing alumina and aluminium on the north coast of the Gulf of Corinth (total: 55.3 million).

Operations within the Community

In addition, six **global loans** were concluded with institutions providing finance for small and medium-scale investment in industry and tourism (48.4 million) and in farming, agricultural processing or collective irrigation projects (35.2 million).

Of the global loans already mounted, 78 allocations totalling 51.4 million were made in 1982. They included one for 165 000, carrying a subsidy financed from the general budget of the European Communities, for establishing a museum on the island of Milos in the Cyclades; this represents the Bank's first financial contribution towards safeguarding the Community's cultural and architectural heritage and will help to promote tourism on this island.

Most of the funds allocated under global loans went to Central and Eastern Greece and the adjacent islands, Central and Eastern Macedonia, the Peloponnese, Central and Western Greece and Thessaly. The projects concerned foodstuffs, tourism, textiles and leather, and agriculture; four allocations also financed modernisation of some 500 crop and stockfarming ventures. Lastly, seven allocations totalling 6.5 million were made for small schemes helping to achieve more rational use of energy.

Lending in **Ireland** amounted to 325.4 million from own resources and 83.1 million from NCI resources, a total of 408.5 million compared with 342.6 million in 1981. More than 80 % of total lending attracted EMS interest subsidies (see page 27).

All the projects financed, a breakdown of which is given below, will contribute towards developing the different regions of the country.

Table 8: **Lending in Ireland in 1982**
Breakdown by origin of resources and sector

	(million ECUs)			
	Industry, agriculture and services	Energy	Infra- structure	Total
from own resources	113.7	66.6	145.1	325.4
from NCI resources	—	37.8	45.3	83.1
Total				
— amount	113.7	104.4	190.4	408.5
— %	27.9	25.5	46.6	100.0

Almost 42 % of lending went to finance projects intended to improve national and international communications: continuation of the programme to extend and modernise the telephone system (146.2 million) and improvements to the road network (24.8 million). Two loans helped to fund water schemes and drainage of farmland.

Loans in the energy sector helped to support construction of the country's first coal-fired power station at Moneypoint, improvements to the peat-fired power stations at Shannonbridge and Lanesborough, and construction of a pipeline to bring gas from the Kinsale Head natural gas field in the Irish Sea to the Dublin city system and, subsequently, to numerous factories in and around the city. These projects will serve to reduce the country's dependence on imported oil by around 1.6 million toe per annum.

Loans in support of projects in the productive sectors benefited a wide range of activities: a cement works at Limerick and a factory at Ringaskiddy processing soft wheat to produce proteins, glucose, dextrose, starch and wheat germ, all of which the Community at present imports; further turnkey factory programmes and continued construction and enlargement of vocational training centres to raise industrial and agricultural productivity.

Three global loans totalling 12.3 million were concluded with Irish financial institutions to promote small projects in tourism and farming.

Under the global loans already in force, 462 allocations for a total of 55.6 million were made, particularly supporting projects concerned with tourism, metalworking and mechanical engineering, woodworking, foodstuffs, agriculture and fishing; 10 allocations totalling 6.4 million financed modernisation measures benefiting 480 crop and livestock farming ventures. A further seven allocations for a total of 1.4 million were committed in support of small projects aimed at achieving more rational use of energy.

Lending in **Denmark** more than doubled to reach 305.3 million (as against 142.9 million in 1981), comprising 209.3 million from own resources and 96 million from NCI resources.

More than half of this was taken up by projects helping to reduce the Community's dependence on

oil: modernisation and extension of district heating systems at Aarhus and Varde serving some 270 000 inhabitants (73.4 million); a plant to process natural gas from the Tyra field in the North Sea, new sections of the pipeline distributing the gas throughout the country and its interconnection, via the North German network, with the European grid.

These different projects will reduce imports of petroleum products by around 380 000 toe per annum.

Leaving aside one loan for the laying of a submarine telecommunications cable to the Netherlands, the remaining financing went towards transport infrastructure of regional benefit: the South Motorway connecting Copenhagen with the island of Falster via two bridges across the Storstrømmen strait and forming part of the Helsinki—Lisbon highway; extension of installations at the fishing port of Tejn on the island of Bornholm; deepening and widening the fairway at the entrance to the port of Aalborg and construction of an airport at Jakobshaven in Greenland.

The Bank also contributed to financing a fishery research and development centre on the Skagerrak

and extension of the sewerage and sewage treatment system serving the town of Nakskov, which will help to reduce pollution in the Baltic in accordance with the objectives of the Helsinki Convention.

A new global loan contract was signed with the Danish Government, while 28 allocations were approved from global loans already in force for medium-scale industrial projects in the regions to the west of the Great Belt, chiefly concerning metalworking and foodstuffs. In addition, two allocations totalling 3.6 million went to finance small projects for district heating.

Lending in **Belgium** totalled 60.5 million (compared with 182.5 million in 1981), 90 % of this sum being divided between the two nuclear power stations at Tihange, near Liège, and Doel, near Antwerp. In addition, four allocations were made in Wallonia under a new global loan, including one for a plant producing compound fertilisers and one for a factory producing integrated circuits, while one allocation was also made in Limbourg, in Flanders.

Lastly, in **Germany** the Bank granted a loan for 20.8 million for the second unit of Philippsburg nuclear power station in Baden-Württemberg.

List of loans provided within the Community ⁽¹⁾

A. Loans provided from the Bank's own resources

Contracts signed in 1982

Loans provided from the Bank's own resources and for which contracts were signed in 1982 in respect of projects within the Community totalled 3 453.2 million. All these operations, the principal economic aspects of which are outlined on pages 28 to 43, give rise to financial commitments for the Bank and are accounted for on its balance sheet. The symbols in the columns to the right of each operation listed hereafter refer back to the economic policy objective headings featured in Table 2. Operations financed under Article 130 (a) of the Treaty of Rome are listed with a 'Regional development' classification; those financed under Article 130 (c) are subdivided between 'Energy objectives' and 'Community infrastructure'. The 'Modernisation/Conversion' category embraces projects financed under Article 130 (c) together with loans Nos 54 and 103 financed under Article 130 (b) (see page 25).

Certain projects financed also received loans from NCI resources (see pages 55 and 56); these are marked with an asterisk. In the case of projects marked with a cross (+), the loans attracted the 3% interest subsidy provided for investment projects in Italy and Ireland. Reconstruction loans for the earthquake-stricken areas of Italy (see page 28) are printed in heavy type; these loans also attracted a 3% interest subsidy.

Abbreviations

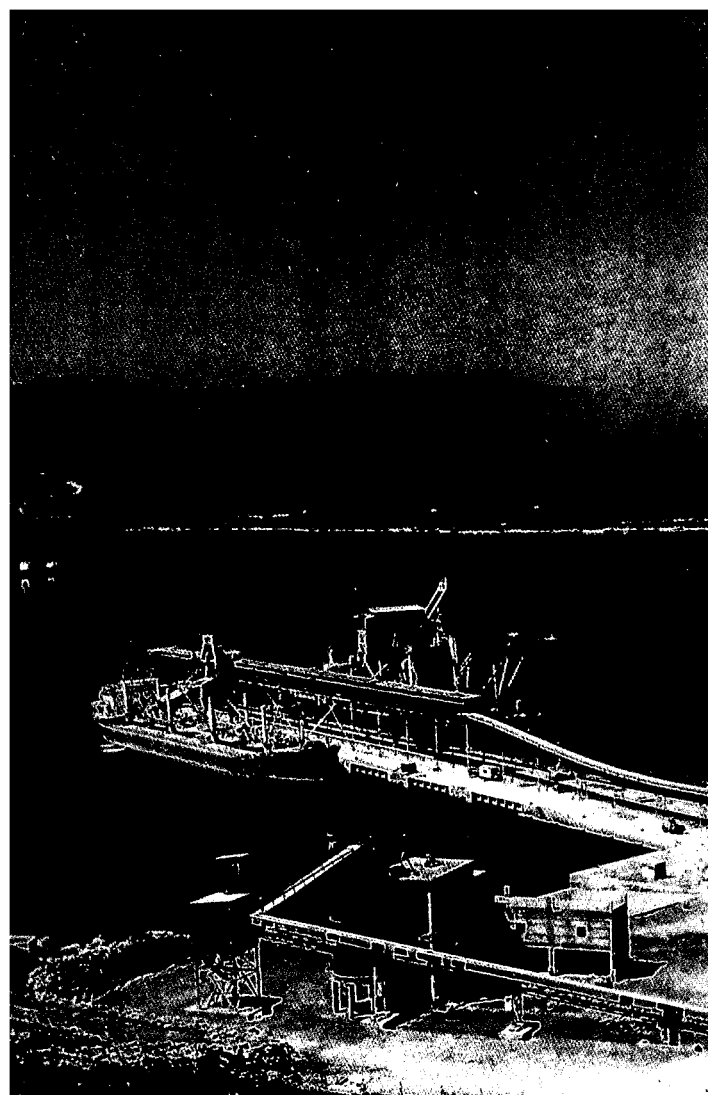
Greece	ETBA	Hellenic Industrial Development Bank	Italy	ENEL	Ente Nazionale per l'Energia Elettrica S.p.A.
France	CAECL	Caisse d'Aide à l'Équipement des Collectivités Locales		ENI	Ente Nazionale Idrocarburi
Italy	ANAS	Azienda Nazionale Autonoma delle Strade		IMI	Istituto Mobiliare Italiano
	BNL	Banca Nazionale del Lavoro		IRFIS	Istituto Regionale per il Finanziamento alle Industrie in Sicilia
	CENTROBANCA	Banca Centrale di Credito Popolare		ISVEIMER	Istituto per lo Sviluppo Economico dell'Italia Meridionale
	CIS	Credito Industriale Sardo		ITALGAS	Società Italiana per il Gas p.A.
	CREDIOP	Consorzio di Credito per le Opere Pubbliche		SIP	Società Italiana per l'Esercizio Telefonico p.A.
	EFIBANCA	Ente Finanziario Interbancario	United Kingdom	NWC	National Water Council

⁽¹⁾ Finance contracts are generally denominated in the equivalent of the pertinent national currency.

	Energy	Community infrastructure	Modernisation — Conversion	Regional Development	
BELGIUM	60.5				
Bfrs 2 750 million					
1.—2.—3. Construction of 2nd (902 MW) and 3rd (1 003 MW) units of Tihange (Liège) and 3rd (897 MW) and 4th (1 003 MW) units of Doel (East Flanders) nuclear power stations					
Intercom and Ebes through intermediary of Belgelectric Finance B.V.					
— Bfrs 1 billion				22.1	•
— Bfrs 500 million				11.0	•
— Bfrs 1 billion				21.9	•
4. Global loan for financing small and medium-scale industrial ventures in regional development areas					
Société Nationale de Crédit à l'Industrie (SNCI)					
Bfrs 250 million				5.5	•
DENMARK	209.3				
Dkr 1 715.1 million					
5. Modernisation and extension of Aarhus district heating grid					
Commune of Aarhus					
Dkr 560 million				68.5	•
6. Construction of piping system for Varde district heating grid					
Commune of Varde					
Dkr 40.3 million				4.9	•
7.—8. Construction of a 273 km gasline serving natural gas transmission systems for 21 municipalities in southern Denmark (South Jutland, Ribe, Vejle)					
Naturgas Syd I/S through intermediary of Kongeriget Danmarks Hypotekbank og Finansforvaltning					
— Dkr 120 million				14.7	•
— Dkr 100 million				12.2	•
9.—10.* Construction of: 28.5 km Udby (Zealand)—Ønslev (Falster) section of South Motorway linking Rødby with Copenhagen; two bridges on Island of Farø above strait of Storstrømmen					
Danish Government (Ministry of Finance)					
— Dkr 300 million				36.6	•
— Dkr 350 million				42.5	•
11. Extension of port installations at Tejn (Bornholm)					
Tejn Havnebestyrelse (Tejn Harbour Authority)					
Dkr 9.3 million				1.1	•

Energy	Community infrastructure	Modernisation — Conversion	Regional Development	million ECUs
12. Deepening and widening of Limfjord fairway between Aalborg and the Kattegat (North Jutland) Aalborg Havnevaesen (Aalborg Harbour Authority) Dkr 68 million				8.3 ●
13. Construction of regional airport at Jakobshavn on west coast of Greenland Danish Government (Ministry for Greenland) Dkr 56 million				6.8 ●
14. Laying of fourth submarine telecommunications cable between Island of Rømø, West of Jutland, and Anjum in the Netherlands to improve traffic between the Nordic countries and the Community Post- og Telegrafvaesenet (Posts and Telegraphs Administration) through intermediary of Danish Government (Ministry of Finance) Dkr 17.5 million				2.1 ●
15. Improvements to Nakskov sewage treatment plant; construction of 11 km pipeline and 1 km off-coast outlet into the Langelandsbaelt (County of Storstrømmen) Commune of Nakskov Dkr 14 million				1.7 ● ●
16. Construction of fishery research and development centre at Hirtshals (North Jutland) Nordsøcentret, Fiskeri- og Havforskningscenter Selvejende Institution Dkr 30 million				3.7 ●
17. Global loan for financing small and medium-scale industrial and tourism ventures in regional development areas Danish Government (Ministry of Finance) Dkr 50 million				6.1 ●
GERMANY				20.8
DM 50 million				
18. Construction of 2nd unit (1 281 MW) of Philippsburg nuclear power station (Baden-Württemberg) Kernkraftwerk Philippsburg GmbH DM 50 million				20.8 ●
GREECE				333.6
Dr 21.485 billion				
19. Construction of Pigai hydroelectric power station (210 MW) north of Ioannina (Epirus) Dimosia Epichirisi Ilektrismou (Public Power Corporation) Dr 1 250 million				18.7 ● ●
20.—21. Construction of 150 MW hydroelectric power station on Acheloos River downstream from Stratos (Peloponnese — West Central Greece) Dimosia Epichirisi Ilektrismou (Public Power Corporation) — Dr 1 250 million — Dr 800 million				20.1 ● ● 12.0 ● ●

Energy	Community infrastructure	Modernisation — Conversion	Regional Development	million ECUs
22. Construction of 78 km road to link Thessaloniki and Serres (Central and Eastern Macedonia) Hellenic Republic (Ministry of Economic Affairs) Dr 700 million				10.5 ●
23. Road between Patras and Olympia: realignment over 72 km, improvements over 40 km and construction of 68 km of local roads (Peloponnese) Hellenic Republic (Ministry of Economic Affairs) Dr 1 billion				15.0 ●
24.—25.* Expansion and modernisation of telecommunications network Organismos Tilepikoinoniontis Ellados A.E. (OTE) (Greek Telecommunications Organisation) — connection of 333 000 subscribers Dr 6.2 billion — connection of 81 600 rural subscribers Dr 1 billion				99.1 ● 15.0 ●
26. Development of industrial estates at Komotini (Thrace), Kavala (Eastern Macedonia), Volos (Thessaly), Patras (Peloponnese) and Heraklion (Crete) Elliniki Trapeza Viomichanikis Anaptixeos A.E. (ETBA) (Hellenic Bank for Industrial Development) for Viomichanikes perioches ETBA A.E. (VIPETBA) (ETBA Industrial Areas Company) Dr 300 million				4.5 ●
27. Uprating alumina production capacity; modernising alumina and aluminium plant; constructing 250 dwellings for workers (Eastern Central Greece) Alouminion tis Ellados A.E. (Aluminium of Greece S.A.) through intermediary of ETBA Dr 1 billion				15.0 ●
28. Construction of cement works at Milaki (Euboea) Heracles Anonimos Geniki Etairia Tsimenton (Heracles General Cement Company S.A.) through intermediary of Ethniki Trapeza tis Ellados (National Bank of Greece) Dr 600 million				9.6 ●
29. Conversion to coal-firing, uprating production capacity and installation of antipollution equipment at cement works at Mikro Vathy Avlidos (Central Greece) Tsimenta Chalkidos A.E. (Halkis Cement Company S.A.) Dr 1 300 million				19.5 ● ●
30. Conversion to coal-firing of a cement works at Volos (Thessaly) Heracles Anonimos Geniki Etairia Tsimenton (Heracles General Cement Company S.A.) through intermediary of ETBA Dr 300 million				4.8 ●



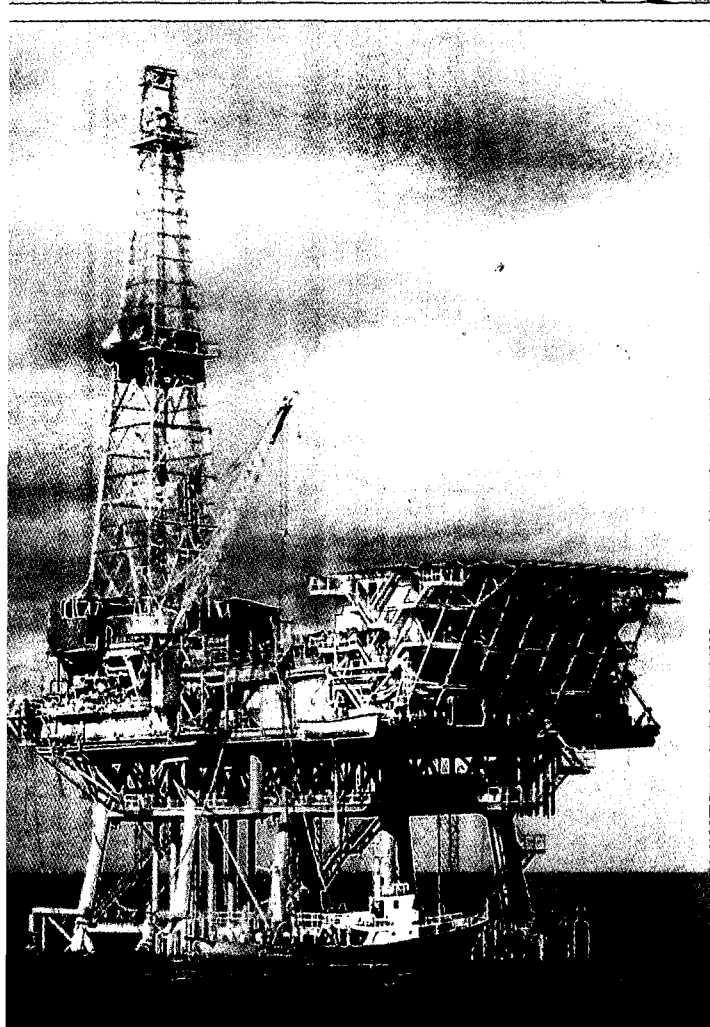
Energy
 Community infrastructure
 Modernisation — Conversion
 Regional Development

million ECUs

66. Construction of 28 and extension and modernisation of 18 industrial and agricultural training centres			
Ireland (Minister for Finance)			
IR£5.4 million	7.9	+	●
67.—68. Global loans for financing small and medium-scale tourism ventures			
Industrial Credit Company Limited (ICC)			
— IR£2 million	2.9		●
— IR£4 million	5.8		●
69. Global loan for financing on-farm development			
Agricultural Credit Corporation (ACC)			
IR£2.5 million	3.6		●
ITALY	1 588.7		
Lit 2 094 billion			
70.—71. Development of "Sarago Mare" oil field off Porto Civitanova (The Marches)			
ELF ITALIANA S.p.A., SOCIETÀ PETROLIFERA ITALIANA p.A. and COPAREX S.A. through intermediary of Istituto Bancario San Paolo di Torino			
— Lit 40.8 billion	31.0		●
— Lit 7.2 billion	5.4		●
72. Development of natural gas fields in Adriatic: 'Porto Corsini' off Ravenna (Emilia-Romagna), 'Barbara' off Falconara (The Marches) and 'Ada' off Chioggia (Venezia)			
AGIP S.p.A.			
Lit 100 billion	75.4	+	●
73. Work and equipment to rationalise energy consumption in oil refinery at Augusta (Sicily)			
ESSO ITALIANA S.p.A. through intermediary of IRFIS			
Lit 15 billion	11.4		●
74. Construction of 258 km section of Algeria—Italy gasline between Melizzano (Campania) and Civita Castellana (Latium); installation of compressor stations of Enna (Sicily) and Tarsia (Calabria)			
SNAM S.p.A. through intermediary of ENI			
Lit 120 billion	91.2	+	●
75. Construction of 31 km gasline linking TAG system, supplying gas from Soviet Union, to Italian grid at Palmanova (Friuli-Venezia Giulia)			
SNAM S.p.A.			
Lit 5.5 billion	4.2	+	●
76. Improvements to natural gas grid supplying Bologna (Emilia-Romagna)			
Azienda Municipalizzata Gas e Acqua through intermediary of Istituto Bancario San Paolo di Torino			
Lit 6 billion	4.5	+	●

Energy	Community infrastructure	Modernisation — Conversion	Regional Development	million ECUs
43. Le Mans—Nantes railway line; removal of 54 level crossings to step up train speeds through intermediary of CAECL				
— Région des Pays-de-la-Loire				
Ffrs 25 million				
— Département du Maine-et-Loire				
Ffrs 10 million				
— Département de la Sarthe				
Ffrs 16.5 million				
Total: 51.5 million				7.8 ●
44.—45. Extension of commercial port at La Rochelle-La Pallice (Poitou-Charentes); construction of 1 800 m of breakwaters, wharf areas and a 180 m jetty through intermediary of CAECL				
— Chambre de Commerce et d'Industrie de La Rochelle				
Ffrs 8 million				1.2 ●
— Département de la Charente-Maritime/Syndicat Intercommunal à Vocation Multiple de la région de La Rochelle				
Ffrs 24 million				3.6 ●
46. Improvements to Grand-Couronne and Saint-Wandrille coal terminals in Rouen harbour (Haute-Normandie)				
Port Autonome de Rouen through intermediary of CAECL				
Ffrs 15 million				2.3 ●
47. Extension of bulk handling facilities at terminal at Fos designed to develop coal traffic				
Port Autonome de Marseille through intermediary of CAECL				
Ffrs 60 million				9.0 ●
48. Extension of commercial port at Sète by constructing new dock with solid-bulk-handling jetty and twin berth for Ro/Ro vessels				
Chambre de Commerce et d'Industrie de Sète through intermediary of CAECL				
Ffrs 17.5 million				2.6 ●
49.—50.—51. Global loans for financing public and local authority infrastructure schemes in regional development areas				
CAECL				
— Ffrs 100 million				16.1 ●
— Ffrs 100 million				15.1 ●
— Ffrs 100 million				15.1 ●
52. Extension and modernisation of plant for processing fine and special steels and alloys at Pamiers (Midi-Pyrénées)				
Creusot-Loire S.A.				
Ffrs 35 million				5.6 ●
53. Global loan for financing small and medium-scale ventures in development and conversion areas				
Crédit d'Équipement des Petites et Moyennes Entreprises (CEPME)				
Ffrs 100 million				16.1 ●

Energy	Community infrastructure	Modernisation — Conversion	Regional Development	million ECUs
54. Global loan for financing investment in the fisheries sector in regional development areas along the coast				
Caisse Centrale de Crédit Coopératif (CCCC)				
Ffrs 120 million				18.1 ● ●
IRELAND				325.4
IR£ 224.4 million				
55. Extension of Moneypoint coal-fired power station by addition of two 300 MW units (Mid-West)				
Electricity Supply Board				
IR£28 million				40.5 + ● ●
56.* Construction of 222 km gasline to Dublin from terminal at Cork supplying natural gas piped from Kinsale Head offshore field, and construction of 24 km city link serving Dublin area				
Bord Gais Eireann				
IR£18 million				26.1 + ● ●
57. Improvements to road network				
Ireland (Minister for Finance)				
IR£7 million				10.2 + ●
58. Improvements to road network and Dublin and Cork ring roads				
Ireland (Minister for Finance)				
IR£10 million				14.6 + ●
59.* Extension and modernisation of telecommunications facilities serving 54 000 telephone and telex subscribers				
Department of Posts and Telegraphs through intermediary of Irish Telecommunications Investments Ltd				
IR£75million				108.6 + ●
60. Drainage of 58 000 ha of farmland in Counties Meath, Limerick and Mayo				
Ireland (Minister for Finance)				
IR£3 million				4.4 + ●
61. Water supply and sewage disposal schemes in Counties Dublin, Meath, Kildare, Wicklow, Wexford, Kilkenny, Tipperary and Waterford				
Ireland (Minister for Finance)				
IR£5 million				7.3 + ●
62.—63. Construction of 45 turnkey and custom-built factories				
Ireland (Minister for Finance)				
— Industrial Development Authority				
IR£11.6 million				16.9 + ●
— Shannon Free Airport Development Company Limited				
IR£7.9 million				11.5 + ●
64. Extension and modernisation of cement works at Limerick				
Irish Cement Ltd				
IR£40 million				57.9 ●
65. Construction of soft wheat processing factory at Ringaskiddy (County Cork)				
Wheat Industries Limited				
IR£5 million				7.2 ●



Energy
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 Regional Development

million ECUs

31. Construction of coal terminal at Milaki (Euboea) for cement works at Milaki and Volos
Mesogiakal Epichirisis Anthrakos A.E. (East Mediterranean Coal Terminal S.A.) through intermediary of **ETBA**
 Dr 400 million 6.4 ●

32.—33. Global loans for financing small and medium-scale industrial and tourism ventures
Ethniki Trapeza Ependiseon Viomichanikis Anaptixeos A.E. (ETEBA) (National Investment Bank for Industrial Development) (NIBID)
 — Dr 520 million 8.3 ●
 — Dr 1 billion 15.0 ●

34. Global loan for financing small and medium-scale industrial ventures
Ethniki Trapeza tis Ellados (National Bank of Greece)
 Dr 1 250 million 20.1 ●

35. Global loan for financing small and medium-scale industrial ventures
Trapeza Ependiseon A.E. (Investment Bank S.A.)
 Dr 310 million 5.0 ●

36.—37. Global loan for financing:
 — small and medium-scale agricultural processing, and on-farm ventures
Agrotiki Trapeza tis Ellados (ATE) (Agricultural Bank of Greece) (ABG)
 Dr 605 million 9.7 ●

— small and medium-scale agricultural processing, on-farm ventures and a number of collective irrigation schemes
Agrotiki Trapeza tis Ellados (ATE) (Agricultural Bank of Greece) (ABG)
 Dr 1 700 million 25.5 ●

FRANCE 424.3

Ffrs 2 731 million

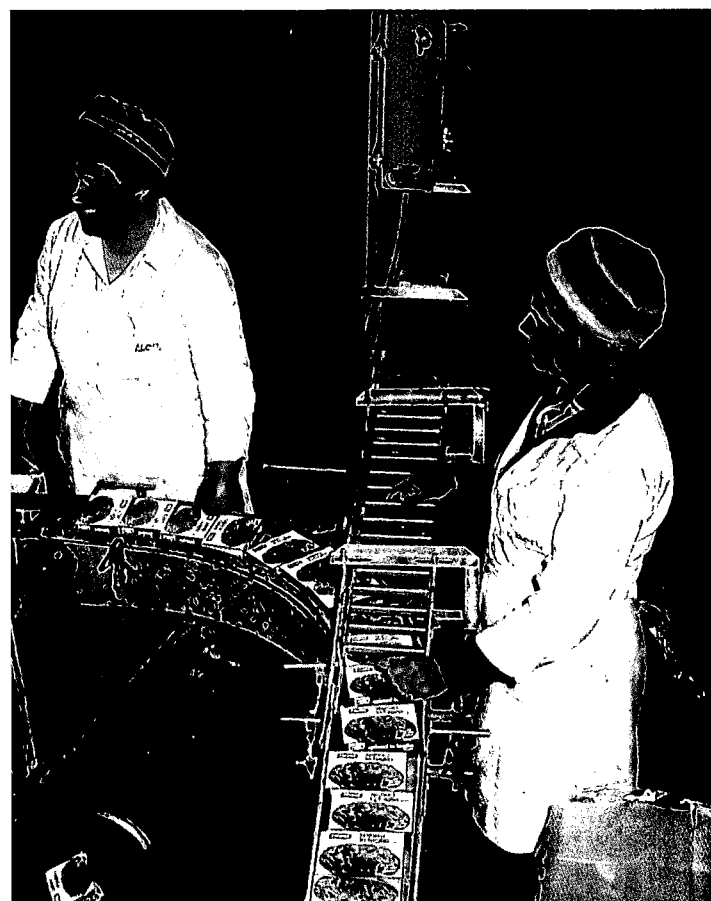
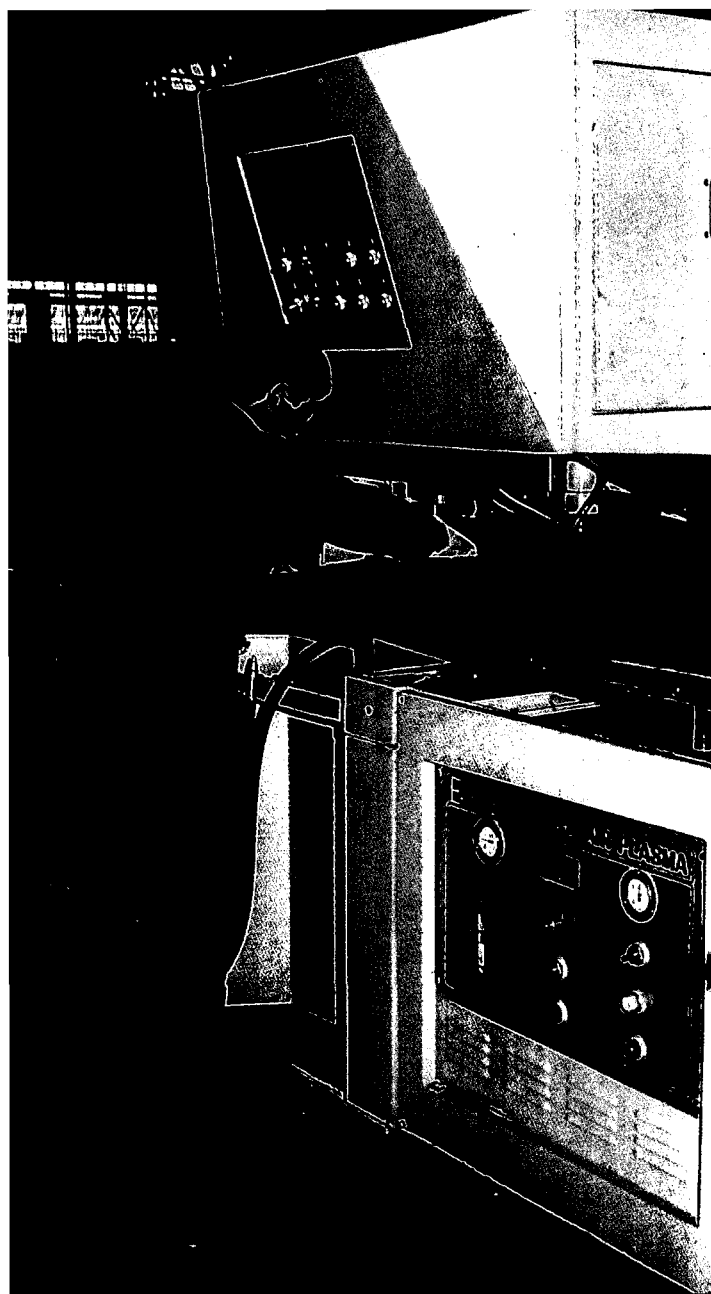
38.—39. Construction of 1st and 2nd units (1 270 MW each) of Belleville nuclear power station (Centre)
Electricité de France — Service National
 — Ffrs 500 million 80.4 ●
 — Ffrs 600 million 91.6 ●

