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Reports on the borrowing
and lending activities
of the Community in 1991*

THE COMMISSION'S ANNUAL REPORT TO THE COUNCIL AND TO PARLIAMENT ON THE BORROWING AND LENDING ACTIVITIES OF THE COMMUNITY IN 1991

INTRODUCTION

A. *In accordance with the Council Decisions establishing lending instruments for Euratom research,¹ for the New Community Instrument (NCI)² and for the special measures for the disaster areas in Italy³ and Greece,⁴ the Commission informs Parliament and the Council each year about the activities in question.*

In its Resolution on improving political monitoring of the Community's borrowing and lending activities,⁵ Parliament asked for a comprehensive report, i.e. one covering the activities of the ECSC and of the EIB, to be presented to it each year.

Over the last two years, and in particular since the countries of Central and Eastern Europe began to move towards a market-economy system, the Community's lending and borrowing activities have expanded greatly, covering a wider range of objectives. It was for this reason that, as part of the proposals known as the 'Delors 2 package',⁶ the Commission was anxious to establish more precise guidelines on the role of borrowing and lending and of the EIB.

The present report (part A) is the Commission's twelfth. It includes a description of financial support measures outside the Community and of the guarantees provided by the general budget in that connection.

B. *With a view to ensuring that borrowings designed to promote investment within the Community are continuously monitored, the 1983 and 1987 Decisions concerning the NCI also provide for the Commission to inform Parliament and the Council every six months about the rate of utilization of the NCI borrowing tranches. Part B of this document therefore provides an account of NCI activities over the period from 1 July to 31 December 1991.*

¹ Article 4 of Decision 77/270/Euratom; OJ No L 88 of 6 April 1977.

² Article 6 of Decision 78/870/EEC; OJ No L 298 of 25 October 1978.

Article 6 of Decision 82/169/EEC; OJ No L 78 of 24 March 1982.

Article 7 of Decision 83/200/EEC; OJ No L 112 of 28 April 1983.

Article 9 of Decision 87/182/EEC; OJ No L 71 of 14 March 1987.

³ Article 7 of Decision 81/19/EEC; OJ No L 37 of 10 February 1981.

⁴ Article 7 of Decision 81/1013/EEC; OJ No L 367 of 23 December 1981.

⁵ Doc. PE/67134 of 5 March 1981; OJ No C 287 of 9 November 1981.

⁶ Doc. COM(92) 2000.

A. THE COMMISSION'S ANNUAL REPORT TO THE COUNCIL AND TO PARLIAMENT ON THE BORROWING AND LENDING ACTIVITIES OF THE COMMUNITY IN 1991

1. COMMUNITY BORROWING

- 1.1. In order to pursue its *internal objectives*, the Community is empowered to borrow on the capital market. These borrowings are intended to finance loans for Member States in balance-of-payments difficulties (ceiling of ECU 14 billion), for research and financing in connection with nuclear power stations (current Euratom ceiling of ECU 4 billion), for encouraging investment in the Community under the NCI (current ceiling of ECU 6.83 billion) and, under the ECSC Treaty, for promoting productive capacity or conversion projects in the coal and steel industries.

On the basis of the *agreements concluded with non-Community countries*, the Commission is empowered to borrow to finance programmes of financial assistance for the countries of Central and Eastern Europe, for the ACP countries and for measures adopted pursuant to the Mediterranean protocols.

However, the bulk of the borrowing is undertaken by the *EIB* for loans for investment projects in the Community meeting the objectives assigned to the Bank by the Treaties and for projects undertaken outside the Community in support of development cooperation policy.

- 1.2. *Borrowing* by these various institutions totalled ECU 16.9 billion in 1991. The increase (34.8%) was roughly of the

same order as the rise in international bond issues in the OECD area (39%). The increase in Community borrowing consolidated the Community's relative share of the market, which had already increased sharply the previous year (see Table 1 below). It was caused by the growth in EIB and ECSC activities and in balance-of-payments support loans. Taking account of redemptions and cancellations, the amount of borrowing outstanding at 31 December 1991 was ECU 74.9 billion.

Borrowing by the EIB increased from ECU 11 billion in 1990 to ECU 13.7 billion in 1991, a rise of 24.3%. The Commission for its part had to contend with a rapid expansion of its commitments, both within the Community (ECSC and Greece) and outside (financial assistance for Central and Eastern European countries (CEEC)). Borrowing by the ECSC rose from ECU 1.1 billion to ECU 1.5 billion, an increase of 36.4%. The borrowing intended to finance (directly) the first instalment of the loan to Greece amounted to ECU 1 billion; that for financing assistance for non-Community countries (CEEC) amounted to ECU 695 million, compared with ECU 350 million in 1990.

The breakdown of Community borrowing by *currency of borrowing* (see Table 3 in the Annex) shows, as in 1990, a relative decrease in the use of European country currencies in favour of the ecu. This trend was confirmed by that on the international capital market (OECD area), where the volume of ecu-denominated transactions in 1991 exceeded the corresponding figures for the German mark and the pound sterling. In the table of currencies used, the ecu thus comes third after the US dollar and the yen (see Table 1 below).

The bulk of Community borrowing was contracted at *fixed rates*, although the proportion of variable-rate operations grew sharply, contrary to the trend on the international market in 1990.

In the OECD area the Community is in fourth position in terms of volume of borrowing, after Japan, the United Kingdom and France.

TABLE 1: Issues on the international market

	(ECU billion)						
	1985	1986	1987	1988	1989	1990	1991
1. OECD countries	163.2	182.7	115.8	145.7	185.1	129.5	185.8
2. Community							
2.1 ECSC	1.3	1.5	1.5	0.9	0.9	1.1	1.5
2.2 EEC (a)	3.6	1.4	1.5	1.6	0.5	0.4	1.7
2.3 Euratom	0.3	0.5	0.9	0.1	—	—	—
2.4 EIB	5.7	6.8	5.6	7.7	9.0	11.0	13.7
2.5 Total (1 to 4)	10.9	10.2	9.5	10.3	10.4	12.5	16.9
2.6 = 2.5 as % of 1	6.7	5.6	8.2	7.1	5.6	9.7	9.1
3. Breakdown by currency							
3.1 Dollar	126.8	120.0	50.7	63.0	106.7	55.1	62.4
3.2 Yen	8.6	18.8	19.7	13.5	14.0	17.9	29.0
3.3 ECU	9.0	7.2	6.5	9.5	11.4	14.1	25.7
3.4 Dollar as % of 1	77.7	65.7	43.8	43.2	57.6	42.5	33.6
3.5 Yen as % of 1	5.3	10.3	17.0	9.3	7.6	13.8	15.6
3.6 ECU as % of 1	5.5	3.9	5.6	6.5	6.2	10.9	13.8

(a) NCI + balance of payments.

Source: OECD and EEC.

2. LENDING WITHIN THE COMMUNITY

- 2.1. In 1991 *gross investment in the Community* grew in value terms by only 4%. In volume terms, it even declined by 0.5% on average, with more marked falls in Greece (−1.2%), Denmark (−1.9%) and the United Kingdom (−12.8%) (unified Germany being one of the rare exceptions with +6.6%). Furthermore, given the uncertain outlook for profits and interest rates, firms tended to finance their activities through their own resources and to limit their indebtedness. The fall-off in credit market activity reflected in a 9% reduction in international bank lending — affected most financial institutions to varying degrees. However, those institutions which had embarked

TABLE 2: Structure of EIB lending (loan contracts signed) — Geographical distribution

	1987		1990		1991	
	ECU million	%	ECU million	%	ECU million	%
Belgium	37.1	0.5	206.3	1.5	115.6	0.8
Denmark	315.3	4.0	564.7	4.2	538.6	3.5
Germany	276.5	3.5	863.5	6.4	1,300.1	8.5
Greece	164.8	2.1	176.3	1.3	366.9	2.4
Spain	707.4	9.0	1,942.0	14.5	2,342.5	15.3
France	1,006.5	12.8	1,684.6	12.6	1,924.4	12.5
Ireland	178.6	2.3	217.7	1.6	237.0	1.5
Italy	3,112.2	39.7	3,855.7	28.8	4,000.7	26.1
Luxembourg	1.6	0.0	11.8	0.1	28.6	0.2
Netherlands	18.0	0.2	245.3	1.8	175.4	1.1
Portugal	389.9	5.0	794.7	5.9	1,002.1	6.5
United Kingdom	1,133.7	14.5	1,892.8	14.1	2,090.5	13.6
Other (Article 18)	108.7	1.4	225.1	1.7	300.4	2.0
Community total	7,450.3	95.0	12,680.5	94.7	14,422.8	94.0
ACP-OCT	349.4	4.5	153.4	1.1	389.5	2.5
Mediterranean	42.8	0.5	344.5	2.6	241.5	1.6
CEEC		0.0	215.0	1.6	285.0	1.9
Non-Community total	392.2	5.0	712.9	5.3	916.0	6.0
TOTAL LOANS SIGNED	7,842.5	100.0	13,393.4	100.0	15,338.8	100.0

on sectoral development or conversion programmes and had accumulated financing requests over previous periods continued and, in some cases, even increased their normal rate of activity.

- 2.2. These latter factors explain why *Community lending* remained very buoyant in 1991: loans totalled ECU 17.5 billion, an increase of 25.3% on 1990. The EIB and the ECSC were responsible for the bulk of lending, with only one loan being granted from the balance available under NCI IV and with no Euratom operation taking place.