40. Construction of Super-Phénix nuclear power station (1 200 MW) at Creys-Malville (Rhône-Alpes)
Centrale Nucléaire Européenne à Neutrons Rapides S.A. (NERSA)
 Ffrs 300 million 45.8 ●

41.—42. Lignite mine and 600 MW lignite-fired power station at Gardanne near Aix-en-Provence (Provence-Alpes-Côte d'Azur)
Charbonnages de France
 — Ffrs 350 million 56.3 ●
 — Ffrs 250 million 37.6 ●

Energy	Community infrastructure	Modernisation — Conversion	Regional Development	million ECUs
77. Extension of natural gas distribution system in Arno valley (Tuscany) FIorentina GAS S.p.A. through intermediary of EFIBANCA Lit 5 billion				3.8 + ●
78.* Extension and improvements to over 900 km of natural gas grid serving Turin, Novara, Asti, Mondovi (Piedmont), Savona and Sarzana (Liguria) ITALGAS through intermediary of SAFOP—BNL Lit 20 billion				15.1 + ●
79. <i>Reinstatement of electricity grid damaged during November 1980 earthquakes (Campania and Basilicata)</i> ENEL Lit 10 billion				7.6 ●
80. Completion of 13 km Fréjus road tunnel through Alps linking Italy—Rochemolles Valley near Bardonecchia (Piedmont) with France—Arc Valley near Modane (Savoy) Società Italiana per il Traforo del Fréjus Lit 24 billion				18.1 ●
81. Construction of 32 km Carnia—Pontebba section of Friuli motorway leading to Austrian frontier AUTOSTRADe — Concessioni e Costruzioni Autostrade S.p.A. through intermediary of Cassa di Risparmio delle Province Lombarde Lit 40 billion				30.7 ● ●
82. Work on sections of National Highways Nos 24, 26 and 33 providing access to eight French and Swiss alpine border crossing points (Piedmont—Val d'Aosta) ANAS Lit 34.5 billion				26.0 + ●
83. Improvements to several sections of National Highways Nos 16, 17, 81 and 150 in Abruzzi ANAS Lit 33 billion				25.3 + ●
84. Improvements to several sections of National Highway No. 93 (Basilicata) ANAS Lit 34 billion				25.7 + ●
85. Construction of switching centre for international telephone communications at Palermo (Sicily) ITALCABLE through intermediary of IRFIS Lit 15 billion				11.3 ●
86.—87. Extension of satellite earth stations in: — Fucino, l'Aquila province (Abruzzi) Telespazio S.p.A. through intermediary of EFIBANCA Lit 14 billion				10.6 ● ●

Energy	Community infrastructure	Modernisation — Conversion	Regional Development	million ECUs
— Gera Lario (Lombardy) Telespazio S.p.A. Lit 8 billion				6.0 ●
88. Extensions to the telephone network in Calabria; connection of 67 000 new subscribers SIP through intermediary of IMI Lit 100 billion				76.0 + ●
89. Extension to telephone network in Sicily providing for connection of some 166 000 new subscribers SIP through intermediary of BNL Lit 100 billion				75.5 + ●
90. Improvements to telephone network in Apulia; connection of 138 000 new subscribers SIP through intermediary of CREDIOP Lit 90 billion				68.0 + ●
91. <i>Emergency repair work and re-construction of telephone system damaged during November 1980 earthquakes (Campania and Basilicata)</i> SIP Lit 10 billion				7.6 ●
92. Improved irrigation of over 18 000 ha and drainage of some 25 000 ha of farmland in Biferno (Molise), Stornara and Sinni (Apulia and Basilicata), Tacina Alessi (Calabria), Campidano and Oristano (Sardinia) Cassa per il Mezzogiorno Lit 20 billion				15.2 + ●
93. Extension and modernisation of water supply facilities serving nearly one million people in western and southern Sardinia, including towns of Sassari and Cagliari Cassa per il Mezzogiorno Lit 35 billion				26.6 + ●
94. Improvements to drinking water supply facilities serving 2 300 000 people in city and province of Naples, province of Caserta and Island of Ischia (Campania) Cassa per il Mezzogiorno Lit 30 billion				22.8 + ●
95. Extension of Pertusillo and Fortore aqueducts supplying drinking water to 800 000 inhabitants in Apulia Cassa per il Mezzogiorno Lit 55 billion				41.8 + ●
96. Extensions to drinking water supply facilities in Apulia Italian Republic Lit 21.5 billion				16.2 + ●
97.* <i>Reinstatement of initial section of Pugliese aqueduct damaged by November 1980 earthquakes, repairs to Pavoncelli tunnel and sundry associated works</i> Italian Republic Lit 75 billion				56.7 ●



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million ECUs

98. Provision of drinking water supply and sewage disposal facilities in 131 communes serving as rehousing centres for 65 000 people made homeless by November 1980 earthquakes in Campania and Basilicata

Cassa per il Mezzogiorno
Lit 40 billion

30.4 ●

99. Provision of drinking water supply and sewage disposal facilities in 83 communes serving as rehousing centres for over 30 000 people made homeless by November 1980 earthquakes in Campania and Basilicata

Cassa per il Mezzogiorno
Lit 15 billion

11.5 ●

100.—101. Provision of road, rail, water supply and drainage infrastructure for industrial estates at Olbia (Sardinia), Brindisi and Bari (Apulia), Sangro Aventino and Val Pescara (Abruzzi)

Cassa per il Mezzogiorno
— Lit 20.1 billion
— Lit 25 billion

15.3 + ●

18.9 + ●

102. Provision of road, rail, water supply and drainage infrastructure for industrial estates at Syracuse, Ragusa, Gela and Enna (Sicily)

Cassa per il Mezzogiorno
Lit 40 billion

30.4 + ●

103. Development of Macrolotto industrial estate at Prato, near Florence (Tuscany)

Cassa di Risparmi e Depositi di Prato
Lit 6 billion

4.6 ● ●

104. Global loan for financing small and medium-scale energy infrastructure schemes promoting development of Community resources, diversification of imports and rational use of fuel

IMI
Lit 20 billion

15.2 + ●

105. Conversion to coal-firing of cement works at Piacenza (Emilia-Romagna) in line with measures making for more rational use of energy

INDUSTRIA CEMENTI GIOVANNI ROSSI S.p.A. through intermediary of **BNL-Mediocredito**
Lit 10 billion

7.6 ●

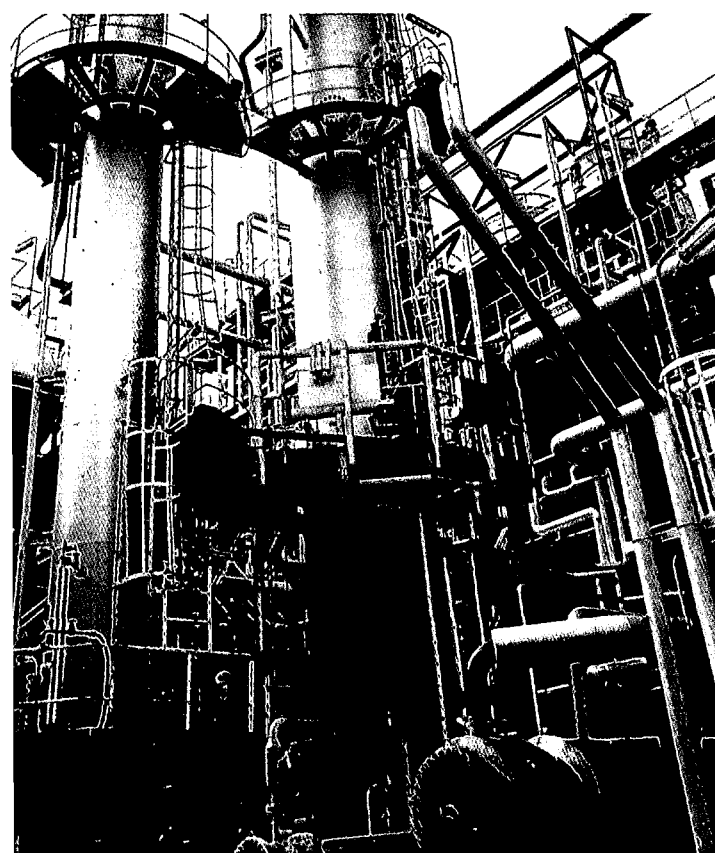
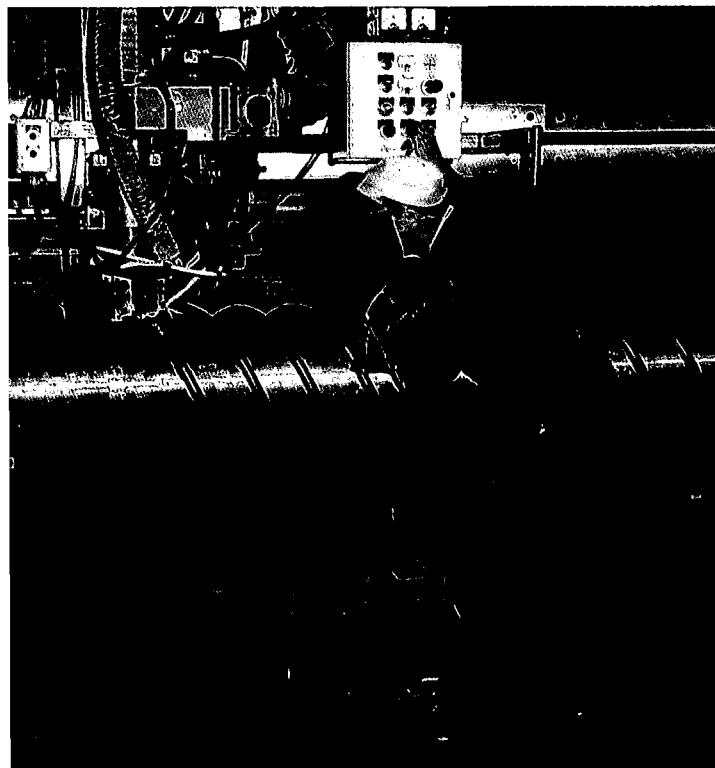
106. Conversion to coal-firing of eight cement works at: Cividale del Friuli and Trieste (Friuli-Venezia Giulia); Genoa (Liguria); Pontassieve (Tuscany); Senigallia (The Marches); Sarche di Calavino (Trentino-Alto Adige); Rezzato and Savignano (Emilia-Romagna), including modernisation of latter

ITALCEMENTI S.p.A. through intermediary of **EFIBANCA**
Lit 34 billion

26.1 ● ●

Energy	Community infrastructure	Modernisation — Conversion	Regional Development	million ECUs
107. Conversion to coal-firing of Sarmatzai and Scala di Giocca cement works (Sardinia) CEMENTERIE DI SARDEGNA S.p.A. through intermediary of CIS Lit 7 billion				5.4 ● ●
108. Enlargement and modernisation of factory producing glass fibre for thermal insulation at Vidalengo (Lombardy) BALZARETTI MODIGLIANI S.p.A. through intermediary of IMI Lit 15 billion				11.5 ● ●
109. Conversion of flat glass plant at Salerno (Campania) from extrusion to 'float' process VERNANTE PENNITALIA S.p.A. through intermediary of BNL-Mediocredito Lit 28.1 billion				21.2 ● ●
110. New unit to produce drugs for combating cancer in factory at Nerviano turning out proprietary medicinal products; new toxicological and oncological laboratories at Nerviano and new molecular biology laboratory in Milan (Lombardy) FARMITALIA CARLO ERBA S.p.A. through intermediary of IMI Lit 18 billion				13.6 ● ●
111. Phytopharmaceutical products factory at Filago (Lombardy) BAYER Italia S.p.A. through intermediary of IMI Lit 14.5 billion				11.0 ● ●
112. Work and equipment designed to rationalise energy consumption in chemical products factory at Rosignano (Tuscany) SOLVAY & Cie S.A. through intermediary of Istituto Bancario San Paolo di Torino Lit 20 billion				15.1 ● ●
113. Purchase of two onshore deep drillings rigs SAIPEM S.p.A. Lit 9 billion				6.8 ● ●
114. Work and equipment designed to reduce energy consumption in FIAT Group Turin factories (Piedmont) FIAT AUTO S.p.A. and FIAT VEICOLI INDUSTRIALI S.p.A. Lit 8 billion				6.0 ● ●
115. Restructuring and modernisation of three motor vehicle assembly and components factories at Cassino (Latium), Termoli (Molise) and Sulmona (Abruzzi) FIAT AUTO S.p.A. through intermediary of IMI Lit 65.1 billion				49.2 ● ●
116. Restructuring and enlargement of factory producing small-engined cars at Termini Imerese (Sicily) FIAT AUTO S.p.A. through intermediary of IMI Lit 18 billion				13.8 ● ●

Energy	Community infrastructure	Modernisation — Conversion	Regional Development	million ECUs
117. Restructuring and enlargement of factory producing integrated circuits and calculators at Cittaducale (Latium) TEXAS INSTRUMENTS SEMICONDUCTORI ITALIA S.p.A. through intermediary of IMI Lit 5.8 billion				4.4 ● ●
118.—119. Restructuring of domestic washing machine factory at Naples (Campania) INDUSTRIE RIUNITE EURODOMESTICI through intermediary of ISVEIMER — Lit 6.8 billion — Lit 3.2 billion				5.1 ● ● 2.4 ● ●
120. Tin loaves and mini-cakes bakery at Ascoli Piceno (The Marches) NUOVA FORNERIA ADRIATICA S.p.A. through intermediary of INTERBANCA Lit 14.4 billion				10.9 ● ●
121. Enlargement and modernisation of breweries at Popoli (Abruzzi) and Massafra (Apulia) ATI DREHER S.p.A. and BIRRA DREHER S.p.A. through intermediary of ISVEIMER Lit 23.1 billion				17.6 ● ●
122. Modernisation and capacity increases in two factories producing hygienic products at Pescara (Abruzzi) and Patrica (Latium) FARMACEUTICI ATERNI FATER S.p.A. through intermediary of ISVEIMER Lit 12.5 billion				9.6 ● ●
123. Modernisation, rationalisation and capacity increases at factory producing rubber tubing and belting at Ascoli Piceno (The Marches) UNIROYAL MANULI S.p.A. through intermediary of ISVEIMER Lit 9.5 billion				7.2 ● ●
124. Redesign and modernisation of five tourist hotels (total capacity: 1 100 beds) at Avellino and Caserta (Campania), Palermo, Catania and Syracuse (Sicily) ITALJOLLY-Compagnia Italiana dei Jolly Hotels S.p.A. through intermediary of IMI Lit 4 billion				3.0 ● ●
125.—126.—127. Global loans for financing small and medium-scale industrial and service sector ventures in Mezzogiorno BNL-Mediocredito — Lit 30 billion — Lit 25 billion — Lit 25 billion				22.8 ● ● 18.9 ● ● 18.9 ● ●
128. Global loan for financing small and medium-scale industrial ventures in Mezzogiorno Banco di Napoli Lit 20 billion				15.3 ● ●



Energy
Community infrastructure
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million ECUs

129. Global loan for financing small and medium-scale industrial and service sector ventures in Mezzogiorno CENTROBANCA Lit 20 billion	15.1	●
130.—131. Global loans for financing small and medium-scale industrial ventures in Sardinia CIS — Lit 10 billion — Lit 20 billion	7.6 15.1	● ●
132. Global loan for financing small and medium-scale industrial ventures in Mezzogiorno EFIBANCA Lit 10 billion	7.7	●
133. Global loan for financing small and medium-scale industrial and service sector ventures in Mezzogiorno IMI Lit 70 billion	53.7	●
134. Global loan to companies providing leasing credit facilities to SMEs in Mezzogiorno through intermediary of IMI Lit 20 billion	15.2	●
135.—136. Global loans for financing small and medium-scale industrial ventures in mainland Mezzogiorno ISVEIMER — Lit 50 billion — Lit 50 billion	37.8 37.8	● ●
137. Global loan for rehabilitating SMEs (industry and hotel trade) damaged by November 1980 earthquakes in Campania and Basilicata ISVEIMER Lit 3.4 billion	2.6	●
138. Global loan for regional MEDIO-CREDITI in Latium and The Marches and INTERBANCA to finance small and medium-scale industrial and service sector ventures in Mezzogiorno MEDIOCREDITO CENTRALE Lit 30 billion	22.8	●
139. Global loan for seven regional MEDIOCREDITI and INTERBANCA to finance small and medium-scale industrial ventures in underdeveloped areas of Central and Northern Italy MEDIOCREDITO CENTRALE Lit 60 billion	45.6	●
140. Global loan for financing small and medium-scale ventures making for more rational use of energy in Central and Northern Italy BNL-Mediocredito Lit 30 billion	22.7	●
141. Global loan for financing small and medium-scale ventures making for more rational use of energy in Central and Northern Italy CENTROBANCA Lit 15 billion	11.5	●

Energy	Community infrastructure	Modernisation — Conversion	Regional Development	million ECUs
142. Global loan for financing small and medium-scale ventures making for more rational use of energy in Central and Northern Italy IMI Lit 30 billion				22.8
143. Global loan for regional MEDIO-CREDITI to finance small and medium-scale ventures making for more rational use of energy in Central and Northern Italy MEDIO CREDITO CENTRALE Lit 15 billion				11.4
UNITED KINGDOM				490.6
£273.8 million				
144. Construction of Torness Point nuclear power station (1320 MW) (Scotland) South of Scotland Electricity Board £20 million				36.2
145. Equipping Lerwick thermal power station in Shetland Islands with 2 × 8.1 MW diesel generators and 2 × 5.2 MW gas turbine units (Scotland) North of Scotland Hydro-Electric Board £10.2 million				18.0
146. Construction of nuclear fuel storage and handling facilities at Windscale (North) British Nuclear Fuels Limited £50 million				89.6
147. Development of Magnus oil field in British sector of North Sea BP Capital Limited £20 million				36.4
148. High-voltage submarine cable link, across Pentland Firth and Bring Deeps (Scotland), between Island of Orkney and Scottish mainland North of Scotland Hydro-Electric Board £4.5 million				8.2
149. Construction and commissioning of 210 sleeping cars for principal long-distance lines of British Rail British Railways Board £10 million				17.9
150. Construction of 7.3 km Burnley—Nelson section of M65 Calder Valley motorway (North West) Lancashire County Council £3 million				5.4
151. Construction of 6 km of roads to complete link between M8 and M9 motorways and construction of 6 km section of Edinburgh and 8.2 km section of Musselburgh by-passes (Scotland) Lothian Regional Council £10 million				18.1

Energy	Community infrastructure	Modernisation — Conversion	Regional Development	million ECUs
152. Construction of 11 km of Cardiff peripheral distributor road and access roads in Cardiff area (Wales) County of South Glamorgan £4 million				7.2
153. Development of Birmingham Airport and construction of new terminal building (West Midlands) Birmingham Airport through intermediary of West Midlands County Council £2 million				3.5
154. Water supply and sewerage schemes in coastal areas of Inverness and Spey Valley in Highland Region of Scotland Highland Regional Council £2.3 million				4.2
155. Water supply and sewerage schemes in East Midlands Severn Trent Water Authority through intermediary of NWC £7.5 million				13.2
156. Water supply and sewerage improvement works (Wales) Welsh Water Authority through intermediary of NWC £9 million				16.1
157.—158. Water supply and sewage disposal schemes (Yorkshire and Humberside) Yorkshire Water Authority through intermediary of NWC — £6 million — £7 million				10.6 12.4
159. Water supply, sewerage and sewage disposal schemes (North West) North West Water Authority through intermediary of NWC £13.9 million				24.5
160. Extension and improvement of sewerage and sewage disposal facilities in Plymouth, Bideford and Wadebridge (South West) South-West Water Authority £5 million				9.1
161. Water supply, sewerage, sewage disposal and road schemes in Grampian region (Scotland) Grampian Regional Council £5 million				9.1
162. Improvements to road network, water supply and development of industrial estates (Scotland) Dumfries and Galloway Regional Council £2.5 million				4.5
163. Prestwick and Monkton sewerage scheme and road improvement works over 31 km near Glasgow (Scotland) Strathclyde Regional Council £20 million				35.8

Energy	
Community infrastructure	
Modernisation — Conversion	
Regional Development	
million ECUs	
164. Water supply, sewerage and road schemes and extension of Dundee airport (Scotland) Tayside Regional Council £3.5 million	6.3 ●
165. Road, water supply and sewage treatment schemes, construction of 20 small factories on three industrial development sites and provision of facilities for further education in agricultural techniques and electronics (Scotland) Borders Regional Council £3.5 million	6.4 ●
166. Road link, solid waste treatment plant and coastal flood protection works in Lancashire (North West) Lancashire County Council, Blackpool and Wyre Borough Councils , through intermediary of Lancashire County Council £2 million	3.6 ●
167.—168. Improvements to road network on Humberside; plant in Hull for compressing and processing solid waste for conversion into industrial fuel supplied to Grimsby (Yorkshire and Humberside) Humberside County Council — £4 million — £4 million	7.2 ● 7.3 ●
169. Installation of equipment for producing microprocessor-based computer systems at Leeds (Yorkshire and Humberside) Systeme Limited £6.1 million	10.8 ●
170. Construction of factory at Plymouth to produce hydraulic motors for building, mining and mechanical engineering sectors (South West) Brown & Sharpe Fluid Power Limited £2.5 million	4.5 ●

Energy	
Community infrastructure	
Modernisation — Conversion	
Regional Development	
million ECUs	
171. Construction of factory to produce gas circulators for advanced gas-cooled nuclear reactors at Renfrew, near Glasgow (Scotland) James Howden and Company Limited £3.3 million	5.8 ●
172. Restructuring and modernisation of electric cable factories on Merseyside and in Manchester and Cheshire (North West) BICC plc £7 million	12.7 ●
173. Global loan for financing small and medium-scale industrial and tourism ventures in assisted areas of Scotland SDA — Scottish Development Agency £2 million	3.6 ●
174. Global loan for financing small and medium-scale industrial and tourism ventures in assisted areas of Scotland CBFC — Clydesdale Bank Finance Corporation £2 million	3.6 ●
175. Global loan for financing small and medium-scale industrial and tourism ventures in assisted areas of Wales WDA — Welsh Development Agency £2 million	3.6 ●
176. Contract of mandate and guarantee with Secretaries of State for Industry, Scotland and Wales and Department of Commerce for Northern Ireland for financing small and medium-scale industrial and tourism ventures in assisted areas of United Kingdom £20 million	35.3 ●

B. Loans from the resources of the New Community Instrument for borrowing and lending (NCI)

Contracts signed in 1982

Loans granted from NCI resources are signed jointly by the Commission of the European Communities and the Bank. In 1982, for projects within the Community, they totalled 791 million. These operations — the principal economic aspects of which are presented on pages 28 to 43 — are carried out by the Bank under mandate from, on behalf, for the account and at the risk of the European Economic Community (see pages 26 and 27) and are accounted for off balance sheet in the Bank's Special Section (page 82): the Bank's responsibility for these loans is limited to proper performance, in conformity with normal banking practice, of the mandate entrusted to it. The symbols in the columns to the right of each operation listed hereafter refer back to the economic policy objective headings featured in Table 3.

Projects financed with NCI resources which also received loans from the Bank's own resources are marked with an asterisk. Loans marked with a cross (+) attracted the 3 % EMS interest subsidy provided for investment projects located in Italy and Ireland. Reconstruction loans for the earthquake-stricken areas of Italy and Greece (page 28) are printed in heavy type; these loans also attracted a 3 % interest subsidy.

Energy		Energy	
Community infrastructure		Community infrastructure	
Investment by SMEs		Investment by SMEs	
Regional Development		Regional Development	
million ECUs		million ECUs	
DENMARK	96.0	FRANCE	37.6
Dkr 790 million		Ffrs 250 million	
177. Construction of plant at Nybro (Ribe) for treating natural gas from Tyra field in North Sea, compressor station at Egtved and 56.6 km gasline between Ribe and Egtved (South Jutland)		181. Global loan for financing productive investment by SMEs outside regional development areas	
Dansk Olie og Naturgas A/S — Dong		CEPME — Cr�dit d'Equipe-ment des Petites et Moyennes Entreprises	
Dkr 390 million	47.4	Ffrs 250 million	37.6
178.* Construction of: 28.5 km Udby (Zealand)—�nslev (Falster) section of South Motorway linking R�dby with Copenhagen; two bridges on Island of Far� above strait of Storstr�m- men		IRELAND	83.1
Danish Government (Ministry of Finance)		IR�57.3 million	
Dkr 400 million	48.6	182. Uprating Shannonbridge and Lanesborough (Midlands) peat-fired power stations by addition of 2 x 41 MW generating sets	
GREECE	124.9	Electricity Supply Board	
Dr 8 342.3 million		IR�16 million	23.3 +
179.* Extension and modernisation of local and trunk telephone network		183.* Construction of 222 km gasline to Dublin from terminal at Cork supplying natural gas piped from Kinsale Head offshore field, and construction of 24 km city link serving Dublin area	
Organismos Tilepikoinonion tis Ellados A.E. (OTE) (Greek Telecommunications Organisation)		Bord Gais Eireann	
Dr 3 billion	44.9	IR�10 million	14.5 +
180. Reinstatement of road and rail infrastructure, reconstruction and repair of 796 school buildings and 10 400 dwellings damaged during the February/March 1981 earthquakes and assembly of 530 prefabricated housing units (Eastern Central Greece and Peloponnese)		184.* Extension and modernisation of telecommunications facilities serving 54 000 telephone and telex subscribers	
Ministry of Public Works, Education and Transport and home owners through intermediary of Hellenic Republic (Ministries of Economic Affairs and Public Works)		Department of Posts and Telegraphs through intermediary of Ireland (Minister for Finance)	
Dr 5 342.3 million	80.0	IR�26 million	37.6 +
		185. Water supply, sewerage and sewage disposal schemes in Counties Roscommon, Louth, Longford, Laois, Offaly, Westmeath, Cavan, Leitrim and Donegal	
		Ireland (Minister for Finance)	
		IR�5.3 million	7.7 +

	Energy	Community infrastructure	Investment by SMEs	Regional Development	million ECUs
ITALY					449.4
Lit 595 billion					
186.* Extension and improvements to over 900 km of natural gas grid serving Turin, Novara, Asti, Mondovi (Piedmont), Savona and Sarazana (Liguria) ITALGAS through intermediary of SAFOP—BNL Lit 20 billion					15.1 +
187. Reinstatement of 1 137 km of rail network damaged during November 1980 earthquakes in Campania and Basilicata Azienda Autonoma delle Ferrovie dello Stato through intermediary of Treasury Lit 29 billion					21.9
188.* Improvements to telephone network in Apulia; connection of 138 000 new subscribers SIP through intermediary of ISVEIMER Lit 50 billion					37.8 +
189. Extensions to telephone network in Sicily providing for connection of 166 000 new subscribers SIP through intermediary of IRFIS Lit 50 billion					37.8 +
190.* Reinstatement of initial section of Pugliese aqueduct damaged during November 1980 earthquakes; emergency repairs (Apulia and Campania) Cassa per il Mezzogiorno Lit 75 billion					56.5
191. Construction of Nola and Foce Regi Lagni treatment plants and sewerage mains serving 62 communes in Bay of Naples with a combined population of over half a million (Campania) Cassa per il Mezzogiorno Lit 75 billion					56.7 +

	Energy	Community infrastructure	Investment by SMEs	Regional Development	million ECUs
192. Conversion to coal-firing and installation of equipment for recycling heat and reducing electricity consumption in cement works at Pederobba (Venezia) CEMENTI PIAVE S.p.A. through intermediary of BNL—Mediocredito Lit 9 billion					6.8
193. Work and equipment to promote more rational use of energy in eleven FIAT Group factories in Central and Northern Italy FIAT S.p.A. through intermediary of CENTROBANCA Lit 7 billion					5.4
194. Global loan for regional MEDIO-CREDITI and INTERBANCA to finance small and medium-scale ventures making for more rational use of energy in Central and Northern Italy MEDIO-CREDITO CENTRALE Lit 25 billion					18.9
195. Global loan for financing productive investment by SMEs in non-assisted areas of Central and Northern Italy BNL—Mediocredito Lit 25 billion					18.9
196. Global loan for financing productive investment by SMEs in non-assisted areas of Central and Northern Italy CENTROBANCA Lit 50 billion					37.8
197. Global loan for financing productive investment by SMEs in the non-assisted areas of Central and Northern Italy IMI Lit 80 billion					60.4
198. Global loan to the regional MEDIO-CREDITI and INTERBANCA for financing productive investment by SMEs in the non-assisted areas of Central and Northern Italy MEDIO-CREDITO CENTRALE Lit 100 billion					75.5

Operations outside the Community

The Bank mounts operations outside the Community in 14 countries in the Mediterranean region, including Portugal, in the African, Caribbean, and Pacific (ACP) States and in the Overseas Countries and Territories (OCT). In providing support, under conventions, financial protocols and decisions, for projects fostering the economic and social advancement of these countries, it is instrumental in deploying Community overseas development aid. The amounts provided for under this heading and the periods during which they are to be committed are detailed in Table 9.

Financing provided in the Mediterranean countries

Resources deployed

Bank operations in most of these countries take the form mainly of **loans from its own resources** carrying 2 % or 3 % interest subsidies financed from grant aid provided for under the agreements or financial protocols concerned, although there are no subsidies on loans in Spain, Yugoslavia, Turkey, Israel or Lebanon, nor on some operations in Portugal: moreover, projects in the oil sector are also ineligible for subsidised loans.

The European Economic Community furnishes a 75 % blanket guarantee to cover any risk attaching to the Bank's financial commitments in the Mediterranean countries.

Also in these countries, acting under mandate from the Community and drawing on EEC budgetary funds, the Bank provides **aid on special conditions** which is accounted for in its Special Section. Such aid is made available either as concessionary rate (1 %) loans with a term of 40 years, including a 10-year grace period, or as risk capital on conditions similar to those applicable to ACP financing (see page 61).

Objectives pursued

Northern Mediterranean

Loans made available by the Bank from its own resources for operations mounted in Portugal and Spain in 1982 as part of pre-accession financial cooperation were designed to pave the way for the smooth economic integration of these two countries into the Community structure. Lending in **Portugal** is provided with a view to bolstering productivity, strengthening the national economy and improving

the country's industrial base, stimulating the modernisation of farming and fisheries techniques as well as developing infrastructure. The main thrust of lending in **Spain** is towards reducing disparities in the levels of regional development, improving communications links with the Community, modernising and developing small and medium-sized enterprises and striving for energy savings, particularly in terms of oil.

Under the EEC—**Yugoslavia** Financial Protocol, loans advanced from the Bank's own resources in this country are aimed at supporting projects which help to develop the economy and are of mutual interest to Yugoslavia and the Community.

Lending in **Turkey** under various financial protocols takes its lead from the tenets of the 1963 Association Agreement geared to reducing the development gap between this country and the Community.

Aid provided for under the Third Financial Protocol had already been committed by 31 October of the previous year.