- 2.3. *Loans signed by the EIB* within the Community totalled ECU 14.4 billion in 1991, compared with ECU 12.6 billion in 1990. This increase (14.1% compared with 9.5% in 1990) is due to the Bank's excellent credit rating and its ability to offer a range of currencies and maturities on the best terms. The bulk of the loans financed specific projects, while about a quarter were allocated, as in 1990, to global loans.

The financing activity undertaken with the aim of achieving *Community policy objectives* was marked by a further increase in assistance for regional development and transport and telecommunications infrastructure of Community interest and by a sharp upturn in operations designed to help achieve the Community's energy objectives. There was a decline in the amount of financial assistance provided for projects aimed at protecting the environment. More than nine tenths of the aid for regional development was located in regions in which the activity of the Community structural Funds is concentrated.

A *sectoral analysis* of the EIB's activities shows a decline in lending to industry in line with the general economic situation; loans to small and medium-sized firms, by contrast, registered a further increase.

The *breakdown of loans by country* would appear to be less concentrated than in the past: Italy's share has tended to fall, while that of Spain and Portugal has increased since accession and that of Germany has risen owing to unification.

- 2.4. *ECSC lending* totalled ECU 1.4 billion last year, equivalent to an increase of 39.2% on 1990.

Restructuring needs in declining areas (Objective 2 of the reform of the structural Funds) are an important sphere of activity for the Community, which makes wide use of the ECSC instrument (Article 56). Demand for loans was also bolstered by the attractive interest subsidy (3%) linked to job creation, this type of loan having grown sharply last year.

But non-subsidized loans also increased in volume. This was due both to the borrowing requirements in the sector and to the excellent interest-rate terms the ECSC is able to offer. The loans in question were used to finance steel investment projects in Italy and Germany (Article 54, first paragraph). They also helped to finance large-scale infrastructure projects of European interest, particularly in Germany, Belgium and Spain.

TABLE 3: ECSC loans in 1991

(ECU million)

	Article 54			Article 56			Art. 54 and 56		
	Total	Obj. 1	Obj. 2	Total	Obj. 1	Obj. 2	Total	Obj. 1	Obj. 2
Italy	63.89	—	56.77	59.90	—	41.38	123.79	—	98.15
France	14.25	—	14.25	92.93	—	56.37	107.18	—	70.62
Denmark	—	—	—	—	—	—	—	—	—
Portugal	—	—	—	—	—	—	—	—	—
Netherlands	41.39	—	—	—	—	—	41.39	—	—
Germany	130.19	—	66.80	343.28	4.25(*)	212.69	473.47	4.25	279.49
United Kingdom	61.76	—	42.99	259.90	—	202.21	321.66	—	245.20
Spain	102.95	45.50	57.45	65.28	53.98	11.30	168.23	99.48	68.75
Belgium	90.63	—	66.78	29.37	—	20.98	120.00	—	87.76
Luxembourg	—	—	—	8.82	—	—	8.82	—	—
Total	505.06	45.50	305.04	859.48	58.23	544.93	1,364.54	103.73	849.97

(*) New Länder.

The recent adoption of the procedures for coordinating loans and rebates (ECSC/ERDF) ⁽¹⁾ should lead to an increase in funding for firms, and particularly small and medium-sized firms in the assisted regions.

- 2.5. As the Council has not yet acted on the Commission's proposal for the NCI to be converted into a revolving fund, only a limited number of operations can be financed from *NCI resources*. A single global loan of ECU 39.2 million was agreed for Spain. Credit payments in respect of existing and new loans amounted to ECU 71 million, with ECU 25.8 million going to France, ECU 23.6 million to Belgium, ECU 12 million to the United Kingdom, ECU 8.9 million to Spain and ECU 0.6 million to Italy. At 31 December 1991 loans signed under the four

tranches authorized by the Council, including the special NCI and EIB 'earthquake' measures (see footnote 3 on page 1), totalled ECU 6.583 billion out of the ECU 6.830 billion authorized, leaving a balance of ECU 247 million.

- 2.6. The facility providing *medium-term financial assistance* for Member States' balances of payments, which serves to back up their recovery efforts, was used in 1991 to help Greece. Under the terms of Council Decision 91/136/EEC, a single operation was carried out to this effect. This consisted of an initial instalment of ECU 1 billion paid in March 1991 out of a total aid package of ECU 2.2 billion. The loan was made for a period of six years; half is covered by borrowing in ecus at a fixed rate of 9.25% and half by borrowing in ecus and German marks at a variable rate of 9.75%. Greece has not yet requested payment of the remaining instalments of the loan.

(1) OJ No C 59 of 6 March 1992.

TABLE 4: NCI loans at 31 December 1991

(ECU million)

Financial agreements	NCI I	Reconstr. Italy	Reconstr. Greece	NCI II	NCI III	NCI IV	Total
Global loans (*)	—	—	—	406.75	2,137.98	692.46	3,237.19
Productivity sector (*)	5.37	—	—	10.55	—	—	15.92
Infrastructure	538.50	608.77	80.00	279.44	465.26	—	1,971.97
Energy	446.67	—	—	300.80	258.34	—	1,005.81
Total contracts signed, net (**)	990.54	608.77	80.00	997.54	2,861.58	692.46	6,230.89
EIB loans (own resources)	—	351.62	—	—	—	—	351.62
Authorized ceilings	1,000.00	1,000.00	80.00	1,000.00	3,000.00	750.00	6,830.00
Balance	9.46	39.61	0.00	2.46	138.42	57.54	247.49

(*) Industry and agriculture.

(**) Contracts signed less cancellations.

3. LENDING OUTSIDE THE COMMUNITY

This activity involves those countries with which the Community has concluded cooperation agreements. An increasing volume of resources is being provided in forms appropriate to the specific circumstances of the countries in question.

- 3.1. In the context of the support for the adjustment and reform programmes of the *Central and Eastern European countries (CEEC)*, the Community decided to step up its macroeconomic assistance in the form of balance-of-payments support loans. Loans of this type, with a maximum duration of seven years and subject to stabilization and structural reform conditions, were granted to Czechoslovakia (ECU 375 million), to Bulgaria (ECU 290 million), to Romania (ECU 375 million) and again to Hungary (ECU 180 million), i.e. a total of ECU 1.22 billion. These loans were modelled on the loan granted to Hungary in 1990 (ECU 870 million).

In 1991 the actual payments made in respect of the first instalments of these loans totalled ECU 625 million (Czechoslovakia: ECU 185 million; Bulgaria: ECU 150 million; Romania: ECU 190 million; Hungary: ECU 100 million). In addition, Hungary was paid the second instalment of the first loan made to it (ECU 260 million). The second instalments of the loans granted in 1991 were released at the beginning of 1992.

- 3.2. Applying the same criteria as for the assistance provided for the CEEC countries, the Community decided in 1991 to grant a *medium-term loan to Algeria* (ECU 400 million), the first tranche (ECU 250 million) being paid at the end of the year. Loans not tied by economic-policy conditions were granted to *Israel* (ECU 160 million) and to *Turkey* (ECU 175 million) in the context of aid to countries adversely affected by the Gulf War. The loan to Israel was paid out in a single tranche and was accompanied by an interest subsidy totalling ECU 27.5 million. Exceptionally, the loan to Turkey, which was for ten years and interest-free, was financed from budget appropriations.

- 3.3. Finally, the Council decided in December, on a proposal from the Commission, to grant the *republics of the former Soviet Union* assistance amounting to ECU 1.25 billion in the form of loans to enable them to import agricultural and food products and medical supplies from the Community and the CEEC. While this operation has been held up by the fact that the USSR no longer formally exists, the Commission intends to complete it in the early part of 1992 on the basis of a series of bilateral agreements with the various independent states created from the former USSR.

Through these operations the Community has made use of its creditworthiness to borrow funds for on-lending to the recipient countries. Those countries have thus been given access, through the Community, to international

financial markets on the especially favourable terms reserved for it. Without Community intervention those countries could not have benefited in this way and, in some cases, would not even have been able to gain access to such financing.

- 3.4. The *EIB* is also active in three geographical areas outside the Community: the African, Caribbean and Pacific countries and the Overseas Countries and Territories (ACP-OCT), the countries of the Mediterranean basin, and the Central and Eastern European countries (CEEC). In 1991 the assistance it provided amounted to ECU 916 million: ECU 781.5 million of loans from own resources and ECU 134.5 million from budgetary resources under mandate and, on the Community's behalf, for risk-capital operations.

This activity, which accounts for 6% of the EIB's funding operations, has grown owing to implementation of the Fourth Lomé Convention, which has given a fresh boost to assistance in the ACP-OCT countries, and owing to the development of activity in Central and Eastern Europe.

TABLE 5: Financing outside the Community in 1991

(ECU million)

	EC and EDF budgetary resources ⁽¹⁾	EIB own resources	Financial support for countries ⁽²⁾	Total
ACP-OCT	120.0	269.5	—	389.5
Mediterranean	14.5	227.0	735.0	976.5
CEEC ⁽³⁾	—	285.0	2,470.0	2,755.0
Total	134.5	781.5	3,205.0	4,121.0

⁽¹⁾ Granted and managed by the EIB out of the budgetary resources of the EC or the EDF.

⁽²⁾ Balance-of-payments loans granted and managed by the Commission.

⁽³⁾ Central and Eastern European countries.

- 3.5. On 5 March 1990 the Community decided to make *ECSC loans* available for financing industrial investment projects in Poland and Hungary up to a ceiling of ECU 200 million. Since 1991 that decision has also applied to Czechoslovakia, Bulgaria and Romania.

These loans are structural in nature and are granted to enterprises in those countries which carry out investment projects in the coal or steel industry in conjunction with Community enterprises.