Southern Mediterranean

Bank lending in the **Maghreb** countries (Algeria, Morocco and Tunisia), the **Mashreq** countries (Egypt, Jordan, Lebanon and Syria), **Israel**, **Cyprus** and **Malta** is governed by financial protocols entrusting the EIB with the general task of contributing towards manufacturing and infrastructural projects. Emphasis is placed on diversifying these countries' economies and, particularly, on promoting industrial growth and the adoption of modern farming methods. The Bank is also providing funds in **Lebanon**, under the second emergency aid programme, to assist with reconstruction. The financial protocol covering lending activity in **Cyprus** stipulates that projects financed by the Bank must benefit both communities on the island.

Operations outside the Community

The financial protocols concluded with Malta and Cyprus will be expiring in 1983. Operations mounted in the other Southern Mediterranean countries in 1982 were financed from the balance of the first generation of protocols pending entry into force of their successors covering the period up to October 1986.

Financing provided in 1982

Bank activity in the Mediterranean countries in 1982 focussed on Spain, Portugal and Yugoslavia. The first generation of financial protocols concluded with the Maghreb and Mashreq countries expired at the end 1986.

Table 9: Amounts of Community financial aid provided for in conventions, financial protocols or decisions in force or under negotiation at 1 May 1983 with non-member countries

(million ECUs)

Agreement	Duration	Loans from EIB own resources (1)	Operations mounted from budgetary resources			Total	
			Loans on special conditions	Risk capital operations	Grant aid (2)		
ACP	Lomé Convention	1981—1985	685 200 (5)	518 (2)	284 (3)	2 986	4 473 (4)
OCT	Council Decision	1981—1985	15	27 (2)	7 (3)	51	100
Total ACP/OCT			900	545 (2)	291 (3)	3 037	4 773
Spain	Pre-accession aid	(6)	200				200
Portugal	Pre-accession aid	up to accession	150			125	275
Yugoslavia	Financial protocol	1. 7. 1980— 30. 6. 1985	200				200
Turkey	Fourth Financial Protocol	still unsigned	225	325 (3)		50	600
Algeria	Second Financial Protocol	1. 1. 1983— 31. 10. 1986	107	16 (7)		28	151
Morocco	Second Financial Protocol	1. 1. 1983— 31. 10. 1986	90	42 (7)		67	199
Tunisia	Second Financial Protocol	1. 6. 1983— 31. 10. 1986	78	24 (7)		37	139
Egypt	Second Financial Protocol	1. 1. 1983— 31. 10. 1986	150	50 (7)		76	276
Jordan	Second Financial Protocol	1. 1. 1983— 31. 10. 1986	37	7 (7)		19	63
Lebanon	Second Financial Protocol	1. 3. 1983— 31. 10. 1986	34	5 (7)		11	50
	Second advance of exceptional aid		50			20	70
Syria	Second Financial Protocol	1. 2. 1983— 31. 10. 1986	64	11 (7)		22	97
Malta	First Financial Protocol	1. 11. 1978— 31. 10. 1983	16	5 (7)		5	26
Cyprus	First Financial Protocol	1. 1. 1979— 31. 12. 1983	20	4 (7)		6	30
Israel	Second Financial Protocol	still unsigned	40				40
Total Mediterranean countries			1 461	489		466	2 416
Grand Total			2 361	1 034	291	3 503	7 189

(1) Loans attracting interest subsidies from the European Development Fund in the case of projects in the ACP States and the OCT and from the Communities' general budget in the case of projects in the Mediterranean countries, excluding Spain, Yugoslavia, Turkey and Israel; pre-accession aid for Portugal includes 125 million in the form of subsidised loans; Lebanon has chosen not to draw on grant aid to finance interest subsidies.

(2) Provided by the Commission, apart from amounts required for interest subsidies financed from grant aid.

(3) Financing provided by the Bank.

(4) Excluding STABEX transfers (557 million for ACP States and 9 million for the OCT) and special financing facility for mining production in ACP States (282 million); financing provided by the Commission.

(5) Under the terms of Annex XXXI to the Second Lomé Convention, the Bank may provide additional financing for an amount of 200 million in the form of loans from its own resources for mining and energy projects of mutual interest to the ACP State concerned and the Community. These loans are not eligible for interest subsidies and must be approved on a case-by-case basis by the Bank's Board of Governors.

(6) Maximum of 100 million per period of 12 months as from 1 July 1981.

(7) Financing provided by either the Commission or the Bank.

of the previous year and only one project, in Egypt, was financed from the balance of funds available under this heading. Amounts provided for under the financial protocol with Cyprus were committed in full.

Lending from own resources ran to 288 million (compared with 238 million in 1981), of which 55 million carried interest subsidies financed from grant aid charged to the Communities' budget. Two projects in Cyprus attracted 4 million in loans on special conditions drawn from budgetary funds.

Over half the total advanced went for investment in the energy sector: development of an offshore oil field in Egypt, diversification of fuel imports, and energy savings. Approximately one third of total financing benefited road and rail infrastructure and water supply and sewerage schemes.

Three global loans were concluded with financing institutions in Spain and Portugal with a view to promoting and modernising small and medium-sized enterprises or improving infrastructure. Drawing on the proceeds of these and previous global loan facilities in the Mediterranean Countries, it proved possible to finance 158 ventures in manufacturing, agricultural processing and services (chiefly tourism) with allocations totalling 88·6 million.

Northern Mediterranean countries

Spain

Lending in Spain totalled 105 million, in contrast to 40 million the previous year, and centred on capital investment in regions with per capita income levels far below the national average.

Two global loans, each for 20 million, were concluded, one with the Banco de Credito Local de España for road, water supply and sewerage schemes implemented by local authorities, the other with the Banco de Credito Industrial (BCI) for aiding small and medium-sized enterprises.

The EIB also contributed 40 million towards financing the Barcelona rail loop line which will help to improve traffic flows along the Mediterranean coast main line. Serving a fifth of the country's entire population, this is a vital corridor for heavy tourist traffic during the summer.

The other loans advanced (25 million) were for investment in the energy sector: construction of a gasline linking the Spanish grid to the Serrablo natural gas field in the Pyrenees; installations designed to reduce energy consumption at an oil refinery and a glass works; a global loan to the BCI for financing smaller infrastructural schemes centred on coal mining and the harnessing of hydro power.

Seventy-two allocations were made from ongoing global loans with 53·6 million in all drawn down, chiefly for ventures in the construction materials, foodstuffs and woodworking industries. A further 16 allocations (10 million) benefited smaller-scale road and water supply infrastructural schemes.

Portugal

The Bank made four loans in Portugal in 1982 totalling 80 million. The largest was advanced for construction of Sines coal-fired power station which will help to diversify the country's energy supplies. In addition, construction of a new section of the road from Aveiro to the Spanish frontier will provide fresh growth prospects for the country's least-developed central regions and facilitate communications with the Community. A global loan facility opened with Caixa Geral de Depositos will be drawn on to finance modernisation and expansion in smaller industries. Ten allocations (7·9 million) were approved from global loan credit on tap in 1982.

Yugoslavia

The Bank granted a loan for 67 million for the installation of nine automated centres to monitor and control electricity generation and transmission throughout the country. This investment is aimed at rationalising operation of Yugoslavia's electricity grid and interlinking it with the other European grids.

Southern Mediterranean countries

Egypt

A loan for 28 million will serve to double output from the Abu Qir natural gas field off Alexandria and to

Operations outside the Community

supply a new source of energy to local industry, thereby freeing some 900 000 t of fuel oil per annum for export.

Cyprus

Three loans totalling 12 million, 8 million of this from the Bank's own resources, exhausted the funds available under the financial protocol concluded with this country.

The purposes of the loans were to help in financing the harnessing of the island's water resources to cater for supply needs in Nicosia, Larnaca and Famagusta and the laying of further sewerage conduits and water supply pressure mains serving some 15 000 people in the old city of Nicosia.

As required under the financial protocol, these installations benefit both the Greek and Turkish communities on the island.

Table 10: **Financing provided in the Mediterranean countries in 1982 and from 1963 to 1982** ⁽¹⁾

Breakdown by project location and origin of resources

	Loans from own resources		Operations mounted from budgetary resources				Total	
	million ECUs	%	million ECUs		%		million ECUs	%
1982								
Northern Mediterranean	252.0	87.5	—	—	—	—	252.0	86.3
Spain	105.0	36.4	—	—	—	—	105.0	36.0
Portugal	80.0	27.8	—	—	—	—	80.0	27.4
Yugoslavia	67.0	23.3	—	—	—	—	67.0	22.9
Mashreq	28.0	9.7	—	—	—	—	28.0	9.6
Egypt	28.0	9.7	—	—	—	—	28.0	9.6
Other	8.0	2.8	4.0	100.0	100.0	12.0	4.1	4.1
Cyprus	8.0	2.8	4.0	100.0	100.0	12.0	4.1	4.1
Total	288.0	100.0	4.0	100.0	100.0	292.0	100.0	
1963—1982								
Northern Mediterranean	1 178.4	77.5	600.0	92.8	—	—	1 778.4	82.1
Spain	145.0	9.5	—	—	—	—	145.0	6.7
Greece (1963—1980)	341.4	22.4	10.0	1.6	—	—	351.4	16.2
Portugal	460.0	30.3	—	—	—	—	460.0	21.3
Turkey	115.0	7.6	590.0	91.2	—	—	705.0	32.5
Yugoslavia	117.0	7.7	—	—	—	—	117.0	5.4
Maghreb	127.0	8.4	34.0	5.2	—	—	161.0	7.4
Algeria	30.0	2.0	—	—	—	—	30.0	1.4
Morocco	56.0	3.7	19.0	2.9	—	—	75.0	3.4
Tunisia	41.0	2.7	15.0	2.3	—	—	56.0	2.6
Mashreq	161.7	10.6	3.8	0.6	—	—	165.5	7.6
Egypt	93.0	6.1	—	—	—	—	93.0	4.3
Jordan	18.0	1.2	0.3	0.1	—	—	18.3	0.8
Lebanon	35.0	2.3	—	—	—	—	35.0	1.6
Syria	15.7	1.0	3.5	0.5	—	—	19.2	0.9
Other	53.0	3.5	9.0	1.4	—	—	62.0	2.9
Cyprus	20.0	1.3	4.0	0.6	—	—	24.0	1.1
Israel	30.0	2.0	—	—	—	—	30.0	1.4
Malta	3.0	0.2	5.0	0.8	—	—	8.0	0.4
Total	1 520.1	100.0	646.8	100.0	100.0	2 166.9	100.0	

(1) See Note 1 to Table 1.

Financing in the African, Caribbean and Pacific (ACP) States and the Overseas Countries and Territories (OCT)

The Bank mounts operations in the African, Caribbean and Pacific States under the terms of the Second Lomé Convention. Financing is also provided in the Overseas Countries and Territories, in this case pursuant to a Decision of the Council of the European Communities.

The versatility of this medium, the terms and conditions of which are tailored to individual projects, can accommodate a variety of financing needs, chiefly in industry; lesser amounts are also made available for feasibility studies and for technical assistance to firms during the start-up period.

Resources deployed

In the ACP States and the OCT, the Bank mainly makes available **loans from its own resources** carrying interest subsidies financed from the European Development Fund, generally at a level of 3%; these subsidies are increased when the Bank's lending rate rises above 11%, so that the rate of interest payable by the borrower does not exceed the 8% ceiling fixed by the Second Lomé Convention. However, no subsidy can be claimed for loans advanced to fund oil sector investment or for loans provided under Article 59 and Annex XXXI of the Second Lomé Convention in support of mining and energy investment projects of mutual interest to the State concerned and the Community. The latter operations are subject to authorisation on a case-by-case basis by the Bank's Board of Governors.

The Member States have provided a 75% blanket guarantee to cover any risk attaching to financial commitments in the ACP States and the OCT.

The Bank also provides assistance in the form of **risk capital** drawn from the European Development Fund.

Risk capital made available by the Bank under mandate from the Community is employed for financing shareholdings or for lending to an ACP State or a national development agency to bolster enterprises' equity capital. It can also be used for providing quasi-capital assistance in the form of subordinated or conditional loans. Subordinated loans are repayable only after priority loans have been paid off; repayment terms for conditional loans or the period for which these are made available are linked to fulfilment of conditions specified at the time of signature of the contract. Several such loans have gone in tandem with loans from the Bank's own resources.

Objectives pursued

Within the context of the general objective of financial cooperation, which is to foster the economic and social advancement of the countries and territories concerned, priority is accorded to financing productive investment in industry, agricultural processing, tourism, and mining and energy production schemes linked to capital investment in these sectors. The Bank pursues these aims by deploying loans from its own resources and from European Development Fund risk capital.

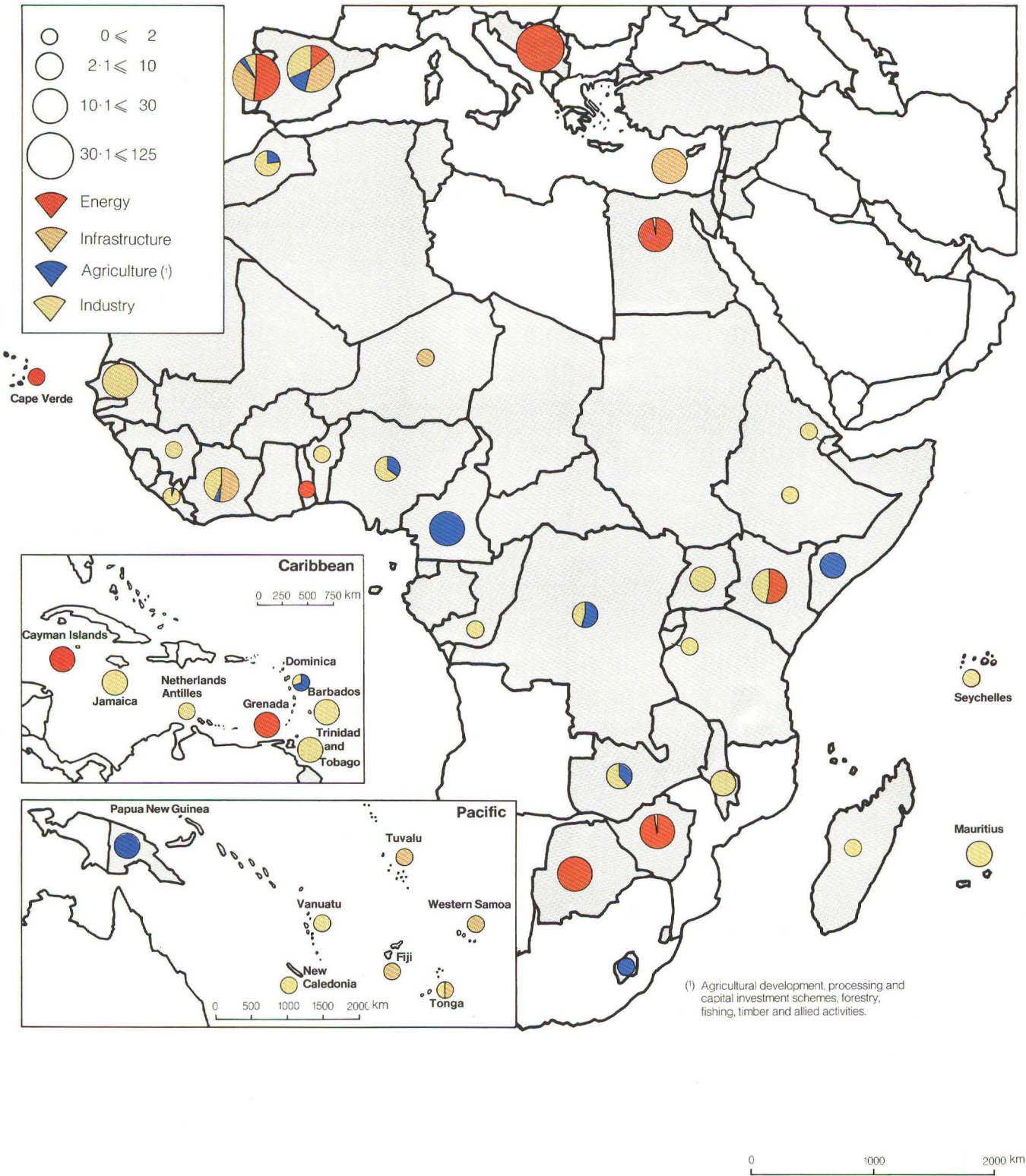
Financing provided in 1982

The EIB provided fifteen subsidised loans totalling 122.2 million from its own resources and mounted 22 operations from risk capital funds for 36.1 million in all. Five advances for a combined total of 1.2 million were also made under blanket authorisations, dating from the First Lomé Convention, for using risk capital to fund feasibility studies and technical assistance. Aggregate financing for the year, therefore, came to 159.5 million, compared with 208.8 million in 1981.

Viewed in sectoral terms, the funds advanced break down as to 32.1% for energy projects, 31.3% for development finance companies (dfcs) via global loans tailored to the needs of smaller, mainly industrial, ventures, 24.3% for manufacturing industry, 6.3% for telecommunications facilities, 1.6% for transport infrastructure, 3.1% for tourism and 1.3% for feasibility studies.

Projects financed in the Mediterranean region, the ACP States and the OCT in 1982

million ECUs



The projects financed should help to create directly about 3 600 jobs, mostly in agricultural processing. In the industrial and tourism sectors the investment cost per job created averages out at 63 000 in the case of projects financed through individual loans and 50 000 for ventures funded via global loan allocations. Projects aimed at reducing dependence on outside energy supplies will help to cut back imports of petroleum products by some 700 000 tonnes per annum, i.e. approximately the equivalent of 2.5 % of total hydrocarbon imports by the ACP States in 1981. If account is also taken of projects financed since the First Lomé Convention entered into effect in April 1976, this saving amounts to some 1.7 million tonnes of oil equivalent per annum or approximately 6 % of hydrocarbon imports.

A breakdown of financing according to the level of development of the countries in question shows that the loans from the Bank's own resources were concentrated in ten ACP States, six of which fall into the higher per capita income category and four into the middle income range. In contrast, 77 % of risk capital financing was advanced in ten low income ACP States and ten other middle income countries.

In the ACP States, operations mounted with dfcs embraced global loans for financing small and medium-sized enterprises, indirect finance for capital increases via governments or various institutions, acquisition of equity participations on behalf of the Community and credit for feasibility studies. Operations under this heading accounted for one third of total funds advanced (25 % in 1981) and supported small and medium-scale ventures in the industrial, agricultural processing and tourism sectors. Several of the dfcs concerned had already benefited from Bank financing in the past.

The EIB mounted operations in 20 African countries in 1982:

In the **Ivory Coast**, three loans amounting to 21.6 million in all were provided for:

— expansion of international telephone facilities at Abidjan to cope with the estimated increase in traffic up until 1990;

— extension of latex processing facilities in three plants in the south financed previously by the Bank in 1979;

— financing smaller businesses (global loan).

In **Zimbabwe**, two operations totalling 20.4 million were mounted to finance:

— upgrading of Wankie power station, fired with locally-mined coal, from 700 MW to 920 MW;

— a feasibility study on development of the country's coal resources either for export or for conversion into oil or natural gas.

In **Kenya**, two loans amounting to 17 million were advanced: one for a project to boost from 30 MW to 45 MW the capacity of a geothermal power station sited in the geological faults of the Rift Valley and the other for a dfc.

In **Botswana**, 15 million were made available for construction of a power station fuelled with local coal at Morupule, in the north of the country; with a capacity of 90 MW, the power station will provide in particular for the needs of the local mining industry.

In **Senegal**, two loans totalling 12.9 million will be used to finance:

— a plant to produce phosphoric acid and fertilisers derived from local phosphate; the Bank previously granted four loans in 1978, 1980 and 1981 for this, the largest industrial complex in Senegal;

— a 100-room tourist hotel on the Petite Côte, 80 km south of Dakar.

In **Cameroon**, two loans for a combined total of 10.7 million were advanced to finance construction and expansion of three oil mills, which will help to increase Cameroon palm oil production, intended principally for domestic consumption, from 90 000 tonnes in 1980 to 120 000 tonnes by 1985.

In **Uganda**, two loans amounting to 10 million were granted to contribute towards a development bank's capital increase; the funds will be deployed in support of a number of high priority industrial projects centred on replacement of obsolescent machinery and purchase of spare parts.

Two operations totalling 4.5 million were mounted in favour of a dfc in **Mauritius**.

Operations outside the Community

Table 11: **Financing provided in the African, Caribbean and Pacific (ACP) States and the Overseas Countries and Territories (OCT) in 1982**

Breakdown by project location and origin of resources

	Loans from own resources		Risk capital operations mounted from budgetary resources				Total	
	million ECUs	%	million ECUs	%	million ECUs	%	million ECUs	%
Africa	99.3	81.3	24.5	65.7	123.8	77.6		
West Africa	32.6	26.7	4.1	11.0	36.7	23.0		
Benin	—	—	0.3	0.8	0.3	0.2		
Cape Verde	—	—	1.8	4.8	1.8	1.1		
Ivory Coast	21.6	17.7	—	—	21.6	13.6		
Guinea	—	—	0.2	0.6	0.2	0.1		
Senegal	11.0	9.0	1.8	4.8	12.8	8.0		
Central and Equatorial Africa	10.7	8.8	1.9	5.1	12.6	7.9		
Burundi	—	—	1.3	3.5	1.3	0.8		
Cameroon	10.7	8.8	—	—	10.7	6.7		
Congo	—	—	0.2	0.5	0.2	0.1		
Zaire	—	—	0.4	1.1	0.4	0.3		
East and Southern Africa	56.0	45.8	18.5	49.6	74.5	46.7		
Botswana	15.0	12.3	—	—	15.0	9.4		
Djibouti	—	—	0.4	1.1	0.4	0.3		
Kenya	17.0	—	0.5	1.3	0.5	0.3		
Madagascar	—	13.9	—	—	17.0	10.7		
Malawi	—	—	0.1	0.3	0.1	0.1		
Mauritius	4.0	—	3.0	8.0	3.0	1.9		
Uganda	—	3.3	0.5	1.3	4.5	2.8		
Seychelles	—	—	10.0	26.8	10.0	6.2		
Somalia	—	—	1.0	2.7	1.0	0.6		
Zimbabwe	20.0	—	2.6	7.0	2.6	1.6		
Ethiopia	—	16.3	0.4	1.1	20.4	12.8		
Caribbean	12.0	9.8	8.4	22.5	20.4	12.8		
Barbados	4.0	3.3	—	—	4.0	2.5		
Dominica	—	—	1.0	2.7	1.0	0.6		
Grenada	—	—	2.4	6.4	2.4	1.5		
Jamaica	—	—	5.0	13.4	5.0	3.2		
Trinidad and Tobago	8.0	6.5	—	—	8.0	5.0		
Pacific	7.9	6.4	3.6	9.7	11.5	7.2		
Fiji	—	—	1.8	4.8	1.8	1.1		
Papua New Guinea	7.9	6.4	—	—	7.9	5.0		
Western Samoa	—	—	0.3	0.8	0.3	0.2		
Tonga	—	—	0.3	0.8	0.3	0.2		
Vanuatu	—	—	1.0	2.7	1.0	0.6		
Tuvalu	—	—	0.1	0.3	0.1	0.1		
ACP States: Total	119.2	97.5	36.5	97.9	155.7	97.6		
OCT: Total	3.0	2.5	0.8	2.1	3.8	2.4		
Netherlands Antilles	—	—	0.8	2.1	0.8	0.5		
Cayman Islands	3.0	2.5	—	—	3.0	1.9		
Grand Total	122.2	100.0	37.3	100.0	159.5	100.0		

In **Malawi**, an advance of 3 million went to finance an 86-room extension to the Capital Hotel, one of the major hotels in Lilongwe, the country's capital.

In **Somalia**, 2.6 million will go towards financing rehabilitation and expansion of a dairy at Mogadishu, processing and packing the equivalent of 12 million litres of milk per annum.

In **Cape Verde**, a 1.8 million loan will help to finance installation of a new 2.5 MW unit at Mindelo thermal power station so as to meet the anticipated rise in demand and, in particular, to supply electricity to the new ship repair yard under construction with the help of a Bank loan granted in 1980. Designed to serve the local fishing fleet, the yard should start up operations in 1983.

Two global loans were made available to dfcs, one in **Burundi** (1.3 million) and the other in **Seychelles** (1 million).

In **Ethiopia**, credit worth 0.5 million was advanced for financing feasibility studies in the industrial, agricultural processing and mining sectors.

In **Djibouti**, risk capital amounting to 0.4 million was used to fund an equity participation in the country's Caisse de Développement.

There were a further five operations in Africa, together totalling 1.2 million; these provided funds for study work on tin mining in **Zaire**, secondary recovery of oil reserves from the Sémé deposit off the coast of **Benin**, a wood pulp mill in **Congo**, construction of a hydroelectric power station and an aluminium smelter in **Guinea** and reopening and extension of chromium mines in **Madagascar**.

In the **Caribbean**, Bank financing went to five independent countries and two OCT.

Two global loans were granted to dfcs in **Barbados** (4 million) and **Trinidad and Tobago** (8 million); in **Jamaica**, an advance of 5 million was made for a State subscription to the capital of a new development bank.

On the island of **Grenada**, 2.4 million went towards financing extension and modernisation of electricity

production and distribution facilities based on installation of two diesel units with a combined capacity of 3 MW.

In **Dominica**, a total of 1 million was advanced:

— for a mineral water catchment and bottling plant; production, estimated at some 3.7 million bottles per annum, is intended essentially for export;

— to help finance a State subscription to a dfc's capital increase.

In the **Cayman Islands**, a British overseas dependent territory, a loan of 3 million will help to finance installation of two diesel units, each with a capacity of 4.25 MW, needed to cope with rising demand resulting principally from growth in the tourism sector.

In the **Netherlands Antilles**, a loan for 0.84 million was advanced to the territory's government to part-finance an increase in its stake in the capital of a local financing institution, established to help diversify an economy still heavily dependent on refining imported oil.

In the **Pacific**, the Bank mounted operations in six countries.

In **Papua New Guinea**, following on from funds provided in 1979, a 7.9 million loan was granted to double the processing capacity of a palm oil mill.

In **Vanuatu**, a global aid package for 1 million was made available to a dfc.

Under a regional project relating to acquisition of containers by a shipping company, whose services embrace seven Pacific States as well as New Zealand, the Cook Islands and Niue, finance was advanced to **Fiji** (1.8 million), **Western Samoa** (325 000), **Tonga** (325 000) and **Tuvalu** (125 000).

In 1982, 46 allocations totalling 22.7 million were drawn down against current global loans. These funds were mostly invested in small or medium-sized enterprises in such sectors as: agricultural processing (12 allocations for 5.65 million), textiles and leather (7 allocations for 4.5 million), paper and pulp (5 allocations for 2.53 million), woodworking

Operations outside the Community

(3 allocations for 2·32 million), tourism (6 allocations for 1·7 million), rubber and plastics processing (2 allocations for 1·16 million) and metalworking (3 allocations for 1 million).

A large number of projects in the Mediterranean region and the ACP States involved co-financing operations, mounted with the World Bank and the

International Finance Corporation, the European Development Fund, the African Development Bank, the Arab Bank for Economic Development in Africa and various bilateral development aid institutions such as Caisse Centrale de Coopération Economique, Kreditanstalt für Wiederaufbau, the Commonwealth Development Corporation and various funds set up by Arab countries.

Construction of a power station



List of financing operations outside the Community ⁽¹⁾

A. Loans from the Bank's own resources

Contracts signed in 1982

Loans from the Bank's own resources, for which contracts were signed in 1982 in respect of projects outside the Community, totalled 410.2 million, of which 288 million was channelled to countries in the Mediterranean region and 122.2 million to the African, Caribbean and Pacific (ACP) States and Overseas Countries and Territories (OCT). These operations, the principal economic aspects of which are outlined on pages 57 to 66, are included in the EIB's balance sheet.

Two loans in Portugal attracted a 3% interest subsidy from Community budgetary funds (see page 57). All loans in the ACP States carried an interest subsidy financed from the European Development Fund (see page 61).

1. Mediterranean Countries

	million ECUs
SPAIN	105.0
<hr/>	
Ptas 11 172.6 million	
199. Laying of 130 km gasline between Serrablo natural gas deposit in Pyrenees (Huesca) and Zaragoza for link-up with Barcelona-Vascongadas main	
Empresa Nacional del Gas	
Ptas 1 591.6 million	15.0
200. Improving Mediterranean coast rail link between French frontier and Valencia; section of 87 km Barcelona loop line between Mollet and San Vicente	
Red Nacional de los Ferrocarriles Españoles (RENFE)	
Ptas 4 263.5 million	40.0
201. Global loan for financing small local authority infrastructural schemes in underdeveloped regions	
Banco de Credito Local de España	
Ptas 2 124.7 million	20.0
202. Global loan for financing small and medium-scale energy infrastructure schemes	
Banco de Credito Industrial	
Ptas 636.6 million	6.0
203.—204. Energy-saving investment in industry through intermediary of Banco de Credito Industrial	
— modernisation of distillery at Escombreras refinery near Carthagena	
Empresa Nacional del Petroleo S.A.	
Ptas 222.8 million	2.1
— replacement of kiln at Llodio glassworks, south of Bilbao	
Vidrierias de Alava	
Ptas 201.6 million	1.9

205. Global loan for financing small and medium-scale industrial ventures in underdeveloped regions

Banco de Credito Industrial

Ptas 2 131.8 million
 20.0 |

PORTUGAL

Esc. 6 492.9 million

206. Sines coal-fired power station south of Lisbon; first two 300 MW units

Electricidade de Portugal

Esc. 2 871.5 million
 35.0 ⁽²⁾ |

207. New 57 km Albergaria—Viseu section of Aveiro—Vilar Formoso Road

Junta Autonoma de Estradas

Esc. 2 055.4 million
 25.0 |

208. Global loan for financing small and medium-scale industrial and tourism ventures

Caixa Geral de Depositos

Esc. 1 610.0 million
 20.0 ⁽²⁾ |

YUGOSLAVIA

209. Installation of nine computerised centres for controlling and monitoring electricity generation and transmission and facilitating exchanges with European grids

Eight electricity utilities in Yugoslavia's Republics or Autonomous Provinces under coordinating aegis of **Yugoslav Electric Power Industry (JUGEL)**

Din 3 269.5 million
 67.0 |

CYPRUS

210. Construction of Dhypotamos (15 m cu.m) and Kalavasos (17 m cu.m) dams and water supply and treatment works serving industrial and domestic requirements of some 300 000 people in Nicosia, Larnaca and Famagusta

Republic of Cyprus

£C 3.7 million
 8.0 |

EGYPT

211. Upgrading production from Abu Qir oil field off coast of Alexandria

Egyptian General Petroleum Company

LE 18.8 million
 28.0 |

2. ACP STATES — AFRICA

million ECUs

IVORY COAST **21.6** |

CFAF 7 099.8 million

212. Extensions to international telephone facilities; new electronic international telephone exchange and participation in ATLANTIS intercontinental submarine cable scheme linking South America, Africa and Europe

INTELCI

CFAF 3 276.6 million
 10.0 |

213. Expansion of latex-processing capacities in factories at Bongo, Ousrou and Rapides Grah

Société Africaine des Plantations d'Hévéas

CFAF 2 162.6 million
 6.6 |

214. Global loan for financing small and medium-sized industrial and tourism undertakings

Compagnie Financière de la Côte d'Ivoire

CFAF 1 660.6 million
 5.0 |

ZIMBABWE

215. Installation of two 220 MW generating units at Wankie thermal power station fuelled with locally-mined coal; erection of 350 km of high voltage power lines

Electricity Supply Commission

Z\$14.3 million
 20.0 |

⁽¹⁾ Finance contracts for operations mounted in furtherance of financial cooperation with countries outside the Community are denominated in ECUs. Amounts shown in national currencies are given merely as a guide; they are based on the equivalents in ECUs used by the Bank at date of signature of the contracts (see page 10).