- 3.6. It should also be pointed out that the Community in its own right, the EIB and the Member States are majority shareholders in the *EBRD*; in this context, the Community is lending indirectly to the CEEC and to the countries of the former Soviet Union.

At the end of 1991 the EBRD approved a series of loans totalling ECU 394 million, together with participating interests worth ECU 34 million in enterprises in those countries. However, loan contracts were signed for only a very small proportion of this amount in 1991.

4. BUDGETARY IMPACT OF LENDING

The Community's general budget is affected by lending activity where loans are accompanied by interest subsidies and/or budget guarantees.

4.1. Interest subsidies

Interest subsidies (see Table 7 in the Annex) generally lag behind loans. The pace of subsidized lending within the ECSC framework has picked up again over the last two years thanks to the coordination of activities with other Community instruments, and particularly through the link established with the RECHAR programme.

The impact on the payment of subsidies did not materialize until 1991. Subsidies totalled ECU 69.7 million, compared with ECU 65 million in 1990 (see Table 7 in the Annex). Given the rate of current commitments, this trend should intensify.

4.2. Budget guarantees

4.2.1. Coverage

All the outstanding *borrowing contracted by the Community* to finance loans managed by the Commission (Euratom, NCI, balance of payments) is guaranteed by the general budget.

Loans which the EIB grants to non-Community countries from its own resources in pursuit of the Community's policy of providing financial assistance for development are covered by a guarantee agreement. The guarantees are provided by Member States for loans in ACP countries and by the Community for those in Mediterranean and Central and Eastern European countries.

Details of the Community budget guarantees provided in this connection are as follows:

- (i) EIB loans to Mediterranean countries: 75% of the outstanding loans to these countries are covered; if the loans granted to Greece, Spain and Portugal prior to their accession to the Community are included, outstanding loans totalling ECU 2.069 billion were covered by the guarantee arrangements at the end of 1991, with the ceiling on assistance set at ECU 4.5 billion;
- (ii) EIB loans to the CEEC: on 31 December 1991 the Bank had made available ECU 500 million in loans to three of the five Central and Eastern European countries (part of a medium-term package of ECU 1.7 billion). The guarantee will take effect from the date the loan contracts are signed.

The Community has decided to guarantee the *loan granted to Russia* by a banking syndicate for financing the importation of agricultural and food products from the Community and the Central European countries. The guarantee is subject to a ceiling of ECU 500 million and covers 98% of the amount involved.

4.2.2. Outstanding guarantees at 31 December 1991

At the end of 1991 the outstanding guarantees provided by the Community budget broke down as follows:

- (i) ECU 8.777 billion within the Community;
- (ii) ECU 2.66 billion for non-Community countries.

The total of ECU 11.437 billion shows an increase largely because of the commitments undertaken regarding non-Community countries, which have risen from 17.2% to 23.3% of this total figure.

The annual risk covered by the general budget concerns the repayment of the debt (interest and principal). It is estimated that this risk will increase from ECU 2.86 billion in 1992 to ECU 3.269 billion in 1993 before declining again to ECU 1.828 billion by 1996.

This guarantee has in practice been invoked only very rarely (e.g. Syria and the Lebanon, although repayment was largely effected). It is nevertheless clear that the amounts and associated risks are increasing. The Commission has therefore begun discussions with the Member States about better ways of dealing with this situation in future.

TABLE 6: Capital outstanding on amounts disbursed
(at 31 December 1991)

(ECU million)

Operation	Amount ceiling	Amount outstanding at 31 Dec. 1991
<i>Member States</i>		
A. Balance of payments	14,000	—
1. France	—	—
2. Greece I	—	1,468
3. Greece II 1	—	1,000
B. Other	—	—
4. Euratom	4,000	1,564
5. NCI (including earthquake reconstr.)	6,830	4,016
6. EIB Mediterranean (S, GR, P)	1,500	729
<i>Non-Community countries</i>		
A. Financial assistance	870	—
1. Hungary I 1	—	350
Hungary I 2	—	260
2. Hungary II 1 Ungarn II 1	180	100
3. Czechoslovakia 1	375	185
4. Bulgaria 1	290	150
5. Algeria 1	400	247
B. Other	—	—
6. EIB Mediterranean (old protocols)	3,022	1,340
7. EIB CEEC	1,700	28
TOTAL	33,167	11,437
of which: intra-EC	26,330	8,777
of which: extra-EC	6,837	2,660

TABLE 1: Trend of borrowing and lending in the Community

	<i>(ECU million)</i> <i>(ECU rate at year-end)</i>											
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
I. Borrowing												
ECSC	1,004	325	712	750	822	1,265	1,517	1,487	880	913	1,086	1,446
Balance of payments ⁽³⁾	—	—	—	4,247	—	—	862	860	—	—	350	1,695
Euratom	181	373	363	369	214	344	488	853	93	—	—	—
NCI	305	339	773	1,617	967	860	541	611	945	522	76	49
Total Commission	1,490	1,037	1,848	6,938	2,003	2,469	3,408	3,811	1,918	1,435	1,512	3,190
EIB ⁽¹⁾	2,384	2,243	3,146	3,508	4,339	5,699	6,786	5,593	7,666	9,034	10,996	13,672
Total EC	3,874	3,280	4,994	10,941	6,342	8,168	10,194	9,404	9,584	10,469	12,508	16,862
II. Lending												
ECSC	1,031	388	740	778	825	1,010	1,069	969	908	700	993	1,382
Balance of payments ⁽³⁾	—	—	—	4,247	—	—	862	860	—	—	350	1,695
Euratom	181	357	362	366	186	211	443	314	—	—	—	—
NCI	197	540	791	1,200	1,182	884	393	425	357	78	24	39
Total Commission	1,409	1,285	1,893	6,591	2,193	2,105	2,767	2,568	1,265	778	1,367	3,116
EIB ⁽²⁾	2,724	2,524	3,446	4,146	5,007	5,641	6,678	6,967	8,844	11,507	12,605	14,384
Total EC	4,133	3,809	5,339	10,737	7,200	7,746	9,445	9,535	10,109	12,285	13,972	17,500

Note: The differences between total borrowing and lending by the Commission are due to borrowing operations undertaken for refinancing purposes and to changes in the balance of loans not assigned by the end of the year.

The differences between borrowing and lending by the EIB are due to the fact that EIB lending operations are financed both from borrowings and from the Bank's own resources.

⁽¹⁾ Total resources raised.

⁽²⁾ Loans signed out of own resources, no account being taken of the guarantees provided by the EIB to promoters (ECU 52.5 million in 1990) or of operations financed out of NCI resources.

⁽³⁾ Mechanism for providing financial support for Member States and assistance for non-member countries.

TABLE 2: Community borrowings outstanding (at year-end) ⁽¹⁾ ⁽²⁾

	<i>(ECU million)</i>						
	ECSC	EIB	Euratom	NCI	Sub-total	Balance of pay. borrowings	Total borrowing
1980	5,406	10,604	502	491	17,003	1,016	18,019
1981	5,884	13,482	902	894	21,162	1,062	22,224
1982	6,178	16,570	1,272	1,747	25,767	591	23,358
1983	6,539	20,749	1,680	3,269	32,237	4,610	36,847
1984	7,119	25,007	1,892	4,432	38,450	4,932	43,382
1985	7,034	26,736	2,013	4,960	40,743	3,236	43,979
1986	6,761	30,271	2,168	5,202	44,402	1,890	46,292
1987	6,689	31,957	2,500	5,229	46,375	2,997	49,372
1988	6,825	36,928	2,164	5,514	51,431	2,459	53,890
1989 ⁽³⁾	6,738	42,330	1,945	5,122	56,135	2,075	58,210
1990 ⁽³⁾	6,673	48,459	1,687	4,542	61,361	2,045 ⁽⁴⁾	63,406
1991 ⁽³⁾	7,139	58,893	1,563	3,817	71,412	3,516 ⁽⁴⁾	74,928

⁽¹⁾ The conversion rates used were those obtaining on 31 December of each year. As the majority of borrowings are denominated in national currencies, the difference between two year-ends reflects, on the one hand, changes in the valuation of the existing stock and, on the other, the net volume of borrowings during the year.

⁽²⁾ Original amount of borrowings, plus or minus repayments of the principal, cancellations, annuities and exchange-rate adjustments.

⁽³⁾ Including short term (new EIB approach).

⁽⁴⁾ Balance of payments and financial assistance for States.

TABLE 3: Community borrowings in 1991, by currency

(ECU million)

	BEI	Euratom	ECSC	NCI	Balance of payments ⁽¹⁾	Total borrowing	as % 1991	as % 1990
ECU	2,500	—	40	—	1,695	4,235	25.1	14.5
BFR	166	—	11	—	—	177	1.0	2.9
DM	1,198	—	507	—	—	1,705	10.1	10.8
ESC	250	—	—	—	—	250	1.5	1.2
FF	1,378	—	—	—	—	1,378	8.2	9.5
HFL	369	—	—	—	—	369	2.2	4.4
IRL	—	—	—	—	—	—	—	—
LFR	24	—	17	—	—	41	0.2	0.9
LIT	1,466	—	568	—	—	2,034	12.1	9.7
PTA	813	—	127	—	—	940	5.6	6.1
UKL	1,837	—	68	—	—	1,905	11.3	11.6
Sub-total	10,001	—	1,340	—	1,695	13,036	77.3	71.7
SFR	782	—	41	—	—	823	4.9	7.9
USD	2,262	—	67	49	—	2,378	14.1	14.0
YEN	627	—	—	—	—	627	3.7	6.3
Sub-total	3,761	—	108	49	—	3,918	23.2	28.3
TOTAL	13,672	—	1,446	49	1,695	16,862	100.0	100.0

⁽¹⁾ Balance of payments and financial assistance for non-member countries.