⁽²⁾ Loan attracting a 3% interest subsidy.



KENYA 17.0

KSh 176.2 million

216. Addition of third 15 MW unit to uprate Olkaria geothermal power station

Kenya Power Company Limited
KSh 93.3 million 9.0

217. Global loan for financing SMEs in industrial, agricultural processing and tourism sectors

Development Finance Company of Kenya Ltd
KSh 82.9 million 8.0

BOTSWANA

218. Construction of three 30 MW units at Morupule thermal power station fuelled with locally-mined coal and erection of 350 km of high voltage power lines to link up with Gabarone and Sélébi Phikwe power stations

Botswana Power Corporation
P 12.5 million 15.0

SENEGAL

219. Industrial complexes for producing phosphoric acid at Taïba and fertilisers at M'Bao

Industries Chimiques du Sénégal
CFAF 3 418.5 million 11.0

CAMEROON 10.7

CFAF 3 325.2 million

220. New palm oil mill at Idenau; modernisation of existing oil mills at Idenau and Mondoni

Cameroon Development Corporation through intermediary of **United Republic of Cameroon**
CFAF 2 144.3 million 6.9

221. Installation of a second palm oil production line in Dibombari oil mill

Société Camerounaise de Palmeraies
CFAF 1 180.9 million 3.8

MAURITIUS

222. Global loan for financing SMEs in industrial, agricultural processing and tourism sectors

Development Bank of Mauritius
Mau Rs 41.6 million 4.0

ACP STATES — CARIBBEAN

TRINIDAD AND TOBAGO

223. Global loan for financing small and medium-sized industrial and tourism undertakings

Trinidad and Tobago Development Finance Company Limited
TT\$ 17.9 million 8.0

BARBADOS

224. Global loan for financing small and medium-sized industrial and tourism undertakings

Barbados Development Bank
BDS\$8.7 million 4.0

ACP STATES — PACIFIC

PAPUA NEW GUINEA

225. New palm oil production line; expansion of storage capacity for palm oil, palm nuts and kernels near Popondetta

Higaturu Oil Palms Pty Limited
K 5.7 million 7.9

OCT

CARIBBEAN

226. Uprating electricity supply in Grand Cayman by installing 2 x 4.25 MW diesel generators

Caribbean Utilities Company Limited
C\$2.5 million 3.0

B. Financing operations from Community budgetary resources

Contracts signed in 1982

Operations concluded in 1982 from Community budgetary funds totalled 41.3 million, of which 4 million took the form of loans on special conditions in countries in the Mediterranean region, while 37.3 million was advanced as risk capital in the ACP States and the Overseas Countries and Territories (OCT). Financing is provided by the Bank under mandate from, on behalf, for the account and at the risk of the European Economic Community and is accounted for off balance sheet in the Special Section (see page 82); the Bank's responsibility for these operations — the principal economic aspects of which are presented on pages 57 to 66 — is limited to proper performance of the mandate entrusted to it.

1. Loans on special conditions in Mediterranean countries

million ECUs

CYPRUS 4.0

£C 1.9 million

227. Sewerage mains, sewage treatment plant and system supplying drinking water to old city of Nicosia

Republic of Cyprus

£C 1.4 million

3.0

228. Construction of Dhypotamus (15 m cu.m) and Kalavastos (17 m cu.m.) dams and water supply and treatment works serving industrial and domestic requirements of some 300 000 people in Nicosia, Larnaca and Famagusta

Republic of Cyprus

£C 0.5 million

1.0

2. Risk capital⁽¹⁾ provided from European Development Fund resources in the ACP States and the OCT

ACP States — Africa

million ECUs

UGANDA 10.0

US\$ 92.8 million

229. Global loan for financing renovation of SMEs in industrial, agricultural processing and mining sectors

Uganda Development Bank

US\$ 69.6 million

7.5

230. Conditional loan to Republic of Uganda to enable it to increase its stake in the **Uganda Development Bank**

US\$ 23.2 million

2.5

MALAWI

231. Construction of new wing of Capital Hotel at Lilongwe Subordinated loan to **Malawi Development Corporation (MDC)** and conditional loan for increasing MDC's stake in **Capital Hotel Company Limited**

Mk 3.2 million

3.0

SOMALIA

232. Renovation and expansion of Mogadishu dairy

Conditional loan to **Democratic Republic of Somalia** for **Mogadishu Dairy**, a Government Ministry of Industry Agency

So. Sh 32.1 million

2.56

SENEGAL

233. 100-room tourist hotel at Sali on coast south of Dakar

Subordinated loan to **Société Financière Sénégalaise pour le Développement de l'Industrie et du Tourisme** for **Société Hôtelière de Sali**

CFAF 614.4 million

1.85

CAPE VERDE

234. Upgrading Mindelo thermal power station on Island of São Vicente by installation of 2.5 MW generating set

Subordinated loan to **Empresa Publica Electricidade e Agua do Mindelo**

C.V. Esc. 97.3 million

1.8

BURUNDI

235. Conditional loan for financing SMEs in industrial, agricultural processing and tourism sectors

Banque Nationale pour le Développement Economique

FBu 108.9 million

1.3

SEYCHELLES

236. Conditional global loan for financing studies, equity participations and loans to SMEs in industrial, agricultural processing and tourism sectors

Development Bank of Seychelles

SR 6.5 million

1.0

ETHIOPIA

237. Conditional loan for feasibility studies for industrial, agricultural processing and mining schemes

Agricultural and Industrial Development Bank

Br 1 million

0.5

MAURITIUS

238. Conditional global loan for financing studies for benefit of and equity participations in SMEs in industrial, agricultural processing and tourism sectors

Development Bank of Mauritius

Mau Rs 5.2 million

0.5

DJIBOUTI

239. Equity participation in founding capital of **Caisse de Développement de Djibouti (CDD)**

DF 69.9 million

0.4

ZIMBABWE

240. Conditional loan to **Republic of Zimbabwe** for study towards defining a national coal strategy

Z\$ 300 000

0.4

ZAIRE

241. Conditional loan to **Société Zairetain** for feasibility study on increased mining of tin ore

Z 2.1 million

0.38

BENIN

242. Conditional loan to **People's Republic of Benin** for study on secondary recovery of Sémé oil field deposits

CFAF 108.5 million

0.35

(¹) See page 61.

CONGO

243. Equity participation in **Société d'Etudes de la Cellulose du Congo** entrusted with feasibility study on construction of pulp mill near Pointe-Noire
CFAF 54.9 million

0.177

GUINEA

244. Conditional loan to **People's Revolutionary Republic of Guinea** for feasibility study on construction of dam at Souapiti, installation of hydro-electric plant and aluminium smelter together forming part of integrated industrial complex at Konkouré
GS 3.5 million

0.15

MADAGASCAR

245. Conditional loan to **Republic of Madagascar** for feasibility study on extended working and rehabilitation of chromium mines
FMG 46.6 million

0.15

**ACP STATES —
CARIBBEAN****JAMAICA**

246. Conditional loan to **Jamaica** to enable it to finance its stake in founding capital of **National Development Bank (NDB)**
J\$ 8.3 million

5.0

GRENADA

247. Modernisation of electricity supply system and uprating Queen's Park thermal power station by addition of 2 x 1.5 MW diesel generators
Conditional loan to **Grenada Electricity Services Limited**
EC\$ 6.2 million

2.4

DOMINICA

1.0

EC\$ 2.6 million

248. Construction of a mineral water bottling plant at Loubière
Conditional loan to **Agricultural, Industrial and Development Bank** for on-lending to **Carib Spring Limited**
EC\$ 1.8 million

0.7

249. Conditional loan to **Dominica** to enable it to increase its stake in **Agricultural, Industrial and Development Bank**
EC\$ 800 000

0.3

ACP States — Pacific

Acquisition of 947 containers by Pacific Forum Line, a regional shipping company operating services between Australia, New Zealand and the Pacific States
Conditional loans to:

FIJI

250. F\$ 1.6 million 1.8

KINGDOM OF TONGA

251. PT 300 000 0.325

**KINGDOM OF WESTERN
SAMOA**

252. WS\$ 400 000 0.325

TUVALU

253. A\$ 100 000 0.125

VANUATU

254. Conditional global loan for financing equity participations in and loans to SMEs in industrial, agricultural processing and tourism sectors **Development Bank of Vanuatu**
VT 92.1 million 1.0

OCT**NETHERLANDS ANTILLES**

255. Conditional loan to **Netherlands Antilles** to increase its public sector stake in **Ontwikkelingsbank van de Nederlandse Antillen N.V.**
NAf 1.4 million 0.84

Harvesting palm fruit

Resources

Own funds and market borrowing

This section deals with resources raised by the Bank for lending operations accounted for on its balance sheet and for which it assumes financial responsibility. Details of these operations in 1982 appear on pages 44 to 54 and 67 and 68. The "Resources" section, however, does not cover resources administered by the Bank under mandate from and on behalf of third parties, which are accounted for off balance sheet in the Special Section (see page 82), in particular loans from NCI resources and financing provided in the Mediterranean countries and in the ACP States from Community budgetary funds, details of which for 1982 appear on pages 55, 56, 69 and 70.

At 31 December 1982, the Bank's total resources (comprising paid-in capital, reserves and provisions,

the balance of the profit and loss account and borrowing proceeds) stood at 19 024.9 million compared with 15 468.6 million at 31 December 1981.

The rise was made up of a net increase in borrowed funds of 3 089.7 million, taking into account adjustments in conversion rates, 366.3 million in net income and 100.3 million in the form of Member States' contributions to the capital increase decided by the Governors in 1978 and Greece's contributions to the capital, reserves and provisions following this country's accession to the Community. Payments relating to the capital increase decided by the Governors on 15 June 1981 will be made as from 1984 in eight half-yearly instalments totalling 540 million, bringing total paid-in capital to 1 465.715 million (see Annex A to the Financial Statements, page 85).

Table 12: **Funds raised from 1961 to 1982**

Year	Number	Amount (million ECUs)			Participations by third parties in EIB loans (million ECUs)	Funds raised (million ECUs)
		Private issues	Public issues	Total		
1961	3	7.6	13.8	21.4	—	21.4
1962	2	—	32.3	32.3	—	32.3
1963	3	8.0	27.2	35.2	—	35.2
1964	5	13.5	53.3	66.8	—	66.8
1965	4	—	65.0	65.0	—	65.0
1966	6	24.0	114.5	138.5	—	138.5
1967	8	40.0	154.5	194.5	—	194.5
1968	13	112.5	100.0	212.5	—	212.5
1969	9	63.7	82.3	146.0	—	146.0
1970	7	66.6	102.3	168.9	—	168.9
1971	20	208.0	204.9	412.9	—	412.9
1972	19	133.4	328.6	462.0	17.5	479.5
1973	22	207.0	401.0	608.0	4.3	612.3
1974	16	704.2	121.3	825.5	—	825.5
1975	26	318.6	495.1	813.7	17.0	830.7
1976	17	221.0	510.9	731.9	17.0	748.9
1977	31	321.9 ⁽¹⁾	707.6	1 029.5	132.0	1 161.5
1978	43	509.0 ⁽²⁾	1 353.9	1 862.9	86.8	1 949.7
1979	59	983.2 ⁽³⁾	1 453.4	2 436.6	44.6	2 481.2
1980	73	874.5	1 509.0	2 383.5	83.3	2 466.8
1981	57	974.9 ⁽⁴⁾	1 267.8	2 242.7	67.0	2 309.7
1982	91	1 319.4 ⁽⁵⁾	1 826.3	3 145.7	59.5	3 205.2
1961—1982	534	7 111.0	10 925.0	18 036.0	529.0	18 565.0

(1) Including 87 million in medium-term interbank operations.

(2) Including 39.9 million in medium-term interbank operations.

(3) Including 1.5 million in medium-term interbank operations.

(4) Including 92.8 million in medium-term interbank operations.

(5) Including 105.7 million in medium-term interbank operations.

Table 13: List of borrowings in 1982

Public and private borrowings

Date of contract	Month of issue	Place of issue	Subscription currency	Amount in nat. currency million	Amount in ECUs million	Life (Years)	Rate of interest (%)	Placing/Offer
4. 1. 1982	January	Luxembourg	Ffrs	102.183	16.477	10	16.5	Private placing
20. 1. 1982	January	Switzerland	Sfrs	100	51.238	10	7.25	Public placing (1)
22. 1. 1982	January	Germany	DM	150	61.366	7	10	Public placing (2)
22. 1. 1982	January	Germany	DM	100	40.911	10	10	Public placing (2)
3. 2. 1982	February	Netherlands	Fl	20	7.454	15	11.75	Private placing
10. 2. 1982	February	Netherlands	Fl	30	11.181	15	11.875	Private placing
18. 2. 1982	February	United Kingdom	US\$	30	27.646	5	16.25	Private placing
19. 2. 1982	February	Netherlands	Fl	75	27.953	5	11	Private placing
23. 2. 1982	February	United Kingdom	US\$	21.25	19.582	9	15.875	Private placing
25. 2. 1982	February	Germany	DM	100	40.911	10	10	Private placing
3. 3. 1982	March	Luxembourg	US\$	150	138.227	7	15.5	Public placing (3)
4. 3. 1982	March	Netherlands	Fl	5	1.864	15	11.75	Private placing
5. 3. 1982	March	Japan	Yen	20 000	83.927	10	8.2	Public placing (4)
25. 3. 1982	March	Netherlands	Fl	5	1.864	15	11.125	Private placing
25. 3. 1982	March	Netherlands	Fl	5	1.864	15	11.125	Private placing
31. 3. 1982	March	Luxembourg	Lfrs	1 000	23.954	7	12.75	Private placing
31. 3. 1982	March	Netherlands	Fl	10	3.727	15	11.125	Private placing
31. 3. 1982	March	Netherlands	Fl	10	3.727	10	10.875	Private placing
31. 3. 1982	March	Belgium	Bfrs	1 000	23.954	12	15	Private placing
6. 4. 1982	April	Germany	DM	100	41.652	10	9.1	Private placing
20. 4. 1982	April	Netherlands	Fl	10	3.755	15	10.875	Private placing
20. 4. 1982	April	Netherlands	Fl	10	3.755	10	10.875	Private placing
27. 4. 1982	April	Switzerland	Sfrs	100	51.925	10	7	Public placing (5)
10. 5. 1982	May	Germany	DM	100	41.651	10	8.375	Public placing (6)
14. 5. 1982	May	Netherlands	Fl	20	7.509	20	10.75	Private placing
14. 5. 1982	May	United Kingdom	£	15	26.867	10	15	Private placing
17. 5. 1982	May	Netherlands	Fl	200	75.095	10	10	Public placing (7)
25. 5. 1982	May	Germany	DM	100	41.651	10	9	Private placing
28. 5. 1982	May	Luxembourg	ECU	12.017	12.017	5	14	Public placing (*)
3. 6. 1982	June	Luxembourg	Yen	15 000	61.01	10	8.25	Public placing (8)
10. 6. 1982	June	Luxembourg	Lfrs	600	13.245	8	12.25	Public placing (9)
18. 6. 1982	June	United Kingdom	£	10	17.911	10	14.125	Private placing
25. 6. 1982	June	France	Ffrs	1 000	160.89	10	16.9	Public placing (10)
29. 6. 1982	June	United Kingdom	US\$	15	15.073	5	16.3	Private placing
30. 6. 1982	June	Luxembourg	US\$	10	10.048	10	15.25	Private placing
1. 7. 1982	July	Luxembourg	ECU	40	40	7	13.75	Public placing (11)
6. 7. 1982	July	Germany	DM	50	21.167	10	9.7	Private placing
7. 7. 1982	July	Netherlands	Fl	5	1.914	10	11.125	Private placing
7. 7. 1982	July	Netherlands	Fl	5	1.914	10	11.125	Private placing
7. 7. 1982	July	Luxembourg	US\$	20	20.837	10	15.25	Private placing
9. 7. 1982	July	Switzerland	Sfrs	50	24.745	6	7.25	Private placing
15. 7. 1982	July	Luxembourg	US\$	25	26.046	7	16.15	Private placing
21. 7. 1982	July	Luxembourg	US\$	200	208.372	10	15.5	Public placing (12)
23. 7. 1982	July	United Kingdom	£	12.5	22.641	8	14.49	Private placing
23. 7. 1982	July	Germany	DM	200	84.67	10	9.375	Public placing (13)
30. 7. 1982	July	Netherlands	Fl	5	1.914	10	11	Private placing
30. 7. 1982	July	Netherlands	Fl	6	2.297	15	11	Private placing
30. 7. 1982	July	Netherlands	Fl	10	3.829	15	11	Private placing
3. 8. 1982	August	Japan	Yen	25 000	101.983	12	8.6	Private placing
5. 8. 1982	August	Netherlands	Fl	5	1.914	15	11	Private placing
6. 8. 1982	August	Luxembourg	Sfrs	65	32.168	6	7.125	Private placing
9. 8. 1982	August	Netherlands	Fl	5	1.914	15	10.875	Private placing
9. 8. 1982	August	Netherlands	Fl	75	28.717	5	10	Private placing
18. 8. 1982	August	Germany	DM	35	14.817	10	9.25	Private placing
18. 8. 1982	August	Germany	DM	35	14.817	10	9.25	Private placing
18. 8. 1982	August	Germany	DM	30	12.7	10	9.25	Private placing
27. 8. 1982	August	Luxembourg	US\$	15	15.628	8	11.3	Private placing
29. 8. 1982	August	Luxembourg	Sfrs	185	91.556	5	7.25	Private placing
29. 8. 1982	August	Luxembourg	Fl	150	57.434	6	10.75	Private placing
3. 9. 1982	September	United Kingdom	US\$	23.25	24.223	9	13.25	Private placing
9. 9. 1982	September	United States	US\$	200	208.372	10	13.375	Public placing (14)
13. 9. 1982	September	Netherlands	Fl	1	0.383	15	11	Private placing
13. 9. 1982	September	Netherlands	Fl	9	3.446	15	11	Private placing
14. 9. 1982	September	Netherlands	Fl	5	1.914	20	10.375	Private placing
16. 9. 1982	September	Switzerland	Sfrs	100	49.49	10	6.25	Public placing (15)
23. 9. 1982	September	Germany	DM	200	84.67	10	8.25	Public placing (16)
24. 9. 1982	September	Netherlands	Fl	25	9.572	20	10.5	Private placing
27. 9. 1982	September	United Kingdom	£	12.5	22.641	8	12.6	Private placing
28. 9. 1982	September	Liechtenstein	Sfrs	15	7.423	6	6.75	Private placing
14. 10. 1982	October	United Kingdom	£	75	136.421	20	11	Public offer (17)
18. 10. 1982	October	Netherlands	Fl	200	77.728	10	10	Public placing (18)
19. 10. 1982	October	Luxembourg	ECU	60	60	8	12.875	Public placing (19)
19. 10. 1982	October	Belgium	Bfrs	1 000	21.91	12	14	Private placing
22. 10. 1982	October	Netherlands	Fl	5	1.943	20	10	Private placing
22. 10. 1982	October	Netherlands	Fl	25	9.716	15	10	Private placing
26. 10. 1982	October	Netherlands	Fl	5	1.943	15	10	Private placing
27. 10. 1982	October	Japan	Yen	15 000	60.1	10	9.1	Private placing
28. 10. 1982	October	Switzerland	Sfrs	75	37.154	7	6.5	Private placing
29. 10. 1982	October	Netherlands	Fl	10	3.886	15	9.375	Private placing
10. 11. 1982	November	Netherlands	Fl	20	7.773	15	10	Private placing
22. 11. 1982	November	United Kingdom	£	20	36.379	10	10	Private placing
26. 11. 1982	November	Germany	DM	200	84.974	10	8.25	Public placing (20)
7. 12. 1982	December	Netherlands	Fl	5	1.943	15	9.125	Private placing
20. 12. 1982	December	Japan	Yen	20 000	80.133	10	8.8	Private placing

3 040-012

Public and private borrowings

3 040-012

Medium-term interbank operations

Date of contract	Month of deposit	Origin	Currency	Amount in national currency (million)	Amount in ECU's (million)	Maturity	Rate of interest (%)
31. 3. 1982	April	Netherlands	Fl	70	26-089	1985	10
10. 5. 1982	May	Netherlands	Fl	10	7-509	1984	9-625
10. 5. 1982	May	Netherlands	Fl	10	7-509	1985	9-687
15. 7. 1982	July	Luxembourg	US\$	15	15-628	1985	15-5
27. 8. 1982	September	Luxembourg	US\$	15	15-628	1985	15
14. 9. 1982	September	Luxembourg	Bfrs	1 000	22-219	1984	13-75
15. 9. 1982	September	Luxembourg	Bfrs	500	11-11	1984	13-75
				105-693			

Total borrowings

3 145-705

(1) Underwritten by a banking syndicate composed of Swiss Bank Corporation, Swiss Credit Corporation and Union Bank of Switzerland; offered for public subscription at par.

(2) Underwritten by a banking syndicate composed of Deutsche Bank AG, Dresdner Bank AG, Commerzbank AG and Westdeutsche Landesbank Girozentrale; offered for public subscription at par.

(3) Underwritten by a banking syndicate composed of Crédit Suisse First Boston Limited, Banca Commerciale Italiana, Banque Bruxelles-Lambert S.A., Banque Nationale de Paris, Baring Brothers & Co. Limited, CIBC Limited, Crédit Lyonnais, Manufacturers Hanover Limited, Merrill Lynch International & Co., Morgan Grenfell & Co. Limited, Morgan Stanley International, Nomura International Limited, Orion Royal Bank Limited, Société Générale de Banque S.A. and Wood Gundy Limited; offered for public subscription at par.

(4) Underwritten by a banking syndicate composed of Daiwa Securities Co. Limited, The Nomura Securities Co. Ltd, Yamaichi Securities Company Limited and The Nikko Securities Co. Ltd; offered for public subscription at 99-50 %.

(5) Underwritten by a banking syndicate composed of Swiss Credit Corporation, Union Bank of Switzerland and Swiss Bank Corporation; offered for public subscription at 100-25 %.

(6) Underwritten by a banking syndicate composed of Deutsche Bank AG, Dresdner Bank AG, Commerzbank AG and Westdeutsche Landesbank Girozentrale; offered for public subscription at par.

(7) Underwritten by a banking syndicate composed of Amsterdam-Rotterdam Bank N.V., Algemene Bank Nederland N.V., Bank Mees & Hope N.V., Pierson, Heldring & Pierson N.V., Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Nederlandsche Middenstandsbank N.V. and Bank der Bondsspaarbanken N.V.; offered for public subscription at 99 %.

(8) Underwritten by a banking syndicate composed of The Nikko Securities Co. Ltd., Crédit Suisse First Boston Limited, Amro International Limited, Banca Commerciale Italiana, Bank of Tokyo International Limited, Banque Nationale de Paris, Crédit Lyonnais, Dai-ichi Kangyo International Limited, Daiwa Europe Limited, Deutsche Bank AG, The Development Bank of Singapore Limited, Fuji International Finance Limited, The Hong Kong Bank Group, IJB International Limited, Kleinwort Benson Limited, Kredietbank S.A. Luxembourgeoise, LTCB International Limited, Merrill Lynch International & Co., Mitsui Trust Finance (Hong Kong) Limited, Morgan Guaranty Ltd, National Bank of Abu Dhabi, Nippon Credit International (HK) Ltd, Nomura International Limited, Salomon Brothers International, Société Générale, Société Générale de Banque S.A., Sumitomo Finance International, S.G. Warburg & Co. Ltd and Yamaichi International (Europe) Limited; offered for public subscription at 99-50 %.

(9) Underwritten by a banking syndicate composed of Banque Générale du Luxembourg S.A., Banque Internationale à Luxembourg S.A., Kredietbank S.A. Luxembourgeoise, Caisse d'Épargne de l'État Luxembourg, Banque de Paris et des Pays-Bas pour le Grand-Duché de Luxembourg S.A., Crédit Industriel d'Alsace et de Lorraine Luxembourg, Société Générale Alsacienne de Banque Luxembourg, Banque de l'Indochine et de Suez S.A. Luxembourg, Banque Nationale de Paris (Luxembourg) S.A. and Crédit Lyonnais Luxembourg; offered for public subscription at 99-50 %.

(10) Underwritten by a banking syndicate composed of Crédit Lyonnais, Société Générale, Banque Nationale de Paris, Banque de Paris et des Pays-Bas, Caisse des Dépôts et Consignations and Caisse Nationale de Crédit Agricole; offered for public subscription at par.

(11) Underwritten by a banking syndicate composed of Kredietbank International Group, Société Générale de Banque S.A., Algemene Bank Nederland N.V., Amro International Limited, Banque Bruxelles Lambert N.V., Bank of Tokyo International Limited, Banque Générale du Luxembourg S.A.,

Banque Indosuez, Banque Internationale à Luxembourg S.A., Berliner Handels- und Frankfurter Bank, Caisse des Dépôts et Consignations, Crédit Commercial de France, Crédit Communal de Belgique/Gemeentekrediet van België, Crédit Lyonnais, Istituto Bancario San Paolo di Torino and Kleinwort, Benson Limited; offered for public subscription at 99-50 %.

(12) Underwritten by a banking syndicate composed of Union Bank of Switzerland (Securities) Limited, Banque Internationale à Luxembourg S.A., County Bank Limited, Kleinwort Benson Limited, Kuwait Investment Company (S.A.K.), Yamaichi International (Europe) Limited, Banca Commerciale Italiana, Banca del Gottardo, Bank of America International Limited, Banque Générale du Luxembourg S.A., Blyth Eastman Paine Webber International Limited, Crédit Lyonnais, Daiwa Europe Limited, Kidder, Peabody International Limited, Kuwait Foreign Trading Contracting & Investment Co. (S.A.K.), Merrill Lynch International & Co., Nomura International Limited, Orion Royal Bank Limited, Skandinaviska Enskilda Banken and Société Générale de Banque S.A.; offered for public subscription at 99-25 %.

(13) Underwritten by a banking syndicate composed of Deutsche Bank AG, Dresdner Bank AG, Commerzbank AG and Westdeutsche Landesbank Girozentrale; offered for public subscription at par.

(14) Underwritten by a banking syndicate composed of Lehman Brothers Kuhn Loeb Incorporated, The First Boston Corporation, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Salomon Brothers Inc.; offered for public subscription at 99-10 %.

(15) Underwritten by a banking syndicate composed of Union Bank of Switzerland, Swiss Bank Corporation and Swiss Credit Corporation; offered for public subscription at 99 %.

(16) Underwritten by a banking syndicate composed of Deutsche Bank AG, Dresdner Bank AG, Commerzbank AG and Westdeutsche Landesbank Girozentrale; offered for public subscription at 99 %.

(17) Arranged by the Bank of England on behalf of the European Investment Bank; offered for public subscription at 97-91 %, of which 30 % on 14 October 1982 and the balance on 24 January 1983.

(18) Underwritten by a banking syndicate composed of Amsterdam-Rotterdam Bank N.V., Algemene Bank Nederland N.V., Banque Mees & Hope N.V., Pierson, Heldring & Pierson N.V., Nederlandsche Middenstandsbank N.V., and Bank der Bondsspaarbanken N.V.; offered for public subscription at 99 %.

(19) Underwritten by a banking syndicate composed of Kredietbank International Group, Société Générale de Banque S.A., Algemene Bank Nederland N.V., Amro International Limited, Banque Bruxelles Lambert N.V., Banque Générale du Luxembourg S.A., Banque Indosuez, Banque Internationale à Luxembourg S.A., Banque Nationale de Paris, Berliner Handels- und Frankfurter Bank, Caisse des Dépôts et Consignations, Crédit Commercial de France, Crédit Communal de Belgique/Gemeentekrediet van België, Crédit Lyonnais, Istituto Bancario San Paolo di Torino, Kleinwort Benson Limited and Société Générale; offered for public subscription at 100% %.

(20) Underwritten by a banking syndicate composed of Deutsche Bank AG, Dresdner Bank AG, Commerzbank AG and Westdeutsche Landesbank Girozentrale; offered for public subscription at 100-25 %.

(*) Subscription to 12 017 bonds, in denominations of 1 000 ECUs each, through the exercise of warrants attached to a 14¼ % 1981/1989 bond issue.

Resources

In 1982, the Bank approached the financial markets for 3 205.2 million, an increase of almost 40 % on the 1981 figure of 2 309.7 million. Of this, 3 040 million was raised through public issues and private placings, 105.7 million through medium-term inter-bank operations and 59.5 million from the allocation

to third parties of participations in Bank loans, guaranteed by the EIB.