TABLE 4: Lending in the Community in 1990 and 1991, by sector and instrument

(ECU million)

	ECSC		EIB ⁽¹⁾		Euratom		NCI ⁽¹⁾		Total		% of total	
	1991	1990	1991	1990	1991	1990	1991	1990	1991	1990	1991	1990
Productive sector	1,239.4	953.6	4,511.5	4,559.5	—	—	71.0	71.5	5,821.9	5,584.6	37.6	42.2
of which: allocations from global loans	689.1	614.0	2,445.4	2,280.1	—	—	71.0	71.5	3,205.5	2,965.6	20.7	22.4
Infrastructure	514.0	10.1	5,971.3	6,032.8	—	—	—	—	6,485.3	6,042.9	41.8	45.6
of which: allocations from global loans	—	—	367.7	432.3	—	—	—	—	367.7	432.3	2.4	3.3
Energy	91.4	30.1	3,101.7	1,581.9	—	—	—	—	3,193.1	1,612.0	20.6	12.2
of which: allocations from global loans	—	—	106.8	76.9	—	—	—	—	106.8	76.9	0.7	0.6
TOTAL	1,844.8	993.8	13,584.5	12,174.2	—	—	71.0	71.5	15,500.3	13,239.5	100.0	100.0

⁽¹⁾ Financing granted (individual loans and allocations from global loans).

TABLE 5: Financing in the Community by the EIB in 1991, by economic objective

	1991		1990	
	ECU million	%	ECU million	%
1. Regional development	8,491.6	100.0	7,439.5	100.0
1.1 <i>By country</i>				
Belgium	64.5	0.8	57.2	0.8
Denmark	191.4	2.3	284.1	3.8
Germany	475.8	5.6	410.2	5.5
Greece	166.5	2.0	157.3	2.1
Spain	1,825.4	21.5	1,006.8	13.5
France	1,233.5	14.5	1,125.6	15.1
Ireland	250.0	2.9	197.0	2.6
Italy	2,557.5	30.1	2,360.4	31.7
Luxembourg	—	0.0	11.8	0.2
Netherlands	58.4	0.7	39.6	0.5
Portugal	962.3	11.3	829.1	11.1
United Kingdom	706.3	8.3	960.5	12.9
1.2 <i>By major sector</i>				
Energy	1,362.8	16.0	794.8	10.7
Transport	1,942.4	22.9	1,685.2	22.7
Telecommunications	592.0	18.7	1,574.9	21.2
Water, sewerage	60.8	7.8	719.4	9.7
Other infrastructure	09.1	2.5	180.1	2.4
Industry, agriculture	316.1	27.3	2,169.3	29.2
Services	408.4	4.8	315.7	4.2
2. Infrastructure of Community interest	3,802.7	100.0	3,117.1	100.0
2.1 <i>Transport</i>	1,778.9	46.8	1,775.3	57.0
2.2 <i>Telecommunications</i>	1,882.3	49.5	1,335.5	42.8
2.3 <i>Other</i>	141.5	3.7	6.3	0.2
3. Environmental protection and improvement	1,888.0	100.0	2,196.2	100.0
3.1 <i>Environment</i>	1,686.2	89.3	1,932.9	88.0
3.2 <i>Town planning</i>	201.8	10.7	263.3	12.0
4. Energy	2,742.7	100.0	1,476.9	100.0
4.1 <i>Indigenous resources</i>	1,405.6	51.2	666.5	45.1
4.2 <i>Import diversification</i>	503.8	18.4	313.5	21.2
4.3 <i>Efficient use of energy</i>	833.3	30.4	497.0	33.7
5. Industrial competitiveness	3,331.6	100.0	3,736.3	100.0
		Number		Number
of which: small and medium-sized enterprises ⁽¹⁾	2,354.0	9,548	1,975.6	7,447

⁽¹⁾ Including allocations on NCI global loans.

N.B.: As some loans serve a number of purposes simultaneously, the amounts shown under the different headings cannot be aggregated.

TABLE 6: Geographical breakdown of lending⁽¹⁾ in the Community in 1990 and 1991

(ECU million)