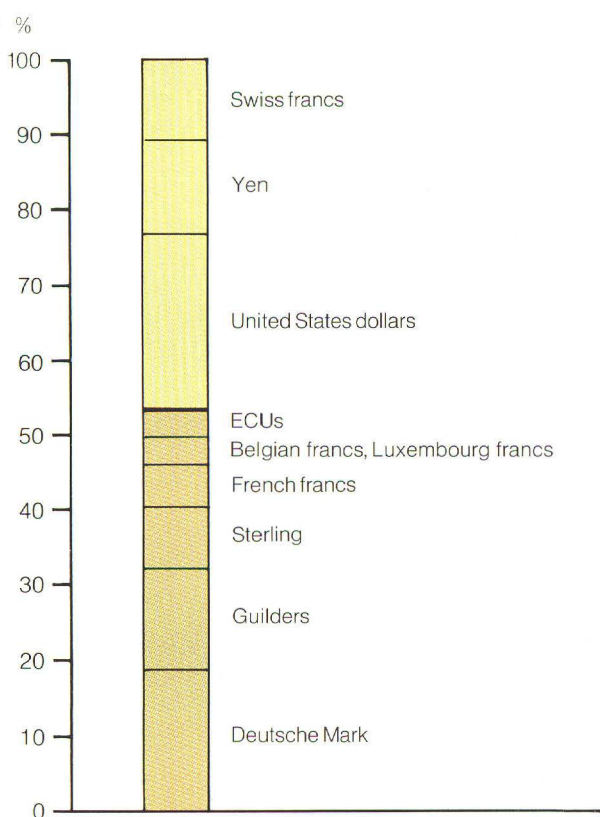
The extent to which the various currencies figure in the Bank's borrowings is governed by developments in the international financial and monetary situation

Bank borrowings in 1982
Breakdown by currency: equivalents in million ECUs

	Member States' currencies								Other currencies				Grand Total
	DM	FI	£	Ffrs	Bfrs	Lfrs	ECUs	Total	US\$	Yen	Sfrs	Total	
million ECUs	586.0	412.9	262.9	177.4	79.2	37.2	112.0	1 667.6	745.3	387.1	345.7	1 478.1	3 145.7
%	18.6	13.1	8.4	5.6	2.5	1.2	3.6	53.0	23.7	12.3	11.0	47.0	100.0

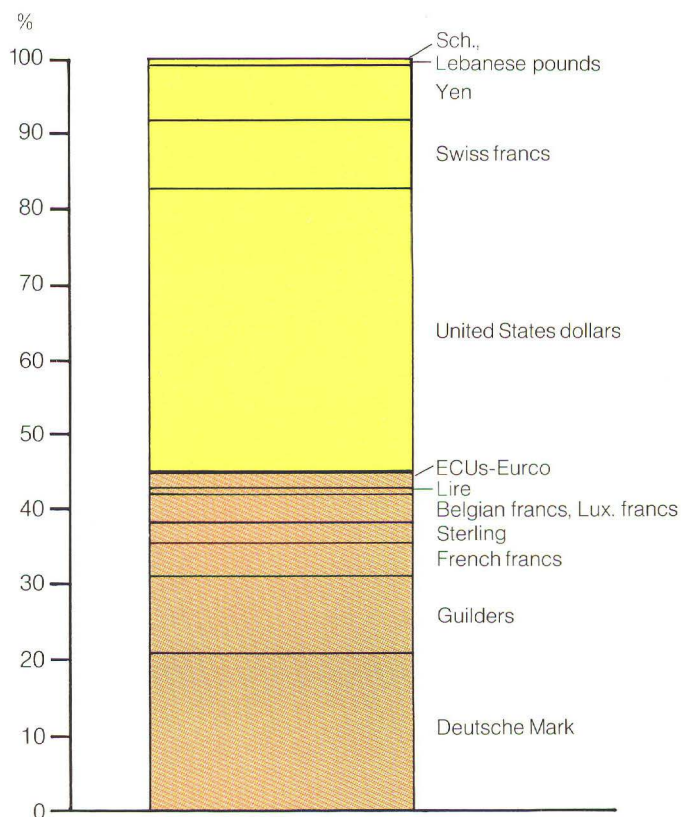
Borrowings in 1982

(3 145.7 million ECUs)



Amount outstanding at 31 December 1982

(16 566.8 million ECUs)



and the policy of seeking out the best borrowing terms on offer at any given moment for the amounts, maturities and currencies corresponding as closely as possible to borrowers' requirements.

In 1982, issues denominated in Community Member States' currencies represented more than half of total Bank issues, thus regaining the position attained in 1980.

The Deutsche Mark remains the leading currency borrowed, with the amounts raised climbing by more than 60 % compared with the previous year (586 million ECUs, as against 358.3 million in 1981). Accounting for approximately 7 % of total public issues by foreign borrowers on the German market, the Bank floated five public Deutsche Mark-denominated issues totalling 398.3 million. A further 187.7 million was raised through private placings. Given the Bank's constant need for this currency, these operations were spaced fairly regularly throughout the year.

The Guilder occupies second position among Community currencies in terms of the volume borrowed by the EIB in 1982, i.e. 412.9 million ECUs compared with 319.1 million in 1981, an increase of some 30 %. Approaches were made to various capital markets: the domestic market for public issues, on which the Bank raised 152.8 million, the Euro-Guilder market and the market for private placings. As in the case of the Deutsche Mark and for the same reasons, Bank operations on the Guilder markets were maintained at a steady rhythm throughout the year.

In 1982 the Bank made its first appearance on the "bulldog market", the U.K. domestic market for sterling-denominated public issues by foreign borrowers. The EIB floated a 136.4 million ECU issue arranged by the Bank of England. The yield offered, one point higher than that on three comparable gilt-edged issues, was commensurate with terms obtained by other top-rated borrowers. The Bank acquired the equivalent of a further 126.5 million ECUs in sterling funds through private placings.

The EIB also launched relatively small French, Belgian and Luxembourg franc issues. As in the previous year, it remained active on the expanding market for ECU-denominated issues, floating two public issues for a total of 100 million, in addition to which it raised 12 million through bonds subscribed under warrants exercised on a 1981 issue.

As a result of persistently high interest rates, at least during the early part of the year, and their marked instability, funds raised in U.S. dollars lost ground against other non-Community currencies in the Bank's borrowing portfolio, although the amount raised was in fact higher than in the previous year (745.3 million ECUs against 615.3 million in 1981). The Bank floated two public US\$ issues on the international market for a combined total of 346.6 million. It also turned again to the American domestic market in foreign issues (the "Yankee bond market") to launch an operation bringing in 208.4 million. The terms obtained for these issues floated during the first nine months of the year reflect the market situation characterised by high rates at the outset but a downturn thereafter. Whenever possible, the Bank also pursued its policy of tapping funds through private placings.

Next to the dollar, Yen borrowings in 1982 totalled 387.1 million ECUs, an increase of some 45 % over the 263.5 million raised in 1981. The Bank floated public issues on the "Samurai market", the Japanese domestic market in foreign securities, and on the Euro-yen market, totalling 145 million. EIB borrowings accounted for 3 % and 16 % or so respectively of business on these markets. Similarly, the Bank obtained larger amounts than in the previous year through Yen-denominated bank loans (242.1 million compared with 184.7 million).

The EIB also tapped the Swiss market for 345.7 million ECUs, compared with 300 million in 1981, by means of both private placings (193 million) and public loan issues (152.7 million).

The table on page 74 provides a breakdown by currency of the 3 145.7 million ECUs raised through borrowings in 1982.

Results for the year

The expansion in the Bank's activities and persistently high interest rates for most currencies, at least during the early part of the year, exercised a favourable influence on the Bank's operating income for 1982.

Receipts of interest and commission on loans amounted to 1 727.5 million in 1982 compared with 1 312 million in 1981, whilst interest and charges on borrowings totalled 1 553 million against 1 174.9 million in 1981. Management commission increased from 7.5 million to 9.1 million.

Investment income (interest and commission) rose to 194.9 million (172.2 million in 1981), a trend buoyed up by the high level of interest rates for most currencies during the first half of the year. This enabled the Bank to place on favourable terms the liquid funds which it is obliged to keep on hand to cater for the growth in its lending activity.

At 60.6 million, the margin between financial income and financial charges, very much a product of management of the Bank's investment portfolio, recorded a vigorous increase compared with the 1981 figure of 18.2 million, by virtue of the level of interest rates on the capital markets.

Administrative expenses and charges rose from 34.5 million in 1981 to 39.1 million in 1982.

After allowing for amortisation of issuing charges and redemption premiums totalling 31.8 million, depreciation of property, fixtures and fittings amounting

to 3.9 million, exchange differences of 1 million and the net increase arising from revaluation of net Bank assets not subject to adjustment under Article 7 of the Statute of 3.1 million, the balance of the profit and loss account amounted to 366.3 million compared with 251.8 million in 1981. This exceptional increase of 45 % is attributable to the unusual conditions prevailing on the markets in 1982.

In accordance with the Board of Governors Decision of 10 January 1983, the Statutory Reserve and the Supplementary Reserve were merged into a Reserve Fund as from the date of approval of the accounts for the 1982 financial year. The balance of operating surplus not appropriated to special reserves and provisions will be transferred to the new Fund up to the equivalent of 10 % of subscribed capital, and any operating surplus over and above this level will be appropriated to Additional Reserves.

The Board of Directors has recommended that the Board of Governors: increase the provision for conversion rate adjustments by 3.1 million, corresponding to the net gain arising from revaluation of net Bank assets not subject to adjustment under Article 7 of the Statute, and; appropriate the 1982 operating surplus as to 190 million to the Reserve Fund and 173 million to Additional Reserves.

At 31 December 1982, the balance sheet total stood at 23 702 million, compared with 19 571 million at 31 December 1981, an increase of 21 %.

Administration

Management Committee

At its Annual Meeting on 14 June 1982, the Board of Governors reappointed the Bank's Management Committee for the statutory period of six years. In accordance with the terms of Article 13 of the Bank's Statute, as amended by Article 6 of Protocol No 1 of 28 May 1979 on the European Investment Bank annexed to the Act of Accession of the Hellenic Republic to the Community, which provides for a fifth vice-presidential post, the Management Committee is now composed of a President and five Vice-Presidents: the appointments of Mr Yves LE PORTZ, President and of Messrs Horst-Otto STEFFE and C. Richard ROSS, Vice-Presidents, were renewed; the new Vice-Presidents are: Mr Arie PAIS, former Minister and Member of the First Chamber of the Netherlands States-General; Mr Lucio IZZO, economist and former Economic Adviser to the Italian Treasury Minister; Mr Noel WHELAN, formerly Secretary, Department of the Taoiseach (Prime Minister) and Chairman, National Economic and Social Council.

Two Vice-Presidents did not seek re-appointment: Mr Giorgio BOMBASSEI FRASCANI de VETTOR and Mr Maurits ESSELENS. In appreciation of their valued service, the Board of Governors has conferred upon each of them the title of Honorary Vice-President.

Board of Directors

Mr Michel CAMDESSUS, appointed Director, has been replaced as Alternate by Mr Philippe JURGENSEN. During the course of the year, four Directors, Mr Maurice PÉROUSE, Mr André de LATTRE, Mr Sotiris MOUSSOURIS and Mr Geoffrey LITTLER and one Alternate Director, Mr. P. C. MAAS, resigned. The Board thanks them for the valuable part which they have played in the life of the Bank. To fill the vacancies so occurring, the Board of Governors appointed Mr Robert LION, Mr Jean SAINT-GEOURS, Mr Stavros THOMADAKIS and Mr James Brian UNWIN as Directors and Mr Jan VANORMELINGEN as Alternate Director, each to complete his predecessor's term of office. The terms of office of all Directors and Alternate Directors expire at the end of the Annual Meeting during which this report for the 1982 financial year is examined. The Board of Governors is called upon to reappoint the Board of Directors for the statutory period of five years.

Audit Committee

Mr Patrick L. MCDONNELL has tendered his resignation. The Board of Directors thanks him for his valuable services. At its Annual Meeting on 14 June 1982, the Board of Governors reappointed certain members of the Audit Committee, as is its customary practice: Mr Jørgen BREDSORFF, outgoing Chairman, was returned to office as a member of the Committee for the 1982, 1983 and 1984 financial years and Mr Corneille BRÜCK was appointed Chairman until the Bank's balance sheet and profit and loss account for the 1982 financial year are approved at the 1983 Annual Meeting.

Directorates

At 31 December 1982, the Bank's staff numbered 561, compared with 528 at 31 December 1981. Various changes took place among the Managers as of 1 January 1983. In the General Administration Directorate, Mr Paul DIRIX was appointed Manager and Secretary-General. Mr Hans HITZLBERGER, Acting Manager since 1 July 1981, was appointed Co-Manager. In the Finance and Treasury Directorate, Mr André GEORGE, Manager since 1974, resigned and has been replaced by Mr Philippe MARCHAT. Mr Marc de BUYER, Deputy Manager of the Monitoring Department in the Directorate for Operations in the Community, has left the Bank. His post has been taken over by Mr Gérard d'ERM, formerly Head of Division in the same Directorate. Mr GEORGE and Mr de BUYER have been accorded the title of Honorary Manager.

The Bank was deeply saddened by the death of Mr Anthon PETERSEN, Deputy Manager in the Finance and Treasury Directorate, on 30 January 1983.

Administration

At 31 December 1982, the Bank employed 561 persons: 245 women and 316 men. The following table shows the breakdown between executive and non-executive staff over the past three years.

	1980	1981	1982	Proportion
— Executive Staff	197	212	225	40 %
— Non-executive staff, secretaries and technicians	303	316	336	60 %

Of the 245 women employed by the Bank, 16 hold executive posts, including 8 in the translation division, and 229 are in non-executive and secretarial posts. Since 1980, Bank staff have had the option of working part-time. At the end of 1982, 13 female employees were working half-time and 10 three-quarter time. The average age of Bank staff at the end of 1982 worked out at 38 years and 6 months: 42 years and 11 months for executive staff, 35 years and 6 months for other employees.

The past few years have seen the introduction of in-service training. In 1982, 118 persons participated in seminars or followed technical or professional training courses, while 229 persons attended language courses. A wide range of cultural and sporting activities is organised by the Bank's social club, financed by both the EIB and its staff. In 1982 the club boasted 327 members.

The task of liaising between the staff and the Bank's administration is entrusted to 9 Staff Representatives elected for 2 years. The Bank's staff, of whom 33 work in the Rome, Brussels and London offices, play a key part in developing the EIB's activities. The table below shows the correlation between the expansion in Bank activity and the growth in its staff complement.

Year	Workforce	Amount of financing provided ⁽¹⁾ (million ECUs)
1960	86	25.4
1965	139	109.0
1970	196	354.3
1975	354	1 006.5
1980	500	3 498.5
1981	528	3 848.1
1982	561	4 695.7

(1) Excluding Euratom.

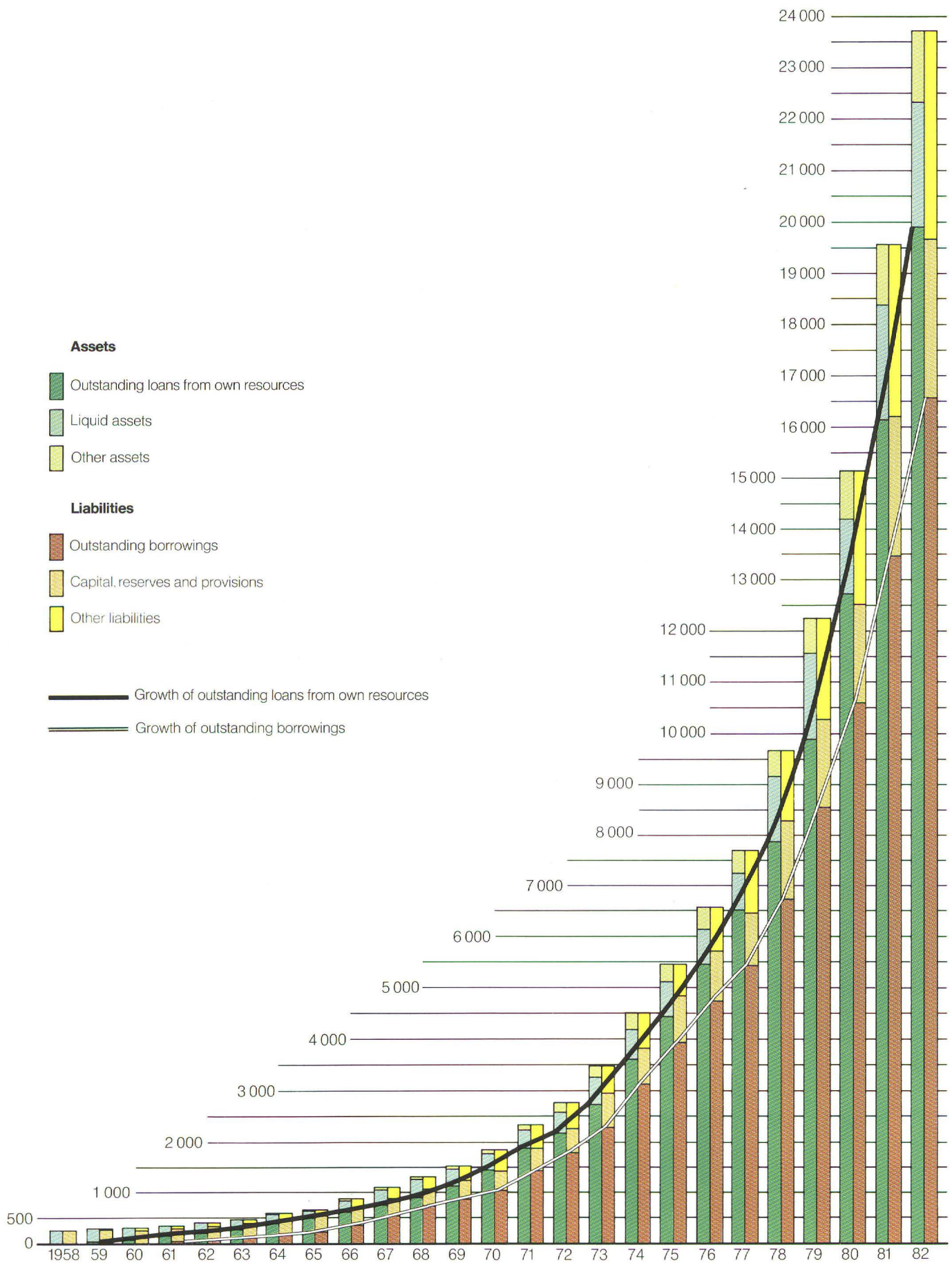
The Board of Directors, aware of the role to be played by the Bank in the 1980s in promoting investment within the Community and in associated countries, believes that the expertise, diligence and decision-making ability of the Bank's staff, which have underpinned the achievements of the past 25 years, constitute a guarantee for future success.

Luxembourg, 3 May 1983

Chairman of the Board of Directors
Yves Le Portz

Balance sheet of the Bank at 31 December of each year

million ECUs



Balance Sheet at 31 December 1982

in ECUs — see notes to the financial statements, Annex E

Assets	31. 12. 1982	31. 12. 1981
Receivable from Member States on account of called capital (Annex A)	632 049 250	726 147 750
Receivable on account of reserves and provisions	3 100 832	9 302 495
Cash and bank deposits		
At sight and up to one year's notice	1 285 878 884	1 116 594 860
At more than one year's notice	159 143	595 229
	1 286 038 027	1 117 190 089
Investments (Note B)		
For not more than one year	42 057 755	63 723 820
For more than one year	380 808 790	254 173 840
	422 866 545	317 897 660
Borrowing proceeds to be received	86 215 783	57 825 709
Receivable from Member States for adjustment of capital (Annex D)	15 953 427	13 538 817
Loans (Annex B)		
disbursed	18 181 885 101	14 653 184 581
undisbursed	1 712 339 710	1 486 910 487
	19 894 224 811	16 140 095 068
Contra accounts to guarantees		
In respect of loans under mandate	56 776 979	64 540 411
excluding those in respect of loans granted by third parties: 1982: 471 885 620; 1981: 445 355 620		
in respect of participations by third parties in Bank loans: 1982: 317 118 663; 1981: 299 298 678		
Land and buildings (Note C)	47 236 457	48 903 457
Accrued interest and commission	479 794 336	348 633 548
Receivable in respect of EMS interest subsidies paid in advance (Note H)	266 686 233	200 518 629
Unamortised issuing charges	196 955 895	166 612 784
Unamortised redemption premiums	475 398	761 458
	197 431 293	167 374 242
Special deposits for service of borrowings (Note D)	285 965 754	338 485 333
Miscellaneous (Note G)	28 124 282	20 535 931
	23 702 464 009	19 570 989 139

Liabilities	31. 12. 1982	31. 12. 1981
Capital (Annex A)		
Subscribed	14 400 000 000	14 400 000 000
Uncalled	<u>12 934 285 000</u>	<u>12 934 285 000</u>
	1 465 715 000	1 465 715 000
Reserve fund (Note N)	1 249 673 593	—
Statutory reserve (Note N)	—	314 836 000
Supplementary reserve (Note N)	—	614 371 592
Provisions (Note N)		
For conversion rate adjustments	11 499 731	14 138 913
For building	<u>—</u>	<u>66 014 000</u>
	11 499 731	80 152 913
Staff pension fund (Note E)	31 775 310	29 365 234
Payable to Member States for adjustment of capital (Annex D)	8 039 789	8 148 314
Borrowings (Annex C)		
Bonds and notes	13 001 291 416	10 811 408 239
Other medium and long-term borrowings	<u>3 565 538 034</u>	<u>2 665 799 670</u>
	16 566 829 450	13 477 207 909
Redemption premiums	<u>3 323 194</u>	<u>4 613 405</u>
	16 570 152 644	13 481 821 314
Sundry creditors (Note F)	213 798 629	112 494 730
Undisbursed balance of loans	1 712 339 710	1 486 910 487
Guarantees		
on loans under mandate	56 776 979	64 540 411
on loans granted by third parties: 1982: 471 885 620; 1981: 445 355 620		
on participations by third parties in Bank loans: 1982: 317 118 663; 1981: 299 298 678		
Interest subsidies received in advance (Note H)	910 552 269	683 803 857
Interest subsidies received in advance for the account of third parties (Note H)	<u>84 944 537</u>	<u>71 601 555</u>
	995 496 806	755 405 412
Accrued interest and commission and interest received in advance	693 603 579	531 340 490
Coupons and bonds due and not yet paid (Note D)	285 965 754	338 485 333
Miscellaneous (Note G)	41 286 792	35 589 090
Balance of profit and loss account (Note N)	<u>366 339 693</u>	<u>251 812 819</u>
	23 702 464 009	19 570 989 139
Memorandum accounts		
Special Section		
Trust management fund		
— for the account of Member States	330 006 748	331 848 983
— for the account of the European Communities	3 183 874 476	2 059 649 850
Securities received as guarantee for loans under mandate	26 670 116	28 232 339
Securities received on deposit	72 338 935	96 759 033
Warrants to subscribe for 45 million ECU 14 % 1981-86 bond issue not yet exercised as at 31 December 1981 (exercisable until 28 May 1982)	<u>—</u>	<u>44 844 000</u>

Statement of Special Section (1) at 31 December 1982

in ECUs — see notes to the financial statements, Annex E

Assets	31. 12. 1982	31. 12. 1981
Member States		
<i>From resources of the European Atomic Energy Community</i>		
Euratom loans disbursed Total (2)	1 250 248 522	886 347 138
<i>From resources of the European Economic Community (New Community Instrument for borrowing and lending)</i>		
Loans		
— undisbursed	371 351 071	203 287 894
— disbursed	<u>1 590 301 487</u>	<u>880 809 790</u>
Total (3)	1 961 652 558	1 084 097 684
Turkey		
<i>From resources of Member States</i>		
Loans		
— undisbursed	1 679 062	3 720 101
— disbursed	<u>330 006 748</u>	<u>331 848 983</u>
Total (4)	331 685 810	335 569 084
Mediterranean countries		
<i>From resources of the European Economic Community</i>		
Loans		
— undisbursed	161 335 043	179 904 030
— disbursed	<u>110 464 957</u>	<u>87 895 970</u>
	<u>271 800 000</u>	<u>267 800 000</u>
Risk capital operations		
— Amounts to be paid up	—	2 058 100
— Amounts disbursed	<u>5 000 000</u>	<u>2 941 900</u>
	<u>5 000 000</u>	<u>5 000 000</u>
Total (5)	276 800 000	272 800 000
African, Caribbean and Pacific States and Overseas Countries and Territories		
<i>From the resources of the European Economic Community</i>		
First and Second Yaoundé Conventions		
Loans		
— undisbursed	4 956 023	6 109 250
— disbursed	<u>115 835 339</u>	<u>118 505 905</u>
	<u>120 791 362</u>	<u>124 615 155</u>
Contributions to the formation of risk capital		
— Amounts disbursed	<u>1 303 265</u>	<u>1 370 574</u>
Total (6)	122 094 627	125 985 729
First and Second Lomé Conventions		
Risk capital operations		
— Amounts to be paid up	70 854 324	63 886 512
— Amounts disbursed	<u>110 720 906</u>	<u>81 778 573</u>
Total (7)	181 575 230	145 665 085
Grand Total	<u><u>4 124 056 747</u></u>	<u><u>2 850 464 720</u></u>

N.B.

Total amounts outstanding on loans on special conditions made available by the Commission in respect of which the Bank has accepted an EEC mandate for recovering principal and interest:

(a) Under the First and Second Lomé Conventions: 31 December 1982: 265 220 177; 31 December 1981: 203 782 364.

(b) Under Financial Protocols signed with the Mediterranean Countries: 31 December 1982: 20 843 977; 31 December 1981: nil.

(1) The Special Section was set up by the Board of Governors on 27 May 1963; under a decision taken on 4 August 1977 its purpose was redefined as being that of recording operations carried out by the European Investment Bank under mandate for the account and at the risk of Member States, the European Economic Community and the European Atomic Energy Community.

(2) Initial amount of contracts signed under the Decisions of the Council of the European Communities of 29 March 1977 (77/271/

Euratom) and 15 March 1982 (82/170/Euratom) providing for an amount of two billion, for financing commercially-rated nuclear power stations within the Community under mandate for the account and at the risk of the European Atomic Energy Community:	1 217 958 849
Add: exchange adjustments	+ 40 334 169
Less: repayments	— 8 044 496
	<u>1 250 248 522</u>

Liabilities

	31. 12. 1982	31. 12. 1981
Trust management funds		
<i>Under mandate from the European Communities</i>		
European Atomic Energy Community	1 250 248 522	886 347 138
European Economic Community		
— New Community Instrument	1 590 301 487	880 809 790
— Financial Protocols with the Mediterranean countries	115 464 957	90 837 870
— First and Second Yaoundé Conventions	117 138 604	119 876 479
— First and Second Lomé Conventions	<u>110 720 906</u>	<u>81 778 573</u>
	3 183 874 476	2 059 649 850
<i>Under mandate from Member States</i>	<u>330 006 748</u>	<u>331 848 983</u>
Total	3 513 881 224	2 391 498 833
Funds to be paid up		
On New Community Instrument loans	371 351 071	203 287 894
On loans to Turkey under the Second Protocol	1 679 062	3 720 101
On loans and risk capital operations in the Mediterranean countries	161 335 043	181 962 130
On loans under the Second Yaoundé Convention	4 956 023	6 109 250
On loans and risk capital operations under the First and Second Lomé Conventions	<u>70 854 324</u>	<u>63 886 512</u>
Total	610 175 523	458 965 887
Grand Total	4 124 056 747	<u>2 850 464 720</u>

(3) Initial amount of contracts signed under Council Decisions 78/870/EEC of 16 October 1978 (New Community Instrument) and 82/169/EEC of 15 March 1982 for promoting investment within the Community, as well as 81/19/EEC of 20 January 1981 for reconstructing the areas of Campania and Basilicata (Italy) stricken by an earthquake on 23 November 1980, and 81/1013/EEC of 14 December 1982 for reconstructing areas stricken by earthquakes in Greece in February and March 1981, under mandate for the account and at the risk of the European Economic Community: 1 795 872 933
 Add: exchange adjustments + 170 369 305
 Less: cancellations — 4 589 680
1 961 652 558

(4) Initial amount of contracts signed for financing projects in Turkey under mandate for the account and at the risk of Member States: 370 215 000
 Add: exchange adjustments + 12 867 506
 Less: cancellations 215 000
 repayments 51 181 696 — 51 396 696
331 685 810

(5) Initial amount of contracts signed for financing projects in the Maghreb and Mashreq countries, Malta, Cyprus, Turkey and Greece (10 million lent prior to accession to EEC on 1 January 1981) under mandate for the account and at the risk of the European Economic Community: 276 800 000

(6) Initial amount of contracts signed for financing projects in the Associated African States, Madagascar and Mauritius, and the Overseas Countries, Territories and Departments (AASMM—

OCTD) under mandate for the account and at the risk of the European Economic Community:

— Loans on special conditions 139 483 056
 — Contributions to the formation of risk capital 2 502 615 141 985 671
 Add:
 — capitalised interest 1 178 272
 — exchange adjustments 4 413 571 + 5 591 843
 Less:
 — cancellations 1 502 910
 — repayments 23 979 977 — 25 482 887
122 094 627

(7) Initial amount of contracts signed for financing projects in the African, Caribbean and Pacific States and the Overseas Countries and Territories (ACP—OCT) under mandate for the account and at the risk of the European Economic Community:

— conditional and subordinated loans 177 508 000
 — equity participations 6 691 646
 — subscription of convertible bonds 2 499 606 186 699 252
 Add:
 — capitalised interest + 11 371
 Less:
 — repayments 1 045 098
 — cancellations 3 918 456
 — exchange adjustments 171 839 — 5 135 393
181 575 230

Profit and Loss Account for the year ended 31 December 1982

in ECUs — see notes to the financial statements, Annex E

Income	1982	1981
Interest and commission on loans	1 727 464 558	1 312 000 852
Interest and commission on Investments	194 873 829	172 236 277
Management commission (Note I)	9 101 400	7 494 956
Financial and other income (Note M)	60 703 999	22 776 868
Exchange differences (Note J)	<u>—</u>	<u>1 568 364</u>
	1 992 143 786	1 516 077 317
Expenditure		
Administrative expenses and charges (Note L)	39 072 397	34 507 048
Interest and charges on borrowings	1 552 968 637	1 174 916 224
Amortisation of issuing charges and redemption premiums	31 790 412	26 269 149
Financial charges (Note M)	130 078	4 556 865
Depreciation		
— of net purchases of furniture and equipment	2 271 174	1 235 180
— of building	1 667 000	1 667 000
Exchange differences (Note J)	<u>991 664</u>	<u>—</u>
	1 628 891 362	1 243 151 466
Operating surplus	363 252 424	272 925 851
Net increase/decrease arising from reevaluation of net Bank assets not subject to adjustment under Article 7 of the Statute (Note K)	+ 3 087 269	— 2 639 182
Initial write-down of building (Note C)	<u>—</u>	<u>— 18 473 850</u>
Balance (Note N)	<u>366 339 693</u>	<u>251 812 819</u>

Statement of changes in financial position for the year ended 31 December 1982

in ECUs — see notes to the financial statements, Annex E

	1982	1981
Source of funds		
Balance of profit and loss account	366 339 693	251 812 819
Items not involving movement of funds:		
Depreciation of building, net purchases of furniture and equipment	3 938 174	2 902 180
Initial write-down of building	—	18 473 850
Amortisation of issuing charges and redemption premiums	31 790 412	26 269 149
Increase in accrued interest and commission payable and interest received in advance	162 263 089	134 138 565
Increase in accrued interest and commission receivable	— 131 160 788	— 98 024 721
	433 170 580	335 571 842
Other sources:		
Borrowing proceeds	3 117 315 282	2 373 455 560
Loan repayments to the Bank	944 292 286	707 819 610
Capital, reserves and provisions paid in by Member States	100 300 164	100 300 164
Increase in sundry creditors, miscellaneous liabilities, staff pension fund and net interest subsidies	283 335 466	282 866 884
Exchange adjustments in respect of borrowings	937 445 128	1 299 422 331
Total	5 815 858 906	5 099 436 391
Use of funds		
Cash was used for:		
Net loan disbursements	3 581 184 746	2 695 891 229
Redemption of borrowings	994 819 154	664 649 013
Issuing costs in respect of borrowings	61 847 463	56 244 392
Additions to land, building and furniture	2 271 174	5 367 793
Exchange adjustments in respect of loans	891 808 060	1 251 746 574
Net increase in capital adjustment accounts of Member States	2 523 135	9 358 525
Increase (decrease) in sundry debtors	7 588 351	— 1 800 576
Increase in cash, bank balance and investments	273 816 823	417 979 441
Total	5 815 858 906	5 099 436 391

Annex A — Statement of subscriptions to the capital of the Bank

at 31 December 1982

in '000 ECUs — see notes to the financial statements, Annex E

Member States	Subscribed capital (1)	Available for call (2)	Paid in at 31 December 1982	To be paid in (1)	Total paid in and to be paid in
Germany	3 150 000	2 829 375	182 812·5	137 812·5	320 625
France	3 150 000	2 829 375	182 812·5	137 812·5	320 625
United Kingdom	3 150 000	2 829 375	182 812·5	137 812·5	320 625
Italy	2 520 000	2 263 500	146 250	110 250	256 500
Belgium	829 500	745 068·75	48 140·625	36 290·625	84 431·25
Netherlands	829 500	745 068·75	48 140·625	36 290·625	84 431·25
Denmark	420 000	377 250	24 375	18 375	42 750
Greece	225 000	202 097·5	11 009·5	11 893	22 902·5
Ireland	105 000	94 312·5	6 093·75	4 593·75	10 687·5
Luxembourg	21 000	18 862·5	1 218·75	918·75	2 137·5
Total	14 400 000	12 934 285	833 665·75	632 049·25	1 465 715

(1) Increased from 3 543 750 000 ECUs to 7 087 500 000 ECUs by decision of the Board of Governors of 19 June 1978, the subscribed capital was further increased to 7 200 000 000 ECUs on 1 January 1981 in line with the Hellenic Republic's accession to the European Communities, following which, by the Governors' decision of 15 June 1981, it was doubled to 14 400 000 000 ECUs as from 31 December 1981.

Each Member State will pay in, in its national currency:

- 10% of the increase decided on 19 June 1978, i.e. the equivalent of 354 375 000 ECUs, in eight equal instalments of 44 296 875 ECUs on 30 April and 31 October of the years 1980-83;
- 7·5% of the increase decided on 15 June 1981, i.e. the equivalent of 540 000 000 ECUs, in eight equal instalments of 67 500 000 ECUs on 30 April and 31 October of the years 1984-87.

The amount of 632 049·25 ECUs to be paid in represents the ten instalments for the years 1983-87 and the Hellenic Republic's contribution.

(2) Could be called by decision of the Board of Directors to such extent as may be required to meet the Bank's obligations towards lenders in respect of borrowings.

Annex B — Analysis of loans outstanding

at 31 December 1982

in ECUs — see notes to the financial statements, Annex E

Countries and Territories in which projects are located (1) (2)	Number of loans	Amount disbursed	Amount undisbursed	Total (3)	%
1. Loans for projects within the Community and related loans					
Germany	31	379 499 530	—	379 499 530	1.91
France	131	2 327 793 294	71 143 058	2 398 936 352	12.06
United Kingdom	221	3 792 892 426	42 291 296	3 835 183 722	19.28
Italy	460	6 977 251 098	490 178 396	7 467 429 494	37.53
Belgium	21	588 551 393	—	588 551 393	2.96
Netherlands	6	52 521 126	—	52 521 126	0.26
Denmark	71	564 578 098	63 698 035	628 276 133	3.16
Greece	62	610 657 095	176 436 843	787 093 938	3.95
Ireland	100	1 577 030 228	47 624 339	1 624 654 567	8.17
Luxembourg	1	2 200 518	—	2 200 518	0.01
Related loans (*)	8	208 747 817	—	208 747 817	1.05
Sub-total	1 112	17 081 722 623	891 371 967	17 973 094 590	90.34
2. Loans for projects outside the Community					
Mediterranean countries (including Portugal)					
Algeria	2	13 699 738	16 772 150	30 471 888	0.15
Cyprus	2	9 577 098	10 669 070	20 246 168	0.10
Egypt	4	28 311 329	67 374 591	95 685 920	0.48
Spain	9	103 304 630	42 955 000	146 259 630	0.74
Jordan	4	14 012 782	5 316 165	19 328 947	0.10
Lebanon	6	37 752 962	—	37 752 962	0.19
Malta	1	3 322 747	—	3 322 747	0.02
Morocco	3	24 931 223	32 508 635	57 439 858	0.29
Portugal	26	286 257 411	176 801 760	463 059 171	2.33
Syria	1	1 681 976	14 040 250	15 722 226	0.08
Tunisia	5	32 013 816	11 086 500	43 100 316	0.22
Turkey	9	92 731 017	18 916 473	111 647 490	0.56
Yugoslavia	3	62 487 587	67 000 000	129 487 587	0.65
ACP States/OCT					
West Africa	1	—	5 000 000	5 000 000	0.03
Barbados	3	2 794 917	9 000 000	11 794 917	0.06
Botswana	3	2 488 742	19 000 000	21 488 742	0.11
Cayman Islands	1	1 257 110	1 729 361	2 986 471	0.01
Cameroon	10	40 649 152	14 115 634	54 764 786	0.28
Ivory Coast	19	68 017 916	29 605 000	97 622 916	0.49
Fiji	3	24 246 769	13 711 153	37 957 922	0.19
Gabon	4	13 922 919	10 353 023	24 275 942	0.12
Ghana	2	14 398 784	2 577 348	16 976 132	0.09
Guinea	1	3 482 403	1 016 588	4 498 991	0.02
Upper Volta	1	—	8 000 000	8 000 000	0.04
Kenya	11	53 141 514	25 082 041	78 223 555	0.39
Liberia	2	8 211 046	—	8 211 046	0.04
Malawi	3	12 193 375	3 073 000	15 266 375	0.08
Mauritius	5	7 947 642	9 291 717	17 239 359	0.09
Mauritania	1	13 727 688	11 799 463	25 527 151	0.13
Niger	3	6 445 903	10 000 000	16 445 903	0.08
Nigeria	2	16 774 963	34 005 000	50 779 963	0.26
New Caledonia	2	10 146 229	686 771	10 833 000	0.05
Papua New Guinea	3	7 651 103	47 900 000	55 551 103	0.28
Caribbean Region	1	1 653 169	1 180 000	2 833 169	0.01
Senegal	5	5 759 195	27 989 420	33 748 615	0.17
Swaziland	3	15 064 560	5 503 146	20 567 706	0.10
Tanzania	1	1 010 491	1 156 000	2 166 491	0.01
Togo	4	25 674 837	2 600 257	28 275 094	0.14
Trinidad and Tobago	3	9 063 137	9 585 016	18 648 153	0.09
Zaire	1	11 300 591	4 194 314	15 494 905	0.08
Zambia	4	13 054 007	29 372 897	42 426 904	0.21
Zimbabwe	1	—	20 000 000	20 000 000	0.10
Sub-total	178	1 100 162 478	820 967 743	1 921 130 221	9.66
Grand Total	1 290	18 181 885 101	1 712 339 710	19 894 224 811	100.00

(*) Operations relating to projects on the Norwegian continental shelf and in Austria and Tunisia authorised under the provisions of the second paragraph of Article 18 (1) of the Statute.

(1) Currencies in which loans are repayable:

Currency	Amount
Currencies of Member States	9 024 857 453
Other currencies	9 157 027 648
Disbursed portion of loans	18 181 885 101
Add: undisbursed portion of loans:	
fixed rate of interest and standard currency mix, as specified in finance contract	175 967 380
fixed rate of interest, as specified in finance contract, with the Bank selecting the currency mix	913 021 089
open-rate, with the Bank selecting the rate of interest and currency mix	623 351 241
	<u>1 712 339 710</u>
	<u>19 894 224 811</u>

Scheduled repayments on loans outstanding ('000 ECUs)

Repayable	Out-standing at 31. 12. 1982	Repayable	Out-standing at 31. 12. 1981
Year 1983	1 099 590	Year 1982	804 399
Year 1984	1 299 521	Year 1983	1 033 580
Year 1985	1 505 691	Year 1984	1 198 992
Year 1986	1 706 690	Year 1985	1 320 243
Year 1987	1 783 995	Year 1986	1 461 274
Years 1988 to 1992	8 377 277	Years 1987 to 1991	6 619 915
Years 1993 to 1997	3 677 960	Years 1992 to 1996	3 297 508
Years 1998 to 2002	443 501	Years 1997 to 2001	404 184
Total	<u>19 894 225</u>	Total	<u>16 140 095</u>

(2) Breakdown of loans outstanding at 31 December 1982 by principal form of guarantee (I)**A. Loans for projects within the Community (and related loans) (II)**

Loans granted to, or guaranteed by, Member States	13 743 768 159 (VI)
Loans granted to, or guaranteed by, public institutions in the Community	2 505 257 421
Loans granted to, or guaranteed by, financial institutions (banks, long-term credit institutions, insurance companies)	513 691 907
Loans guaranteed by companies outside the financial sector under majority control of Member States or public institutions in the Community	203 964 451
Loans secured by fixed charge on real estate	87 569 481
Loans guaranteed by non-bank companies in the private sector	606 489 667
Loans secured by fixed charge on assets other than real estate or other security	312 353 504
	<u>17 973 094 590</u>

B. Loans for projects outside the Community**1. Loans granted under the First Yaoundé Convention**

Loans granted to, or guaranteed by, AASM States which were signatories to the Convention	4 862 746
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2. Loans granted under the Second Yaoundé Convention

Loans granted to, or guaranteed by, AASMM States which were signatories to the Convention	50 625 058
Loans secured by other guarantees	3 576 099
	<u>54 201 157 (III)</u>

3. Loans granted under the First Lomé Convention

Loans granted to, or guaranteed by, ACP States which were signatories to the Convention	397 267 483
Loans secured by other guarantees	10 090 069
	<u>407 357 552 (IV)</u>

4. Loans granted under the Second Lomé Convention

Loans granted to, or guaranteed by, ACP States which were signatories to the Convention	233 197 384
Loans secured by other guarantees	7 986 471
Loans granted for mining and energy development projects (Article 59)	40 000 000
	<u>281 183 855 (V)</u>

5. Loans granted under EEC financial agreements with Mediterranean countries, including Portugal

Loans guaranteed by the six founder Member States of the EIB	15 246 270
Loans guaranteed by the EEC	144 712 622
Loans granted to, or guaranteed or counter-guaranteed by, Mediterranean countries which were signatories to these agreements	889 471 279 (VI)
Loans secured by other guarantees	124 094 740 (VI)
	<u>1 173 524 911</u>
Total amount of loans outstanding	<u>19 894 224 811</u>

*(I) Certain loans are covered by several types of guarantee or security.**(II) Operations concerning projects on the Norwegian continental shelf and in Austria and Tunisia authorised under the provisions of the second paragraph of Article 18 (1) of the Statute.**(III) Guarantees provided by the six founder Member States of the EIB to cover any risk attaching to these financial commitments amount to 24 430 695.**(IV) Guarantees provided by Member States to cover any risk attaching to these financial commitments amount to 117 634 500.**(V) Guarantees provided by Member States to cover any risk attaching to these financial commitments amount to 210 450 000.**(VI) The blanket guarantee provided by the EEC to cover any risk attaching to these financial commitments and those in Greece (242 999 070) attaching to loans granted prior to that country's accession to the EEC amounted to 921 525 000 at 31 December 1982 compared to 705 525 000 at 31 December 1981.**In the event of these guarantees being invoked, the guarantors' obligations will be determined on the basis of the rates of conversion between the ECU and the currencies disbursed to borrowers as at the disbursement dates.***(3) Original amount of loans calculated on the basis of the parities applied on the date of signature**

	22 593 483 821
Add:	
exchange adjustments	+ 2 048 551 394
	24 642 035 215
Less:	
terminations and cancellations	124 667 945
principal repayments to the Bank	4 306 023 796
third party participations in Bank loans	317 118 663
	<u>4 747 810 404</u>
Loans outstanding	<u>19 894 224 811</u>

The total amount of loans and guarantees granted by the Bank, which under Article 18 (5) of the Statute must not exceed 250 % (i.e. 36 billion at present) of its subscribed capital, amounted at 31 December 1982 to:

loans	19 894 224 811
guarantees:	
in respect of loans under mandate	56 776 979
in respect of loans granted by third parties	471 885 620
in respect of third party participations in Bank loans	317 118 663
Total	<u>845 781 262</u>
Total amount of loans and guarantees outstanding	<u>20 740 006 073</u>

Annex C — Statement of funded debt

at 31 December 1981

in ECUs — see notes to the financial statements, Annex E

Payable in	Borrowings outstanding at 31. 12. 1981	Operations during the financial year			Borrowings outstanding at 31 December 1982		
		Borrowings	Redemptions	Exchange adjustments	Amount (1)	Rate of interest (weighted average)	Due dates
EURCO (2)	87 169 473	—	4 267 926	181 737 +	83 083 284	8.13	1983/1989
ECU	85 156 000	112 017 000	850 000	—	196 323 000	13.51	1983/1990
DM	2 825 343 321	585 957 034	144 640 027	193 555 398 +	3 460 215 726	8.24	1983/2001
Ffrs	626 764 005	177 366 407	27 343 013	39 164 586 —	737 622 813	13.58	1983/1996
£	287 190 458	262 860 130	8 924 885	36 798 621 —	504 327 082	12.51	1983/2002
Lit	125 466 373	—	13 491 697	2 019 181 —	109 955 495	9.05	1983/1995
Bfrs	379 179 672	79 192 977	43 531 127	31 961 293 —	382 880 229	10.31	1983/1994
Fl	1 298 383 953	412 952 559	62 453 675	83 283 595 +	1 732 166 432	9.95	1983/2004
Lfrs	174 489 121	37 198 788	13 015 184	15 397 092 —	183 275 633	9.96	1983/1991
US\$	5 551 891 854	745 309 779	626 345 663	688 906 721 +	6 359 762 691	10.92	1983/2000
Sfrs	1 172 675 988	345 698 194	35 038 392	22 635 271 +	1 505 971 061	6.39	1983/1994
£Leb	5 030 973	—	1 422 211	1 338 078 +	4 946 840	7.13	1983/1985
Yen	788 832 751	387 152 488	7 087 116	69 200 574 +	1 238 098 697	8.46	1983/2000
Sch	69 633 967	—	5 288 193	3 854 693 +	68 200 467	7.92	1983/1989
Total	13 477 207 909	3 145 705 356	993 699 109	937 615 294 +	16 566 829 450		
Redemption premiums	4 613 405	—	1 120 045	170 166 —	3 323 194		
Grand Total	13 481 821 314	3 145 705 356	994 819 154	937 445 128 +	16 570 152 644		

(1) The following table shows in '000 ECUs the total capital sums required for redemption of borrowings over the period 1982-2004:

For redemptions during	Sum required at 31. 12. 1982	For redemptions during	Sum required at 31. 12. 1981
1983	810 712	1982	820 495
1984	1 190 717	1983	817 892
1985	1 169 027	1984	1 034 609
1986	1 250 503	1985	964 329
1987	1 883 819	1986	1 111 565
1988 to 1992	8 640 904	1987 to 1991	7 024 953
1993 to 1997	1 302 283	1992 to 1996	1 433 816
1998 to 2002	319 739	1997 to 2001	269 490
2003 to 2004	2 449	2002 to 2004	4 672
Total	16 570 153	Total	13 481 821

(2) The EURCO consists of the sum of fixed amounts of the currencies of the first nine Member States of the European Economic Community: 1 EURCO = DM 0.9 + Ffrs 1.2 + £0.075 + Lit 80 + Fl 0.35 + Bfrs 4.5 + Dkr 0.2 + IRE0.005 + Lfrs 0.5.

Annex D — Amounts receivable from or payable to Member States for adjustment of capital contributions

at 31 December 1982

in ECUs — see notes to the financial statements, Annex E

In accordance with Article 7 of the Statute, application of the conversion rates given in Note A of Annex E entails adjusting the amounts paid by Member States in their national currency as contributions to the Bank's capital.

The corresponding amounts receivable from or payable to Member States are as follows:

Receivable from:	United Kingdom	15 385 706
	Italy	191 078
	Greece	282 788
	Ireland	93 855
		<u>15 953 427</u>
Payable to:	Germany	3 816 717
	France	3 031 174
	Belgium	301 927
	Netherlands	533 087
	Denmark	349 156
	Luxembourg	7 728
		<u>8 039 789</u>

In accordance with the Decision of the Board of Governors of 30 December 1977, where the accounting conversion rate of a currency fluctuates upwards or downwards by more than 1.5%, amounts receivable from or payable to Member States will be settled on 31 October of each year. Where the conversion rate fluctuates within the above margin of 1.5% in either direction, the resulting amounts will remain in non-interest-bearing adjustment accounts.

Annex E — Notes to the financial statements

at 31 December 1982 — in ECUs

Note A — Significant accounting policies

1. ECU used for preparation of the financial statements and translation of currencies

The EIB uses the ECU as the unit of measure for the capital accounts of Member States and as the common denominator for presenting the financial statements.

In accordance with Article 4 (1) of the Bank's Statute, the value of the ECU is equal to the sum of the following amounts of Member States' currencies:

DM	0.828	Fl	0.286
£	0.0885	Bfrs	3.66
Ffrs	1.15	Lfrs	0.14
Lit	109.0	Dkr	0.217
		IR£	0.00759

On 13 May 1981, the Board of Governors adopted a decision redefining the Bank's unit of account as the ECU used by the European Communities. The conversion rates between Member States' currencies and the European unit of account or the ECU, which are determined on the basis of market rates, are published daily in the Official Journal of the European Communities.

The Bank applies these conversion rates in calculating the rates applicable to other currencies used for its operations.

The following rates were used for drawing up the balance sheet at 31 December in 1982 and 1981:

1 ECU =	1982	1981
Deutsche Mark	2.30014	2.44436
French francs	6.52207	6.20177
Pounds sterling	0.600289	0.566523
Italian lire	1 325.70	1 303.57
Belgian francs	45.3207	41.7467
Dutch guilders	2.54206	2.68309
Danish kroner	8.11485	7.94077
Drachmas	68.5398	62.2263
Irish pounds	0.692923	0.686819
Luxembourg francs	45.3207	41.7467
United States dollars	0.967667	1.08517
Swiss francs	1.93098	1.95169
Lebanese pounds	3.69165	5.01891
Japanese yen	227.160	238.304
Austrian Schilling	16.1842	17.1132
CFA francs	326.104	310.089

The gain or loss arising from translation of the Bank's assets and liabilities into the ECU is credited or charged to the profit and loss account. Excluded from such calculations are amounts receivable from or payable to Member States which are adjusted in accordance with Article 7 of the Bank's Statute.

2. Investments

Treasury bonds, notes and bonds are normally included at cost, or at nominal or market value where this is less than their original cost.

3. Land and buildings

Land and buildings are stated at cost less both initial write-down of the Kirchberg headquarters and accumulated depreciation. Office furniture and equipment are written off in the year of acquisition.

4. Issuing charges and redemption premiums.

Issuing charges and redemption premiums are amortised over the lives of the borrowings based on the principal amounts outstanding.

5. Interest subsidies received in advance

Certain loans carry interest subsidies received in advance at their discounted value. These subsidies are credited to income as and when the interest for which they are granted becomes payable.

6. Staff pension scheme

The Bank has a contributory pension scheme for its staff. All contributions to the scheme by the Bank and its staff are invested in the assets of the Bank. The amounts set aside are based on actuarial valuations performed every three years.

7. Taxation

Under the conditions laid down in the Protocol on the Privileges and Immunities of the European Communities provided for in Article 28 of the Treaty of 8 April 1965 establishing a Single Council and a Single Commission of the European Communities, the assets, revenues and other property of the Bank are exempt from all direct taxes.

Note B — Investments

Investments comprise:	1982	1981
treasury bonds, notes and bonds at the lowest of cost, nominal or market value (market value: 1982: 419 158 461 1981: 278 521 207)	402 817 881	277 901 019
the Bank's own bonds at their repurchase cost	4 531 957	22 761 730
bank bills at their nominal value	15 516 707	17 234 911
	<u>422 866 545</u>	<u>317 897 660</u>

The breakdown according to maturity is as follows:

not exceeding 3 months	37 266 707	39 543 181
over 3 months but not exceeding 6 months	911 662	10 318 882
over 6 months but not exceeding 12 months	3 879 386	13 861 757
over 12 months	380 808 790	254 173 840
	<u>422 866 545</u>	<u>317 897 660</u>

Note C — Land and buildings

The land and building at Kirchberg are stated at cost less a write-down which reduced the value of the building to 50 000 000 at 1 January 1981. The balance is being depreciated on a straight-line basis as from 1 January 1981 over thirty years, the estimated useful life of the building. The item "Land and buildings" on the balance sheet comprises the land at cost (570 457) plus the value of the building at Kirchberg after depreciation (46 666 000), i.e. a total of 47 236 457.

Note D — Special deposits for service of borrowings

These represent the amount of coupons and bonds due but not yet presented for payment. The contra item on the liabilities side appears under the heading "Coupons and bonds due and not yet paid".

Note E — Staff pension scheme

The cost of the staff pension scheme, including interest credited by the Bank, for the year ended 31 December 1982 was 4 530 388 (4 579 995 for the year ended 31 December 1981).

Note F — Sundry creditors

Sundry creditors comprise:	1982	1981
short-term deposits from other banks	55 556 574	23 079 764
European Economic Community accounts: for Special Section operations and related unsettled sundry amounts	124 394 494	22 018 035
deposit account	31 223 113	—
ECU-denominated deposit by an official financial institution within the Community	—	64 505 535
other creditors	<u>2 624 448</u>	<u>2 891 396</u>
	<u>213 798 629</u>	<u>112 494 730</u>

Note G — Miscellaneous balance sheet accounts

These accounts comprise:	1982	1981
on the assets side:		
staff housing loans and advances on salaries	16 573 170	15 360 485
sundry debtors	<u>11 551 112</u>	<u>5 175 446</u>
	<u>28 124 282</u>	<u>20 535 931</u>
on the liabilities side:		
accrued and sundry expenses	<u>41 286 792</u>	<u>35 589 090</u>

Note H — Interest subsidies received in advance

(a) This item relates to amounts in respect of interest subsidies for loans granted for projects outside the Community, under Protocols concluded with the ACP States and Mediterranean countries, as well as interest subsidies, concerning certain lending operations mounted within the Community from the Bank's own resources, made available in conjunction with the European Monetary System under Regulation (EEC) No 1736/79 of the Council of the European Communities of 3 August 1979.

(b) "Interest subsidies received in advance for the account of third parties" relate to amounts received in respect of interest subsidies for loans granted from EEC resources under the Council of the European Communities Decisions (78/870) of 16 October 1978 (New Community Instrument) and (82/169) of 15 March 1982 and Regulation (EEC) No 1736/79 of 3 August 1979 as amended by Regulation (EEC) No 2790/82 of 18 October 1982.

(c) Part of the amounts received through EMS arrangements has been made available as a long-term advance. The corresponding contra account is entered on the assets side as "Receivable in respect of EMS interest subsidies paid in advance".

Note I — Management commission

This represents the remuneration for the management of loans granted under mandate for the account and at the risk of Member States or the European Communities and accounted for in the Special Section.

Note J — Exchange differences

The amount of 991 664 at 31 December 1982 represents the net loss arising from financial operations during the year (net gain of 1 568 364 at 31 December 1981), calculated at the exchange rates in force at the date of these operations.

Note K — Net increase/decrease arising from reevaluation of net Bank assets not subject to adjustment under Article 7 of the Statute

Application of the conversion rates adopted in drawing up the balance sheet (see Note A) at 31 December 1982 results in a net increase in the value of net Bank assets of 3 087 269 (decrease of 2 639 182 at 31 December 1981). The revaluation does not take account of assets expressed in the national currencies of Member States and representing the portion of capital paid in by each Member State in its national currency, which must be adjusted periodically in accordance with Article 7 of the Statute (see Annex D).

Note L — Administrative expenses and charges

Staff costs:	1982	1981
Salaries and allowances	25 426 577	22 442 258
Bank's contribution to pension, health insurance and other social costs	6 442 755	5 249 216
Other costs	<u>1 564 990</u>	<u>1 440 640</u>
	33 434 322	29 132 114
General and administrative expenses	<u>5 638 075</u>	<u>5 374 934</u>
Total	<u>39 072 397</u>	<u>34 507 048</u>

The number of personnel employed by the Bank was 561 at 31 December 1982 (528 at 31 December 1981).

Note M — Financial and other income, financial charges

Financial and other income comprises:	1982	1981
realised gains on portfolio operations	52 211 817	22 329 303
decrease in unrealised write-down of investments	7 980 322	—
other income	<u>511 860</u>	<u>447 565</u>
	<u>60 703 999</u>	<u>22 776 868</u>

Financial charges comprise:

increase in unrealised write-down of investments	—	4 430 546
other charges	<u>130 078</u>	<u>126 319</u>
	<u>130 078</u>	<u>4 556 865</u>

Note N — Reserves and provisions and appropriation of operating surplus

On 14 June 1982, the Board of Governors decided to decrease the provision for conversion rate adjustments by an amount of 2 639 182, representing the net decrease arising from revalu-

ation of net Bank assets not subject to adjustment under Article 7 of the Statute, and to appropriate the operating surplus for 1981 as follows:

60 000 000 to the Statutory Reserve
194 452 001 to the Supplementary Reserve.

The Governors also decided to transfer the 66 014 000 Provision for building to the Supplementary Reserve.

On 10 January 1983, the Board of Governors, acting on a proposal from the Board of Directors, decided:

— to merge, as from the date on which the accounts for the 1982 financial year are approved, the Statutory Reserve and the Supplementary Reserve into a single account called the "Reserve Fund" embracing:

the Statutory Reserve

— amounting, at 31 December 1982, to 374 836 000 and the Supplementary Reserve

— amounting, at 31 December 1982, to 874 837 593 and to transfer to this Reserve Fund, in accordance with Article 24 of the Statute, the balance of operating surplus not appropriated to special reserves and provisions, up to a total equivalent of 10% of subscribed capital;

— to appropriate any operating surplus over and above such an amount to "Additional Reserves"

Statement of movements in the reserves and provisions for the year ended 31 December 1982

	Situation at 31.12.1981	Appropriation of balance of profit and loss account for the year ended 31.12.1981	Transfer of provision for building to Supplementary Reserve	Transfer of Statutory Reserve and Supplementary Reserve to Reserve Fund	Situation at 31.12.1982
Reserve Fund	—	—	—	1 249 673 593	1 249 673 593
Statutory Reserve	314 836 000	60 000 000	—	—374 836 000	—
Supplementary Reserve	614 371 592	194 452 001	66 014 000	—874 837 593	—
Provision for conversion rate adjustments	14 138 913	—2 639 182	—	—	11 499 731
Provision for building	66 014 000	—	—66 014 000	—	—
	<u>1 009 360 505</u>	<u>251 812 819</u>	<u>—</u>	<u>—</u>	<u>1 261 173 324</u>

The Management Committee has decided to propose that the Board of Directors recommend the Board of Governors: (a) to increase the provision for conversion rate adjustments by an amount of 3 087 269, representing the net increase arising at 31 December 1982 from revaluation of net Bank assets not subject to adjustment under Article 7 of the Statute, and (b) to appropriate the entire 1982 operating surplus of 363 252 424 to the reserves.

Report by Messrs Price Waterhouse & Co.

The President
European Investment Bank
Luxembourg

We have examined the financial statements of the European Investment Bank at 31 December 1982 and 1981. Our examinations were made in accordance with generally accepted auditing standards and accordingly included the tests of the accounting records and other auditing procedures as we considered necessary in the circumstances. In our opinion, the financial statements at 31 December 1982 and 1981 present fairly the financial position of the European Investment Bank at these dates, the results of its operations and the changes in its financial position for the years then ended, in conformity with generally accepted accounting principles consistently applied.

The financial statements covered by our opinion are the following:

Balance Sheet	
Special Section	
Profit and Loss Account	
Statement of changes in financial position	
Statement of subscriptions to the capital of the Bank	Annex A
Analysis of loans outstanding	Annex B
Statement of funded debt	Annex C
Amounts receivable from or payable to Member States for adjustment of capital contributions	Annex D
Notes to the financial statements	Annex E

Luxembourg, 25 February 1983

PRICE WATERHOUSE & Co.

Statement by the Audit Committee

The Committee instituted in pursuance of Article 14 of the Statute and Article 25 of the Rules of Procedure of the European Investment Bank for the purpose of verifying that the operations of the Bank are conducted and its books kept in a proper manner,

— having studied the books, vouchers and documents which it deemed necessary to examine in the discharge of its duties,

— having examined the reports of 25 February 1983 drawn up by Messrs Price Waterhouse & Co.,

considering the 1982 Annual Report, the balance sheet of the Bank and the statement of Special Section as at 31 December 1982 as well as the profit and loss account for the financial year ending on that date as drawn up by the Board of Directors at its meeting of 3 May 1983,

considering Articles 22, 23 and 24 of the Rules of Procedure,

hereby certifies:

that the Bank's operations during the 1982 financial year have been carried out in compliance with the formalities and procedures laid down by the Statute and the Rules of Procedure,

that the balance sheet, the profit and loss account and the statement of Special Section correspond to the book entries and that they reflect exactly the situation of the Bank as regards both assets and liabilities.

Luxembourg, 31 May 1983

The Audit Committee

C. BRÜCK

J. BREDSORFF

25 years of EIB activity

Operations between 1958 and 1982

Since its inception in 1958, the European Investment Bank has provided finance totalling 25 807.1 million at current prices or some 42 billion at 1982 prices. Loans from own resources and guarantees amount to 23 026.1 million at current prices, or 89.2 % of the total, while operations using Member States' or Community resources come to 2 781 million. Overall investment expenditure for which the EIB has advanced long-term financing averaging 27 % of capital costs stands at 93 billion at current prices or some 174 billion at 1982 prices.

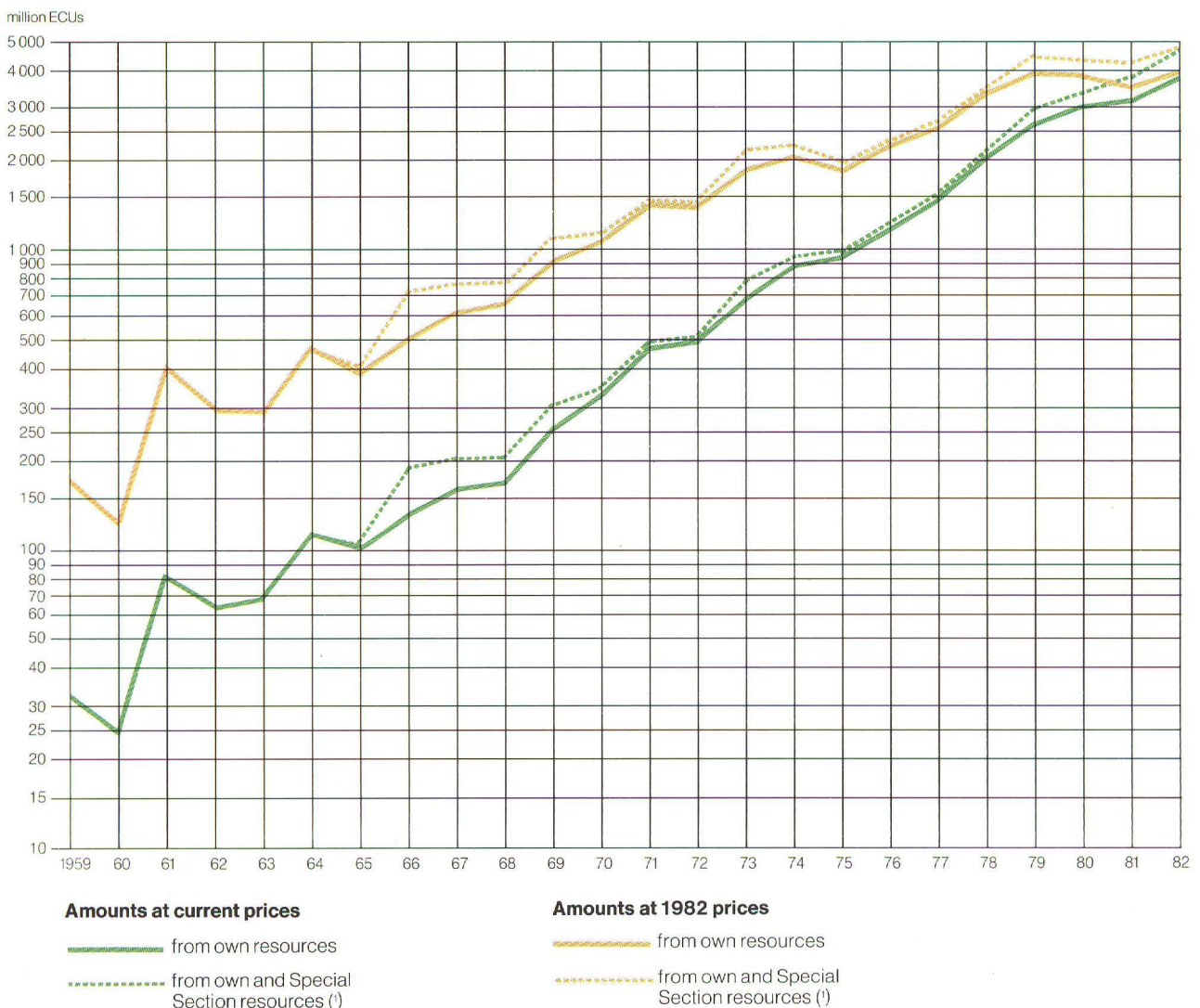
Finance for projects within the Community works out at 22 487.9 million (around 36 billion at 1982 prices), or 85.7 % of the total. This has helped to fund investment ⁽¹⁾ totalling around 80 billion at current prices (141 billion at 1982 prices) ⁽²⁾, which in turn is

expected directly to create over 283 000 permanent jobs and to safeguard a further 144 000. A far higher number of job opportunities has been created through investment in energy and infrastructure projects in particular — although no figure has been

⁽¹⁾ This represents the total amount of fixed investment in respect of all projects backed by the Bank, calculated from data used in establishing the promoters' financing plans when the Bank's Board of Directors approved the relevant financing operations.

⁽²⁾ 1982 price evaluations are based on national price indices derived from gross fixed capital formation, adjusted to take account of indexed changes in the rates for converting national currencies into ECUs and weighted to allow for the spread of Bank lending between the various Member Countries.

Financing provided inside and outside the Community from 1958 to 1982



⁽¹⁾ Financing outside the Community and, as from 1979, financing within the Community from NCI resources.

put on this — as a result of the spin-off in associated manufacturing industry and the multiplier effects, both direct and indirect, during construction periods.

Financing provided outside the Community since 1963 totals 3 319.2 million, over two thirds of this drawn from the Bank's own resources.

The graph on page 12 and Table 14 illustrate the annual trend.

Tables 1, 15 and 16 give a breakdown of financing up to and including 1982 according to economic policy objective, project location and sector.

The following paragraphs deal with the pattern of Bank activity in Member Countries since 1958 and summarise operations under financial cooperation agreements with non-Community countries. A detailed review of EIB activity since its establishment is presented in the brochure published to celebrate the Bank's 25th anniversary. This can be obtained on request from the Bank's headquarters in Luxembourg or from one of its offices (see inside back cover).

Table 14: **Financing from 1958 to 1982** ⁽¹⁾

Year	Total financing	within the Community			outside the Community	
		Lending from own resources	Loans on mandate and guarantees	Lending from NCI resources	Lending from own resources	Operations mounted from budgetary resources
1959/1972 ⁽²⁾	203.0	167.5	7.9	—	11.1	16.5
1973	815.8	696.8	—	—	10.9	108.1
1974	996.4	849.7	—	—	61.0	85.7
1975	1 006.5	917.5	—	—	48.9	40.1
1976	1 273.3	967.9	118.1	—	142.4	44.9
1977	1 571.5	1 401.3	—	—	152.0	18.2
1978	2 188.3	1 966.5	—	—	173.9	47.8
1979	3 071.1	2 281.2	—	277.0	420.9	92.0
1980	3 498.5	2 739.0	14.2	197.6	371.4	176.3
1981	3 848.1	2 539.4	282.1	539.8	396.4	90.4
1982	4 695.7	3 453.2	—	791.0	410.2	41.3
Total	25 807.2	20 157.8	524.5	1 805.5	2 343.8	975.6

(1) See Note 1 to Table 1.

(2) Annual average.

Operations within the Community (1958-1982)

Between 1958 and the end of 1982, the EIB provided loans from its own resources and guarantees within the Community for a total of 20 682.4 million (at current prices), nearly two-thirds of this relating to operations mounted in the past five years. In addition, 1 805.5 million has been made available since 1979 from NCI resources (see page 26). During the same period, 3 533.9 million in loans from own resources and 596.2 million from NCI resources attracted interest subsidies in conjunction with the EMS (see page 27). In the rest of this chapter, Bank activity is dealt with in the round, including lending from NCI resources which is accounted for in the Bank's Special Section.

Breakdown by project location

Close on three quarters of projects financed since 1958 have been located in countries with the most serious regional problems: Italy, Greece, Ireland and the United Kingdom. Loans in the Mezzogiorno alone

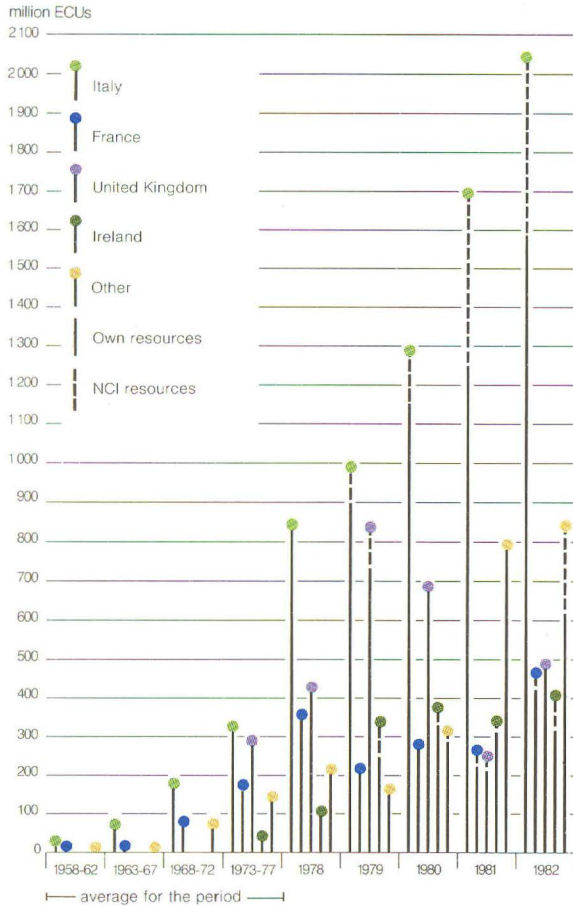
have accounted for almost 32 % of all financing in Member Countries.

Breakdown by economic policy objective

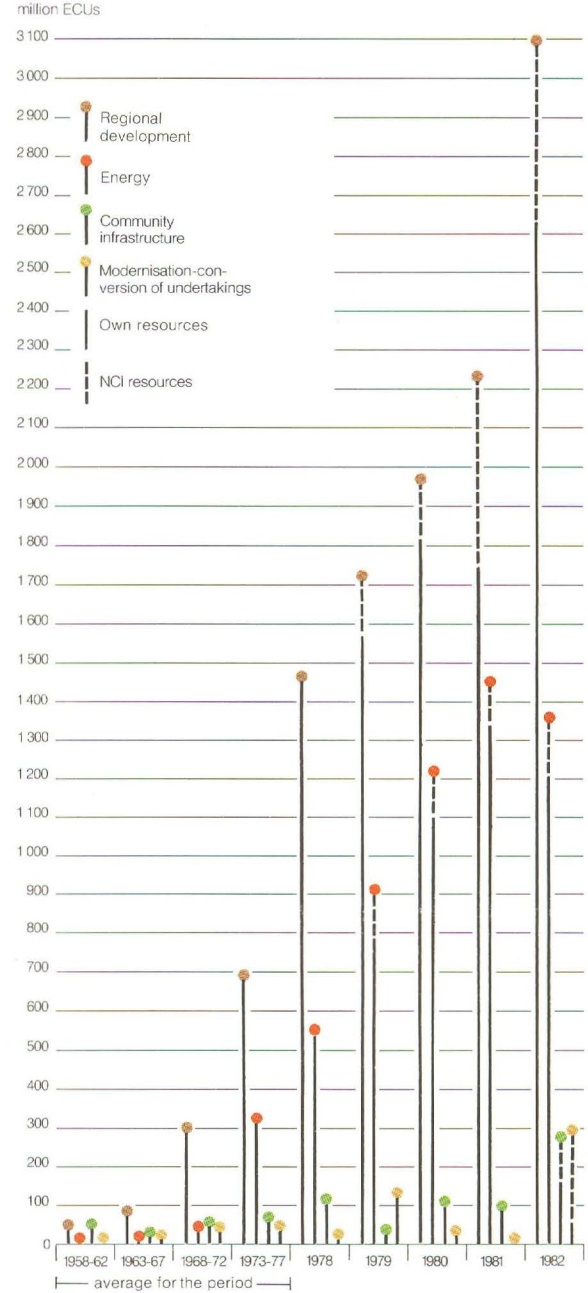
The overall volume of lending since 1958 for projects fostering regional development amounts to 15 974.4 million, or 71 % of Bank financing within Member Countries. Almost two thirds of this has been advanced during the past five years. Finance for projects promoting the Community's energy policy objectives has totalled 7 282.8 million, 62 % of this for development of indigenous resources and 38 % for investment schemes aimed at making more rational use of energy or diversifying imports. 1 355.0 million has been channelled towards Community infrastructure, principally road schemes, whilst investment in modernisation and conversion of enterprises has been funded to the extent of 996.5 million.

Financing within the Community from 1958 to 1982

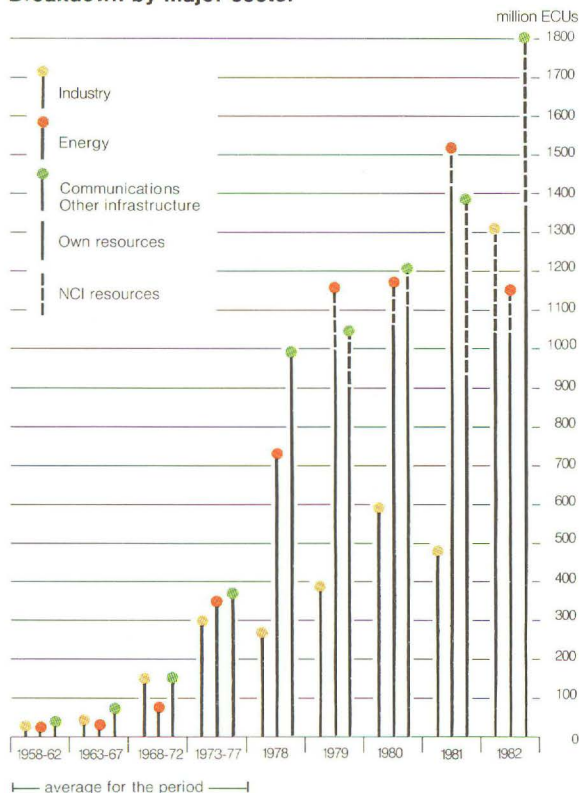
Breakdown by project location



Breakdown by economic policy objective



Breakdown by major sector



Sectoral breakdown

Financing provided for projects within the Community has increased rapidly since commencement of Bank activity. This growth stems largely from the incidence of projects showing a high unit cost in the energy, transport, telecommunications and water infrastructure sectors. Credit for projects in industry, agriculture and services, sectors less resistant to the vagaries of the economic climate, has shown a more irregular growth pattern, although these mustered a total of 5 450.7 million, or 24.2 % of all financing within the Community; finance in the energy sector has accounted for 34.8 %, with other infrastructure attracting 41 %.

Investment financing in basic industries has fallen back, leaving the pace to be set by manufacturing industry (motor vehicles, mechanical engineering and agricultural processing), particularly small and medium-sized enterprises. 148 global loans for an aggregate of 2 157.3 million have been concluded

with intermediary institutions which have drawn down 3 522 allocations for smaller-scale industrial investment and 286 for agricultural and service sector ventures. More labour-intensive than larger-scale projects, the ventures thus financed have helped to create 34 000 jobs and safeguard a further 39 000.

Operations outside the Community (1963-1982)

Since 1963, the Bank has assisted in implementing the Community's policy of economic and financial cooperation with an increasing number of countries. Operations have been mounted under the various conventions, financial protocols and decisions concerning, on the one hand, in the Mediterranean region, Greece (up to 1980), Portugal, Spain, Turkey, Yugoslavia, the Maghreb countries (Algeria, Morocco and Tunisia), the Mashreq countries (Egypt, Jordan, Lebanon and Syria), Cyprus, Malta and Israel, and, on the other, the African, Caribbean and Pacific (ACP) States, the Overseas Countries and Territories (OCT) and, until 1980, the French Overseas Departments (OD).

Between 1963 and 1982, these countries attracted a total of 3 319.2 million, comprising 2 343.8 million from the Bank's own resources ⁽¹⁾ and 975.4 million from budgetary resources placed at its disposal by Member States or the Community, partly through the EDF ⁽²⁾ (see Tables 10 and 22).

⁽¹⁾ Almost two thirds of the volume of activity under this heading attracted an interest subsidy.

⁽²⁾ Loans on special conditions and risk capital operations arranged by the Bank under mandate from and for the account of Member States or the Community (European Development Fund) and accounted for in the EIB's Special Section (see page 82).

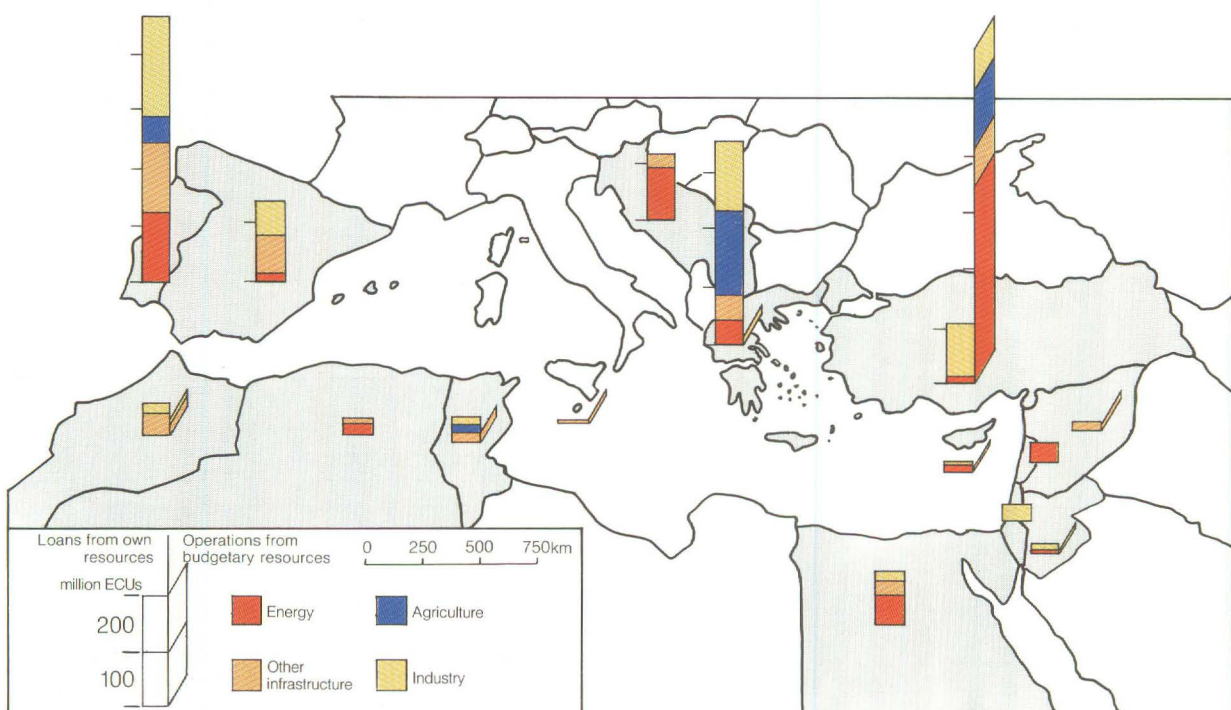
Mediterranean region

Financing provided between 1963 and 1982 in the Mediterranean region, including Portugal, totalled 2 166.9 million, or almost two thirds of all funds advanced by the Bank outside the Community, including 1 520.1 million from own resources (see Table 10). More than 80 % of this amount (1 778.4 million) was lent in Northern Mediterranean countries.

The Bank's first operations outside the Community were in **Greece** where, between 1963 and that country's accession to the Community, an aggregate amount of 351.4 million was provided, principally to finance agricultural development schemes (139.4 million) and industry (127.5 million), including 120 small and medium-scale ventures.

Financing in **Turkey**, advanced since 1965 under three successive Financial Protocols, has totalled 705 million, including 590 million in loans on concessionary conditions from budgetary funds; more than 50 % of this (356.9 million) has gone towards harnessing local energy resources (hydro-electricity and lignite) and more than one third

Projects financed in the Mediterranean region from 1963 to 1982



towards assisting industrial projects (paper, petrochemicals and fertilisers) plus 119 small and medium-scale ventures via global loan allocations.

Lending in **Portugal** has reached 460 million; made available under the heading of exceptional aid, the Financial Protocol and latterly pre-accession aid, the loans have contributed towards financing harbour, airport and road infrastructure (121 million), energy production facilities (120 million) and, above all, industrial projects (174 million). The last figure includes 104 million provided under 6 global loans from which 101 allocations have been made to assist small and medium-scale ventures.

In **Spain**, the 145 million lent under pre-accession aid in 1981 and 1982 has been channelled principally to industry (60 million), communications and water supply infrastructure (66 million) and a gasline (15 million). Approximately one third of total lending has been given over to projects designed to develop indigenous energy resources or making for more rational use of energy in industry.

In **Yugoslavia**, loans totalling 117 million have been provided for the electricity network and the Trans-Yugoslav Highway, both of which are of common interest to the Community and Yugoslavia itself.

Since 1979, a combined total of 388.5 million has been advanced in Southern Mediterranean countries: 161 million in the **Maghreb** and 165.5 million in the **Mashreq** countries, 30 million in Israel, 24 million in Cyprus and 8 million in Malta. About three quarters of this has supported implementation of harbour, rail and road schemes, facilitating bulk commodity exports, basic infrastructure for water supply and sewage disposal facilities (161 million), and energy sector installations (124 million).

Loans for industrial and agricultural projects have totalled 103.5 million, channelled partly via global loans which, up to the end of 1982, helped to finance 95 small and medium-scale ventures.

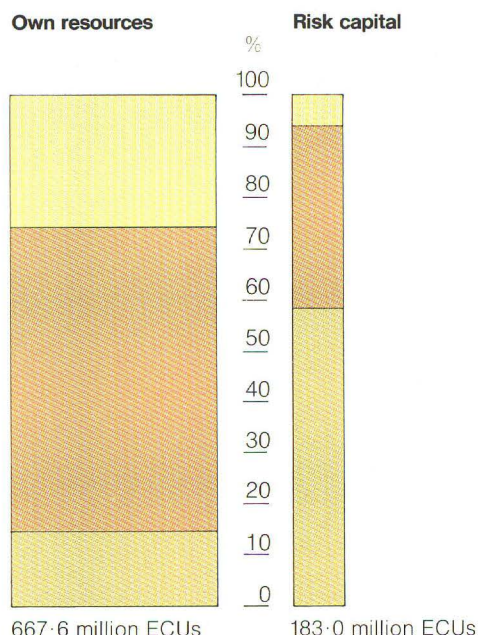
African, Caribbean and Pacific States

Since 1964, the Bank has mounted operations in an increasing number of African, Caribbean and Pacific States under the two Yaoundé Conventions, the two Lomé Conventions and the Decisions concerning the Overseas Countries and Territories and the Overseas Departments.

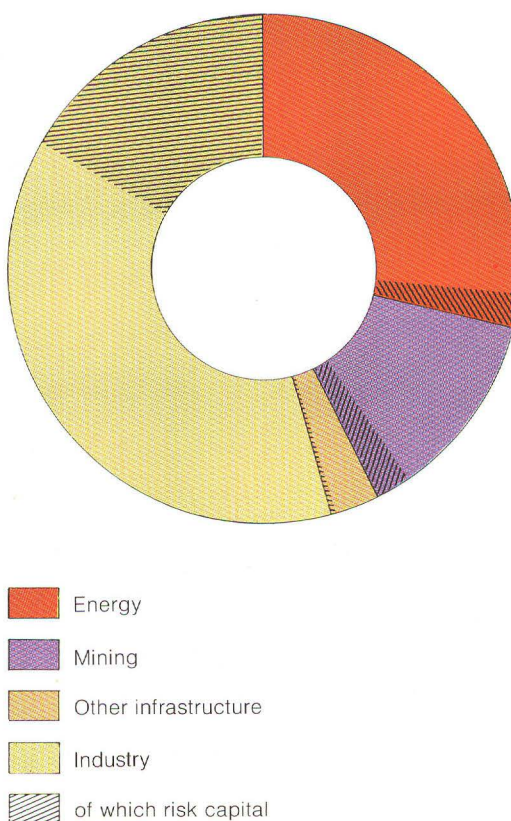
These operations come to a total of 1 152.3 million, or 35 % of aggregate Bank financing outside the Community, including 823.7 million lent from own

Financing provided in the ACP States from 1976 to 1982

Breakdown by per capita GDP



Sectoral breakdown



resources. The Bank has also provided finance from the resources of the European Development Fund: initially, loans on special conditions under the two Yaoundé Conventions (139.5 million) and, subsequently, risk capital assistance in conjunction with the Second Yaoundé and First Lomé Convention (103.8 million), and, as from 1981, the Second Lomé Convention (85.4 million). A breakdown of the amounts made available by country and convention appears in Table 22.

The graph on page 97 illustrates the pattern of this financing according to the income levels of the countries concerned. More than 93.8% of ACP lending from the Bank's own resources has centred on 19 States, 6 in the higher per capita income category and 13 in the middle income category. In contrast, 47.7% of the funds advanced under loans on special conditions and in risk capital operations has gone to projects located in 18 low income ACP States and 46% to 24 middle income States.

The sectoral breakdown of Bank activity since 1964 highlights the preponderance of finance for industry

and tourism (727 million, or 63% of the total), followed by the energy sector (272 million, or 24%).

Finance for the latter sector, which accounted for 6% of total operations under the two Yaoundé Conventions, has risen to 29% of aggregate credit provided since 1976 under the two Lomé Conventions. The funds have been deployed principally in support of projects making the most of indigenous resources, hydroelectricity or coal.

With regard to the industrial sector, financing under the First Lomé Convention, and even more so under the Second, has been directed towards small and medium-sized manufacturing, craft and tourism undertakings via local dfcs. Since 1976, 191 ventures have attracted a total of 87.6 million in global loan allocations, while 144 individual loans amounting to 478 million have also been made available in this sector over the same period. Advantage has also been taken of the scope offered under the two Lomé Conventions for financing feasibility studies: 37 risk capital operations have been mounted under this heading.

Lending in support of projects complying with Community energy policy objectives totalled 1 341.9 million in 1982, including 131.4 million from NCI resources. Ventures financed will help to reduce dependence on oil by around 17 million toe per annum.

Photograph: section of the Algeria—Italy gasline, before being buried underground: between 1978 and end-1982, 451.8 million were advanced from EIB own resources and 49.6 million from NCI resources towards financing construction of this gasline.

Table 15: **Financing provided within the Community in 1982 and from 1958 to 1982** ⁽¹⁾

Breakdown by economic policy objective

Objective	From own resources		From NCI resources		1982	
	million ECUs	%	million ECUs	million ECUs	Total	%
Regional development	2 620.4	100.0	467.3	3 087.7	100.0	
Belgium	5.5	0.2	—	5.5	—	0.2
Denmark	106.9	4.1	48.6	155.5	—	5.0
Germany	—	—	—	—	—	—
Greece	333.6	12.7	124.9	458.5	—	14.9
France	195.2	7.5	—	195.2	—	6.3
Ireland	325.4	12.4	83.1	408.5	—	13.2
Italy	1 239.4	47.3	210.7	1 450.1	—	47.0
Luxembourg	—	—	—	—	—	—
Netherlands	—	—	—	—	—	—
United Kingdom	414.4	15.8	—	414.4	—	13.4
Common European interest/ modernisation — conversion of undertakings	1 440.2	100.0	466.9	1 907.1	100.0	
Energy ⁽²⁾	1 210.5	84.1	131.4	1 341.9	70.4	
Development of Community resources	772.1	53.6	85.2	857.3	—	45.0
Hydroelectric	50.8	3.5	—	50.8	—	2.7
Nuclear	419.4	29.1	—	419.4	—	22.0
Oil and natural gas deposits	208.0	14.5	61.9	269.9	—	14.2
Coal, lignite, peat	93.9	6.5	23.3	117.2	—	6.1
Rational use of energy	279.0	19.4	31.1	310.1	—	16.3
Import diversification	159.4	11.1	15.1	174.5	—	9.1
Natural gas	118.9	8.3	15.1	134.0	—	7.0
Electricity	—	—	—	—	—	—
Coal	40.5	2.8	—	40.5	—	2.1
Community infrastructure	165.9	11.5	105.3	271.2	—	14.2
Transport	157.5	10.9	48.6	206.1	—	10.8
Railways	—	—	—	—	—	—
Roads, bridges and tunnels	154.0	10.7	48.6	202.6	—	10.6
Shipping	—	—	—	—	—	—
Airlines	3.5	0.2	—	3.5	—	0.2
Telecommunications	2.1	0.2	—	2.1	—	0.1
Protection of the environment	6.3	0.4	56.7	63.0	—	3.3
Modernisation and conversion of undertakings	63.8	4.4	230.2	294.0	—	15.4
Modernisation and conversion	22.6	1.6	—	22.6	—	1.2
Advanced technology	41.2	2.8	—	41.2	—	2.1
Industrial cooperation	—	—	—	—	—	—
Productive investment by SMEs	—	—	230.2	230.2	—	12.1
Protection of the environment	—	—	—	—	—	—
<i>Deduct to allow for duplication in the case of financing justified on the basis of several objectives</i>	<i>— 607.4</i>		<i>— 143.2</i>	<i>— 750.6</i>		
Total	3 453.2		791.0	4 244.2		

(1) See Note 1 to Table 1.

(2) See Note 4 to Table 2.

1958—1982

From own resources		From NCI resources		Total		Objective
million ECUs	%	million ECUs	million ECUs	million ECUs	%	
14 734.1	100.0	1 240.3	15 974.4	100.0		Regional development
107.8	0.7	—	107.8	0.7		Belgium
283.2	1.9	48.6	331.8	2.1		Denmark
372.6	2.5	—	372.6	2.3		Germany
483.0	3.3	124.9	607.9	3.8		Greece
1 699.0	11.5	40.3	1 739.3	10.9		France
1 568.8	10.7	228.9	1 797.7	11.3		Ireland
6 972.6	47.4	737.8	7 710.4	48.3		Italy
4.0	—	—	4.0	—		Luxembourg
70.5	0.5	—	70.5	0.4		Netherlands
3 172.6	21.5	59.8	3 232.4	20.2		United Kingdom
						Common European interest/ modernisation — conversion of undertakings
8 840.9	100.0	793.4	9 634.3	100.0		Energy ⁽²⁾
6 824.9	77.2	457.9	7 282.8	75.6		Development of Community resources
4 415.4	50.0	125.6	4 541.0	47.1		Hydroelectric
140.3	1.6	—	140.3	1.4		Nuclear
2 973.4	33.6	—	2 973.4	30.9		Oil and natural gas deposits
1 100.6	12.5	78.6	1 179.2	12.2		Coal, lignite, peat
201.1	2.3	47.0	248.1	2.6		Rational use of energy
1 217.6	13.8	247.7	1 465.3	15.2		Import diversification
1 191.9	13.4	84.6	1 276.5	13.3		Natural gas
914.2	10.3	84.6	998.8	10.4		Electricity
116.4	1.3	—	116.4	1.2		Coal
161.3	1.8	—	161.3	1.7		Community infrastructure
1 249.7	14.1	105.3	1 355.0	14.1		Transport
1 084.3	12.3	48.6	1 132.9	11.8		Railways
103.9	1.2	—	103.9	1.1		Roads, bridges and tunnels
725.9	8.2	48.6	774.5	8.1		Shipping
71.2	0.8	—	71.2	0.7		Airlines
183.3	2.1	—	183.3	1.9		Telecommunications
109.4	1.2	—	109.4	1.1		Protection of the environment
56.0	0.6	56.7	112.7	1.2		Modernisation and conversion of undertakings
766.3	8.7	230.2	996.5	10.3		Modernisation and conversion
302.2	3.4	—	302.2	3.1		Advanced technology
71.2	0.8	—	71.2	0.7		Industrial cooperation
368.5	4.2	—	368.5	3.8		Productive investment by SMEs
—	—	230.2	230.2	2.4		Protection of the environment
24.4	0.3	—	24.4	0.3		
— 2 892.6		— 228.2	— 3 120.8			<i>Deduct to allow for duplication in the case of financing justified on the basis of several objectives</i>
20 682.4		1 805.5	22 487.9			Total

Table 16: **Financing operations within the Community in 1982**

Sectoral breakdown

16.1. **From own resources**

Sector	Number		Amount (million ECUs)		% of total
	Total	of which global loan allocations	Total	of which global loan allocations	
Energy, communications and other infrastructure	271	167	2 413.1	64.9	69.9
Energy (1)	38	5	1 056.9	13.7	30.6
Production	31	5	892.8	13.7	25.8
<i>Nuclear (2)</i>	9		419.4		12.1
<i>Thermal power stations</i>	4		152.5		4.4
<i>Hydroelectric power stations</i>	5	2	58.1	7.4	1.7
<i>District heating plant</i>	4	2	77.1	3.6	2.2
<i>Development of oil and natural gas deposits (3)</i>	9	1	185.7	2.7	5.4
Transmission	7		164.1		4.8
<i>Power lines</i>	2		15.7		0.5
<i>Gaslines and oil pipelines</i>	5		148.4		4.3
Communications	198	162	881.4	51.2	25.5
Transport	187	162	401.4	51.2	11.6
<i>Railways</i>	2		25.7		0.7
<i>Roads, bridges and tunnels</i>	172	158	332.4	46.4	9.6
<i>Shipping</i>	11	4	33.0	4.8	1.0
<i>Airlines</i>	2		10.3		0.3
Telecommunications	11		480.0		13.9
Water schemes	18		324.7		9.4
Agricultural development	2		19.6		0.6
Water catchment, treatment and supply	16		305.1		8.8
Other infrastructure	13		153.7		4.5
Global loans (portion not yet allocated) (4)	4		— 3.6		— 0.1
Industry, agriculture and services	1 281	1 209	1 040.1	453.5	30.1
Industry	1 100	1 067	835.8	403.1	24.2
Mining and quarrying	25	25	6.9	6.9	0.2
Metal production and semi-processing	26	25	35.3	20.3	1.0
Construction materials	123	115	195.0	57.8	5.7
Woodworking	136	136	28.2	28.2	0.8
Glass and ceramics	28	26	45.4	12.7	1.3
Chemicals	50	47	70.3	30.6	2.0
Metalworking and mechanical engineering	219	214	101.6	68.0	3.0
Motor vehicles, transport equipment	40	37	81.6	12.6	2.4
Electrical engineering, electronics	65	61	54.5	29.8	1.6
Foodstuffs	174	171	104.5	68.8	3.0
Textiles and leather	66	66	25.2	25.2	0.7
Paper and pulp, printing	65	64	25.4	15.8	0.7
Rubber and plastics processing	57	56	30.3	23.2	0.9
Other	23	23	2.9	2.9	0.1
Building — civil engineering	1	1	0.3	0.3	
Industrial estates and buildings	2		28.4		0.8
Agriculture, forestry, fishing	30	30	15.6	15.6	0.5
Services	115	112	49.3	34.7	1.4
Tourism	105	104	33.3	30.3	1.0
Research and development	1		3.7		0.1
Other	9	8	12.3	4.4	0.3
Global loans (portion not yet allocated) (5)	36		139.4		4.0
Total	1 552	1 376	3 453.2	518.4	100.0

(1) See Note 4 to Table 2.

(2) Excluding 357.5 million in Euratom loans appraised and administered by the Bank.

(3) Including oil refining (11.4 million).

(4) Difference between the sum of global loans granted in 1982 (61.3 million) and the sum of allocations approved during the year from all current global loans for infrastructure schemes (64.9 million).

(5) Difference between the sum of global loans granted in 1982 (EIB: 592.9 million; NCI: 249.1 million; total: 842.0 million) and the sum of allocations approved during the year from all current global loans for projects in industry, agriculture and the tertiary sector (EIB: 453.5 million).

16.2. From NCI resources			16.3. From own and NCI resources				
Number	million ECUs	% of total	million ECUs			Sector	
			Total	of which global loan allocation	% of total		
14	529.8	67.0	2 942.8	64.9	69.3	Energy, communications and other infrastructure	
4	100.3	12.7	1 157.2	13.7	27.3	Energy (1)	
2	38.4	4.9	931.2	13.7	21.9	Production	
1	23.3	3.0	419.4		9.9	Nuclear (2)	
			175.8		4.1	Thermal power stations	
			58.1	7.4	1.4	Hydroelectric power stations	
			77.1	3.6	1.8	District heating plant	
1	15.1	1.9	200.8	2.7	4.7	Development of oil and natural gas deposits (3)	
2	61.9	7.8	226.0		5.4	Transmission	
			15.7		0.4	Power lines	
2	61.9	7.8	210.3		5.0	Gaslines and oil pipelines	
6	228.6	28.9	1 110.0	51.2	26.1	Communications	
2	70.5	8.9	471.9	51.2	11.1	Transport	
1	21.9	2.8	47.6		1.1	Railways	
1	48.6	6.1	381.0	46.4	9.0	Roads, bridges and tunnels	
			33.0	4.8	0.8	Shipping	
			10.3		0.2	Airlines	
4	158.1	20.0	638.1		15.0	Telecommunications	
3	120.8	15.3	445.5		10.5	Water schemes	
			19.6		0.5	Agricultural development	
						Water catchment, treatment and supply	
1	80.0	10.1	425.9		10.0	Other infrastructure	
			233.7		5.5	Global loans (portion not yet allocated) (4)	
			— 3.6		— 0.1		
8	261.3	33.0	1 301.4	453.5	30.7	Industry, agriculture and services	
2	12.2	1.5	848.0	403.1	20.0	Industry	
				6.9	6.9	0.2	Mining and quarrying
				35.3	20.3	0.8	Metal production and semi-processing
1	6.8	0.8	201.8	57.8	4.7	Construction materials	
			28.2	28.2	0.7	Woodworking	
			45.4	12.7	1.1	Glass and ceramics	
			70.3	30.6	1.6	Chemicals	
						Metalworking and mechanical engineering	
1	5.4	0.7	101.6	68.0	2.4	Motor vehicles, transport equipment	
			87.0	12.6	2.0	Electrical engineering, electronics	
			54.5	29.8	1.3	Foodstuffs	
			104.5	68.8	2.5	Textiles and leather	
			25.2	25.2	0.6	Paper and pulp, printing	
			25.4	15.8	0.6	Rubber and plastics processing	
			30.3	23.2	0.7	Other	
			2.9	2.9	0.1	Building — civil engineering	
			0.3	0.3		Industrial estates and buildings	
			28.4		0.7	Agriculture, forestry, fishing	
			15.6	15.6	0.4	Services	
			49.3	34.7	1.2	Tourism	
			33.3	30.3	0.8	Research and development	
			3.7		0.1	Other	
			12.3	4.4	0.3	Global loans (portion not yet allocated) (5)	
6	249.1	31.5	388.5		9.1		
22	791.0	100.0	4 244.2	518.4	100.0	Total	

Table 17: Financing operations within the Community from 1958 to 1982 (1)

Sectoral breakdown

17.1. From own resources

Sector	Number		Amount (million ECUs)		% of total
	Total	of which global loan allocations	Total	of which global loan allocations	
Energy, communications and other infrastructure	1 063	327	15 493.0	146.2	74.9
Energy (2)	326	24	7 416.5	36.8	35.9
Production	229	7	5 580.8	15.3	27.0
Nuclear	75		2 981.3		14.4
Thermal power stations	40		776.4		3.8
Hydroelectric power stations	34	2	803.4	7.3	3.9
Geothermal power stations and district heating plant	16	4	175.9	5.3	0.8
Development of oil and natural gas deposits	57	1	798.9	2.7	3.9
Solid fuel extraction	7		44.9		0.2
Supply systems	97	17	1 835.7	21.5	8.9
Power lines	44	17	583.4	21.5	2.8
Gaslines and oil pipelines	53		1 252.3		6.1
Communications	544	303	5 224.0	109.4	25.2
Transport	453	303	2 480.7	109.4	12.0
Railways	22		423.7		2.0
Roads, bridges and tunnels	363	282	1 483.2	84.4	7.2
Shipping and inland waterways	53	20	341.7	24.9	1.7
Airlines	14	1	227.2	0.1	1.1
Other	1		4.9		
Telecommunications	91		2 743.3		13.2
Water schemes	149		2 435.3		11.8
Agricultural development	38		717.8		3.5
Water catchment, treatment and supply	111		1 717.5		8.3
Other infrastructure	31		380.0		1.8
Global loans (portion not yet allocated)	13		37.2		0.2
Industry, agriculture and services	4 424	3 808	5 189.4	1 377.3	25.1
Industry	3 983	3 522	4 464.4	1 284.9	21.6
Mining and quarrying	72	69	39.6	33.3	0.2
Metal production and semi-processing	161	101	853.3	72.1	4.1
Construction materials	339	298	382.9	130.6	1.8
Woodworking	367	363	94.8	75.7	0.5
Glass and ceramics	96	76	156.3	43.6	0.8
Chemicals	274	184	666.5	92.2	3.2
Metalworking and mechanical engineering	870	807	534.0	251.1	2.6
Motor vehicles, transport equipment	144	113	500.0	43.9	2.4
Electrical engineering, electronics	218	189	209.9	73.3	1.0
Foodstuffs	634	574	459.6	215.9	2.2
Textiles and leather	224	211	95.8	75.3	0.5
Paper and pulp, printing	234	222	126.1	74.8	0.6
Rubber and plastics processing	240	219	177.0	81.5	0.9
Other	89	84	26.3	17.9	0.1
Building — civil engineering	12	12	3.7	3.7	
Industrial estates and buildings	9		138.6		0.7
Agriculture, forestry, fishing	151	148	78.7	39.9	0.4
Services	148	138	114.5	52.5	0.5
Tourism	123	120	54.1	43.1	0.2
Research and development	4		11.8		0.1
Other	21	18	48.6	9.4	0.2
Global loans (portion not yet allocated)	142		531.8		2.6
Total	5 487	4 135	20 682.4	1 523.5	100.0

(1) See Note 1 to Table 1.

(2) See Note 4 to Table 2.

17.2. From NCI resources			17.3. From own and NCI resources			
Number	million ECUs	% of total	million ECUs			Sector
			Total	of which global loan allocations	% of total	
53	1 544.2	85.5	17 037.2	146.2	75.8	Energy, communications and other infrastructure
22	451.5	25.0	7 868.0	36.8	35.0	Energy (2)
16	307.1	17.0	5 887.9	15.3	26.2	Production
			2 981.3		13.3	Nuclear
4	68.8	3.8	845.2		3.8	Thermal power stations
3	147.2	8.1	950.6	7.3	4.2	Hydroelectric power stations
						Geothermal power stations and district heating plant
3	31.6	1.8	207.5	5.3	0.9	Development of oil and natural gas deposits
3	35.8	2.0	834.7	2.7	3.7	Solid fuel extraction
3	23.7	1.3	68.6		0.3	Supply systems
6	144.4	8.0	1 980.1	21.5	8.8	Power lines
1	17.1	0.9	600.5	21.5	2.7	Gaslines and oil pipelines
5	127.3	7.1	1 379.6		6.1	Communications
18	506.3	28.1	5 730.3	109.4	25.5	Transport
8	226.8	12.6	2 707.5	109.4	12.0	Railways
2	50.3	2.8	474.0		2.1	Roads, bridges and tunnels
6	176.5	9.8	1 659.7	84.4	7.4	Shipping and inland waterways
			341.7	24.9	1.5	Airlines
			227.2	0.1	1.0	Other
			4.9			Telecommunications
10	279.5	15.5	3 022.8		13.5	Water schemes
8	271.0	15.0	2 706.3		12.0	Agricultural development
			717.8		3.2	Water catchment, treatment and supply
8	271.0	15.0	1 988.5		8.8	Other infrastructure
5	315.4	17.4	695.4		3.1	Global loans (portion not yet allocated)
			37.2		0.2	
8	261.3	14.5	5 450.7	1 377.3	24.2	Industry, agriculture and services
2	12.2	0.7	4 476.6	1 284.9	19.9	Industry
			39.6	33.3	0.2	Mining and quarrying
						Metal production and semi-processing
1	6.8	0.4	853.3	72.1	3.8	Construction materials
			389.7	130.6	1.7	Woodworking
			94.8	75.7	0.4	Glass and ceramics
			156.3	43.6	0.7	Chemicals
			666.5	92.2	3.0	Metalworking and mechanical engineering
1	5.4	0.3	534.0	251.1	2.4	Motor vehicles, transport equipment
			505.4	43.9	2.3	Electrical engineering, electronics
			209.9	73.3	0.9	Foodstuffs
			459.6	215.9	2.0	Textiles and leather
			95.8	75.3	0.4	Paper and pulp, printing
			126.1	74.8	0.6	Rubber and plastics processing
			177.0	81.5	0.8	Other
			26.3	17.9	0.1	Building — civil engineering
			3.7	3.7	—	Industrial estates and buildings
			138.6		0.6	Agriculture, forestry, fishing
			78.7	39.9	0.3	Services
			114.5	52.5	0.5	Tourism
			54.1	43.1	0.2	Research and development
			11.8		0.1	Other
			48.6	9.4	0.2	Global loans (portion not yet allocated)
6	249.1	13.8	780.9		3.5	
61	1 805.5	100.0	22 487.9	1 523.5	100.0	Total

Table 18: **Global loans granted within the Community from 1968 to 1982**

Breakdown by economic policy objective and location

	Global loans (1)		Allocations	
	Number	million ECUs	Number	million ECUs
REGIONAL DEVELOPMENT — INDUSTRY				
Italy	55	997.9	1 557	763.7
United Kingdom	11	196.2	215	107.2
Ireland	20	186.4	1 362	161.2
Greece	10	134.8	103	71.4
France	12	134.2	221	86.4
Denmark	16	53.9	144	46.1
Belgium	5	48.1	53	48.4
Germany	4	46.3	88	36.0
REGIONAL DEVELOPMENT — INFRASTRUCTURE				
France	11	147.7	320	130.9
SUB-TOTAL: REGIONAL DEVELOPMENT	144	1 945.5	4 063	1 451.3
RATIONAL USE OF ENERGY				
Own resources				
<i>Industry</i>				
Italy	7	96.9	51	49.0
Greece	1	9.8	7	6.5
Ireland	1	4.5	7	1.4
<i>Infrastructure</i>				
Denmark	1	20.5	4	5.3
Italy	1	15.2	3	10.0
NCI resources				
<i>Industry</i>				
Italy	1	18.9	—	—
SUB-TOTAL: RATIONAL USE OF ENERGY	12	165.8	72	72.2
MODERNISATION — CONVERSION OF UNDERTAKINGS				
Own resources				
France (2)	2	27.0	—	—
PRODUCTIVE INVESTMENT BY SMEs				
NCI resources				
Italy	4	192.6	—	—
France	1	37.6	—	—
SUB-TOTAL: PRODUCTIVE INVESTMENT BY SMEs	5	230.2	—	—
Sub-total: Own resources	155	2 092.4	4 135	1 523.5
Sub-total: NCI resources	6	249.1	—	—
GRAND TOTAL	161	2 341.5 (3)	4 135	1 523.5

(1) Sum of lines of credit opened under finance contracts signed.

(2) Global loans also included under Regional Development — Industry.

(3) Of which balance to be allocated 685.9 million; cancellations: 101.9 million; exchange adjustments: + 30.2 million.

Table 19: Allocations from global loans within the Community in 1982 and from 1969 to 1982 ⁽¹⁾

Breakdown by region and economic policy objective

	1982		1969—1982			1982		1969—1982	
	Number	million ECUs	Number	million ECUs		Number	million ECUs	Number	million ECUs
REGIONAL DEVELOPMENT									
Belgium	5	5.5	53	48.4	France	213	67.4	541	217.4
Antwerp	—	—	7	7.3	Alsace	—	—	27	8.3
Hainaut	3	3.9	11	11.7	Aquitaine	34	10.2	45	16.8
Liège	1	0.7	13	10.4	Auvergne	14	5.3	24	12.4
Limburg	1	0.9	4	2.0	Basse-Normandie	1	0.2	10	9.5
Luxembourg	—	—	1	0.8	Bourgogne	—	—	3	2.3
Namur	—	—	2	2.0	Britanny	18	6.3	52	34.5
Eastern Flanders	—	—	7	8.3	Centre	3	3.4	6	4.6
Western Flanders	—	—	8	5.9	Champagne-Ardenne	—	—	2	0.6
Denmark	28	6.5	144	46.2	Corsica	1	0.4	3	1.4
East of the Great Belt (excluding Copenhagen)	3	0.3	14	6.7	Franche-Comté	—	—	2	0.4
West of the Great Belt	25	6.2	130	39.5	Languedoc-Roussillon	3	1.1	36	10.4
Germany ⁽²⁾	—	—	88	36.0	Limousin	5	1.3	16	4.0
Greece	71	44.9	103	71.4	Lorraine	8	1.4	32	14.7
Crete	5	4.2	7	5.9	Midi-Pyrénées	90	20.9	179	40.1
Epirus	2	0.8	4	3.9	Nord-Pas de Calais	7	3.1	35	25.0
Central Greece (east)	18	9.5	28	14.9	Pays de la Loire	20	9.9	45	22.3
Aegean Islands (east)	5	2.0	6	4.2	Picardie	—	—	2	1.1
Central and Western Macedonia	14	7.4	22	15.1	Poitou-Charentes	1	0.1	7	2.7
Eastern Macedonia	6	3.5	8	5.1	Rhône-Alpes	—	—	7	2.5
Peloponnese — Central Greece (west)	9	5.4	10	5.7	Haute-Normandie	8	3.8	8	3.8
Thessaly	5	7.7	8	10.4	Italy	512	281.1	1 557	763.7
Thrace	3	1.2	5	2.0	Abruzzi	50	26.8	167	80.7
Multiregional projects	4	3.2	5	4.2	Basilicata	12	5.6	35	13.5
United Kingdom	33	7.8	215	107.2	Calabria	38	9.3	102	26.4
Scotland	5	1.4	40	18.1	Campania	63	47.4	267	152.1
Northern England	1	0.1	52	33.2	Friuli-Venezia Giulia	24	9.2	55	18.2
North West England	8	0.6	24	5.0	Latium	67	54.1	209	140.6
South West England	1	0.1	15	16.3	The Marches	24	16.9	58	37.2
Yorkshire and Humberside	10	4.9	26	14.5	Molise	5	5.2	27	14.7
East Midlands	3	0.2	6	1.3	Apulia	72	30.1	209	84.6
Wales	2	0.1	44	16.3	Sardinia	29	20.7	95	49.0
Northern Ireland	3	0.4	8	2.5	Sicily	56	12.3	183	71.7
Ireland	462	55.6	1 362	161.2	Tuscany	28	8.8	56	16.2
					Trentino-Alto Adige	12	8.8	47	25.6
					Umbria	29	23.2	44	30.5
					Veneto	3	2.7	3	2.7
Total						1 324	468.8	4 063	1 451.3
RATIONAL USE OF ENERGY									
Denmark	2	3.6	4	5.3	Italy	36	38.1	54	59.0
Greece	7	6.5	7	6.5	Ireland	7	1.4	7	1.4
Total						52	49.6	72	72.2
Grand Total						1 376	518.4	4 135	1 523.5

⁽¹⁾ See Note 1 to Table 1.⁽²⁾ See 1980 Annual Report for regional breakdown.

Table 20: **Financing provided from 1963 to 1982 (1) in the Mediterranean region (2)**

Sectoral breakdown

Sector	Number		Amount (million ECUs)		% of total
	Total	of which global loan allocations	Total	of which global loan allocations	
Energy, communications and other infrastructure	100	16	1 427.0	10.0	65.9
Energy	36		751.0		34.7
Production	26		572.4		26.4
<i>Thermal power stations</i>	14		314.0		14.5
<i>Hydroelectric power stations</i>	10		228.3		10.5
<i>Development of oil and natural gas deposits</i>	2		30.1		1.4
Transmission	10		178.6		8.3
<i>Power lines</i>	9		163.6		7.6
<i>Gaslines and oil pipelines</i>	1		15.0		0.7
Communications	40	10	446.5	5.8	20.6
Transport	40	10	446.5	5.8	20.6
<i>Railways</i>	8		131.8		6.1
<i>Roads, bridges and tunnels</i>	21	10	153.0	5.8	7.1
<i>Shipping and inland waterways</i>	9		142.0		6.5
<i>Airlines</i>	2		19.7		0.9
Water schemes	22	6	213.5	4.2	9.9
Agricultural development	12		191.8		8.9
Water catchment, treatment and supply	10	6	21.7	4.2	1.0
Global loans (portion not yet allocated)	2		16.0		0.7
Industry, agriculture and services	707	607	739.9	388.8	34.1
Industry	621	562	611.7	360.5	28.2
Mining and quarrying	15	15	7.8	7.8	0.3
Metal production and semi-processing	23	15	45.6	11.2	2.1
Construction materials	62	52	91.7	48.2	4.2
Woodworking	44	42	25.4	23.6	1.2
Glass and ceramics	29	26	29.8	24.7	1.4
Chemicals	61	48	98.8	34.9	4.6
Metalworking and mechanical engineering	86	86	50.3	50.3	2.3
Motor vehicles, transport equipment	15	15	9.4	9.4	0.4
Electrical engineering, electronics	38	36	27.9	22.7	1.3
Foodstuffs	120	120	66.7	66.7	3.1
Textiles and leather	54	47	28.5	23.4	1.3
Paper and pulp	31	21	90.9	13.2	4.2
Rubber and plastics processing	29	28	15.3	14.8	0.7
Other	5	5	1.5	1.5	0.1
Building — civil engineering	3	3	1.9	1.9	0.1
Industrial estates and buildings	6	3	20.2	6.2	0.9
Agriculture and forestry	28	22	63.1	13.1	2.9
Services	23	23	15.2	15.2	0.7
Tourism	8	8	10.2	10.2	0.5
Other	15	15	5.0	5.0	0.2
Global loans (portion not yet allocated)	35	—	49.9	—	2.3
Grand Total	807	623	2 166.9	398.8	100.0

(1) See Note 1 to Table 1.

(2) Loans from own resources (1 520.1 million) and operations on special conditions (646.8 million) financed from Member States' or Community budgetary resources and accounted for off balance sheet in the Bank's Special Section.

Table 21: **Financing provided from 1964 to 1982 in the African, Caribbean and Pacific (ACP) States, the Overseas Countries and Territories (OCT) and the Overseas Departments** ⁽¹⁾ ⁽²⁾

Sectoral breakdown

Sector	Number		Amount (million ECUs)		% of total
	Total	of which global loan allocations	Total	of which global loan allocations	
Energy, communications and other infrastructure	76	5	417.4	3.4	36.2
Energy	38	4	274.1	2.4	23.8
Production	31	3	211.5	1.8	18.4
<i>Thermal power stations</i>	14	2	69.2	1.6	6.0
<i>Hydroelectric power stations</i>	14	1	110.8	0.2	9.6
<i>Nuclear energy</i>	1		15.0		1.3
<i>Development of oil and natural gas deposits</i>	1		7.5		0.7
<i>Geothermal power stations</i>	1		9.0		0.8
Transmission	7	1	62.6	0.6	5.4
<i>Power lines</i>	7	1	62.6	0.6	5.4
Communications	34	1	131.2	1.0	11.4
Transport	31		119.4		10.4
<i>Railways</i>	8		53.7		4.6
<i>Roads, bridges and tunnels</i>	8		38.7	1	3.4
<i>Shipping</i>	14		22.6		2.0
<i>Airlines</i>	1		4.4		0.4
Telecommunications	3	1	11.8	1.0	1.0
Water schemes	4		12.1		1.0
Agricultural development	2		5.3		0.4
Water catchment, treatment and supply	2		6.8		0.6
Industry, agriculture and services	403	190	734.9	86.9	63.8
Industry	276	164	610.4	80.3	53.0
Mining and quarrying	18	6	172.8	2.5	15.0
Metal production and semi-processing	16	9	32.6	4.4	2.8
Construction materials	22	8	64.2	4.0	5.6
Woodworking	11	10	7.4	4.2	0.7
Glass and ceramics	6	4	7.6	3.6	0.7
Chemicals	22	9	56.2	6.4	4.9
Metalworking and mechanical engineering	15	14	6.0	5.5	0.5
Motor vehicles, transport equipment	8	6	7.3	2.4	0.6
Electrical engineering, electronics	3	3	2.5	2.5	0.2
Foodstuffs	80	38	181.0	20.3	15.7
Textiles and leather	37	21	45.9	8.8	4.0
Paper and pulp	20	20	10.7	10.7	0.9
Rubber and plastics processing	18	16	16.2	5.0	1.4
Agriculture	3	1	9.9	0.6	0.8
Services	72	25	39.8	6.0	3.5
Tourism	29	20	27.4	5.5	2.4
Research and technical assistance	43	5	12.4	0.5	1.1
Global loans (portion not yet allocated) ⁽³⁾	39	—	61.9	—	5.4
Development finance companies	13	—	12.9	—	1.1
Grand Total	479	195	1 152.3	90.3	100.0

(1) See Note 1 to Table 1.

(2) Loans from own resources (823.7 million) and operations on special conditions (328.6 million) financed from Member States' resources through the European Development Fund and accounted for off balance sheet in the Bank's Special Section.

(3) Difference between the sum of global loans granted in 1982 (152.2 million) and the sum of allocations approved (90.3 million) during the year from all current global loans for investment by SMEs.

Table 22: **Financing provided from 1976 to 1982 in the African, Caribbean and Pacific (ACP) States and the Overseas Countries and Territories (OCT) under the Lomé Conventions**

Breakdown by project location and origin of resources

	Ordinary operations mounted from own resources					Risk capital operations mounted from budgetary resources (1)					Total financing		
	1st Lomé Convention		2nd Lomé Convention		Total	1st Lomé Convention		2nd Lomé Convention		Total	1st Lomé Convention	2nd Lomé Convention	Total
	Number	Amount	Number	Amount		Number	Amount	Number	Amount		Amount	Amount	
AFRICA	52	338.5	22	205.7	544.2	71	93.9	25	55.7	149.6	432.4	261.4	693.8
<i>West Africa</i>	25	192.5	8	62.0	254.5	30	41.2	5	8.3	49.5	233.7	70.3	304.0
Benin	—	—	—	—	—	1	0.35	—	—	0.35	0.4	—	0.4
Cape Verde	—	—	—	—	—	2	3.6	1	1.8	5.4	3.6	1.8	5.4
Ivory Coast	10	47.4	3	21.6	69.0	4	3.0	—	—	3.0	50.4	21.6	72.0
Gambia	—	—	—	—	—	2	2.4	—	—	2.4	2.4	—	2.4
Ghana	2	16.0	—	—	16.0	2	2.25	—	—	2.25	18.25	—	18.25
Guinea	1	4.4	—	—	4.4	2	0.3	—	—	0.3	4.7	—	4.7
Upper Volta	1	8.0	—	—	8.0	3	7.9	—	—	7.9	15.9	—	15.9
Liberia	2	7.4	—	—	7.4	1	0.3	1	0.7	1.0	7.7	0.7	8.4
Mali	—	—	—	—	—	3	6.4	—	—	6.4	6.4	—	6.4
Mauritania	1	25.0	—	—	25.0	—	—	—	—	—	25.0	—	25.0
Niger	2	6.0	1	10.0	16.0	1	0.9	—	—	0.9	6.9	10.0	16.9
Nigeria	2	50.0	—	—	50.0	—	—	—	—	—	50.0	—	50.0
Senegal	2	12.0	2	21.0	33.0	5	8.5	2	4.2	12.7	20.5	25.2	45.7
Togo	2	16.3	1	4.4	20.7	3	5.2	—	—	5.2	21.5	4.4	25.9
Regional Development Bank	—	—	1	5.0	5.0	1	0.1	1	1.6	1.7	0.1	6.6	6.7
<i>Central and Equatorial Africa</i>	6	32.6	5	42.7	75.3	13	24.5	4	11.3	35.8	57.1	54.0	111.1
Burundi	—	—	—	—	—	1	0.5	3	5.3	5.8	0.5	5.3	5.8
Cameroon	6	32.6	3	20.7	53.3	2	4.6	—	—	4.6	37.2	20.7	57.9
Congo	—	—	—	—	—	2	3.3	—	—	3.3	3.3	—	3.3
Gabon	—	—	2	22.0	22.0	—	—	—	—	—	—	22.0	22.0
Rwanda	—	—	—	—	—	1	3.0	—	—	3.0	3.0	—	3.0
Chad	—	—	—	—	—	1	7.5	—	—	7.5	7.5	—	7.5
Zaire	—	—	—	—	—	6	5.6	1	6.0	11.6	5.6	6.0	11.6
<i>East and Southern Africa</i>	21	113.4	9	101.0	214.4	28	28.2	16	36.1	64.3	141.6	137.1	278.7
Botswana	2	6.5	1	15.0	21.5	2	1.75	—	—	1.75	8.25	15.0	23.25
Comoros	—	—	—	—	—	1	0.02	1	0.2	0.2	0.02	0.2	0.22
Djibouti	—	—	—	—	—	1	1.0	2	2.2	3.2	1.0	2.2	3.2
Ethiopia	—	—	—	—	—	—	—	1	0.5	0.5	—	0.5	0.5
Kenya	8	52.4	3	23.5	75.9	3	1.3	1	1.5	2.8	53.7	25.0	78.7
Lesotho	—	—	—	—	—	2	0.1	1	3.0	3.1	0.1	3.0	3.1
Madagascar	—	—	—	—	—	3	2.4	1	2.2	4.6	2.4	2.2	4.6
Malawi	3	14.5	—	—	14.5	3	1.6	1	3.0	4.6	16.1	3.0	19.1
Mauritius	3	12.5	1	4.0	16.5	1	0.04	1	0.5	0.54	12.7	4.5	17.2
Uganda	—	—	—	—	—	1	0.35	2	10.0	10.35	0.35	10.0	10.35
Seychelles	—	—	—	—	—	1	0.6	1	1.0	1.6	0.6	1.0	1.6
Somalia	—	—	—	—	—	1	0.25	1	2.6	2.85	0.25	2.6	2.85
Sudan	—	—	—	—	—	1	6.5	—	—	6.5	6.5	—	6.5
Swaziland	2	12.0	1	7.0	19.0	2	1.1	—	—	1.1	13.1	7.0	20.1
Tanzania	1	5.0	—	—	5.0	3	7.75	1	7.5	15.25	12.75	7.5	20.25
Zambia	2	10.5	2	31.5	42.0	3	3.4	1	1.5	4.90	13.9	33.0	46.9
Zimbabwe	—	—	1	20.0	20.0	—	—	1	0.4	0.4	—	20.4	20.4
CARIBBEAN	5	20.5	2	12.0	32.5	2	3.4	4	8.4	11.8	23.9	20.4	44.3
Regional Development Bank	1	3.0	—	—	3.0	—	—	—	—	—	3.0	—	3.0
Barbados	2	7.5	1	4.0	11.5	—	—	—	—	—	7.5	4.0	11.5
Dominica	—	—	—	—	—	—	—	2	1.0	1.0	—	1.0	1.0
Grenada	—	—	—	—	—	—	—	1	2.4	2.4	—	2.4	2.4
Guyana	—	—	—	—	—	1	3.2	—	—	3.2	3.2	—	3.2
Jamaica	—	—	—	—	—	—	—	1	5.0	5.0	—	5.0	5.0
St Lucia	—	—	—	—	—	1	0.2	—	—	0.2	0.2	—	0.2
Trinidad and Tobago	2	10.0	1	8.0	18.0	—	—	—	—	—	10.0	8.0	18.0
PACIFIC	3	31.0	3	59.9	90.9	2	2.1	9	19.5	21.6	33.1	79.4	112.5
Fiji	2	24.0	1	12.0	36.0	1	0.2	1	1.8	2.0	24.2	13.8	38.0
Papua New Guinea	1	7.0	2	47.9	54.9	1	1.9	1	12.0	13.9	8.9	59.9	68.8
Western Samoa	—	—	—	—	—	—	—	2	3.3	3.3	—	3.3	3.3
Tonga	—	—	—	—	—	—	—	3	1.3	1.3	—	1.3	1.3
Tuvalu	—	—	—	—	—	—	—	1	0.1	0.1	—	0.1	0.1
Vanuatu	—	—	—	—	—	—	—	1	1.0	1.0	—	1.0	1.0
ACP States: Total	60	390.0	27	277.6	667.6	75	99.4	38	83.6	183.0	489.4	361.2	850.6
OCT	1	7.0	1	3.0	10.0	2	1.8	2	1.8	3.6	8.8	4.8	13.6
Grand Total	61	397.0	28	280.6	677.6	77	101.2	40	85.4	186.6	498.2	366.0	864.2(2)

(1) See page 61.

(2) Additional to financing provided between 1964 and 1976 under the two Yaoundé Conventions, amounting to 146.1 million from own resources and 142 million from EDF resources.

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