1991	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK	Art. 18 ⁽²⁾	Total
Amount	236.4	538.6	1,777.0	1,367.1	2,512.3	2,034.1	237.0	4,125.3	37.7	216.8	1,002.1	2,420.2	300.4	16,805.0
%	1.4	3.2	10.6	8.1	14.9	12.1	1.4	24.5	0.2	1.3	6.0	14.4	1.8	100.0
of which:														
ECSC	120.8	—	476.9	0.2	169.8	109.7	—	124.6	9.1	41.4	—	329.7	—	1,382.2
EIB	115.6	538.6	1,300.1	366.9	2,303.3	1,924.4	237.0	4,000.7	28.6	175.4	1,002.1	2,090.5	300.4	14,383.6
Euratom	—	—	—	—	—	—	—	—	—	—	—	—	—	—
NCI	—	—	—	—	39.2	—	—	—	—	—	—	—	—	39.2
Balance of payments	—	—	—	1,000.0	—	—	—	—	—	—	—	—	—	1,000.0
1990	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK	Art. 18 ⁽²⁾	Total
Amount	224.0	570.8	1,054.8	176.3	2,069.5	1,834.8	217.7	3,990.1	14.2	245.3	862.0	2,189.7	225.1	13,674.3
%	1.6	4.2	7.7	1.3	15.1	13.4	1.6	29.2	0.1	1.8	6.3	16.0	1.6	100.0
of which:														
ECSC	17.7	6.1	191.3	—	127.5	150.2	—	134.3	2.4	—	67.3	296.9	—	993.8
EIB	182.7	564.7	863.5	176.3	1,942.0	1,684.6	217.7	3,855.7	11.8	245.3	794.7	1,892.8	225.1	12,626.9
Euratom	—	—	—	—	—	—	—	—	—	—	—	—	—	—
NCI	23.6	—	—	—	—	—	—	—	—	—	—	—	—	23.6

⁽¹⁾ Loans granted.⁽²⁾ Community projects that cannot be located in a particular Member State (e.g. telecommunication cables and satellites, North Sea oil).

TABLE 7: Interest subsidies paid out in the Community by the various Community mechanisms, 1977-1977

(ECU million)

Year	Non-discounted systems ⁽¹⁾				Discounted systems ⁽²⁾	
	ECSC Art. 54 (restruct.)	ECSC Art. 56 (convers.)	Employment in Portugal	Earthquake reconstr.	EMS	ERDF
1977	1.3	2.7	—	—	—	—
1978	9.8	16.5	—	—	—	—
1979	10.4	8.0	—	—	200.0	12.1
1980	25.7	33.4	—	—	197.0	—
1981	7.6	6.3	—	—	193.2	—
1982	10.5	19.3	—	3.0	209.8	—
1983	4.0	7.1	—	14.4	200.0	—
1984	6.2	34.0	—	24.4	—	—
1985	3.6	74.9	—	28.4	—	—
1986	5.9	33.1	—	28.6	—	—
1987	2.4	35.6	4.0	28.6	—	—
1988	3.0	38.6	3.9	27.8	—	—
1989	2.6	42.5	—	26.6	—	—
1990	1.3	40.6	—	23.1	—	—
1991	1.0	48.6	—	20.1	—	—

⁽¹⁾ Interest subsidies spread over time and charged to the funds set aside for this purpose in the annual budgets.⁽²⁾ Interest subsidies paid by the Commission after discounting to a present value, and charged to the budget as a single sum in the initial year.

TABLE 8: Loans and financial assistance outside the Community in force or under negotiation at 1 February 1992

(ECU million)

Agreement	Duration	Loans from EIB own resources ⁽¹⁾	Loans from budgetary res.		Financial assistance ⁽³⁾	Total	
			Risk capital operations ⁽²⁾	Non-repayable aid ⁽³⁾			
ACP States-OCT							
ACP	Fourth Lomé Convention	1990-1995	1,200	825	9,975 ⁽⁴⁾	—	12,000
OCT	Council Decision	1990-1995	25	25	115 ⁽⁴⁾	—	165
Mediterr. countries ⁽⁵⁾							
Yugoslavia	taken entry		—	—	—	—	—
Turkey	Fourth Financial Protocol Not yet in force		225	—	50	—	600 ⁽⁶⁾
Algeria			280	18	52	400	750
Morocco	Fourth Financial Protocols	1991-1996	220	25	193	—	438
Tunisie			168	15	101	—	284
Egypt			310	16	242	—	568
Jordan	Fourth Financial Protocols	1991-1996	80	2	44	—	126
Lebanon			45	2	22	—	69
Syria			115	2	41	—	158
Israel	Fourth Financial Protocol	1991-1996	82	—	—	160	242
Malta	Third Financial Protocol	1988-1993	23	2.5	12.5	—	38
Cyprus	Third Financial Protocol	1988-1993	44	5	13	—	62
'Non-protocol' horizontal financial cooperation	Not yet in force	1992-1996	1,800	25	205 ⁽⁷⁾	—	2,030
CEEC ⁽⁸⁾							
Poland/Hungary		1988-1993	1,000	—	—	1,050 ⁽⁹⁾	2,050
Czechoslovakia/Bulgaria/Romania		1988-1993	700	—	—	1,040 ⁽⁹⁾	1,740
Former USSR		1991-1998	—	—	—	1,250	1,250

(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 general budget of the European Communities in the case of projects in certain Mediterranean countries. The necessary amounts for the interest subsidies are charged to non-repayable aid.

(2) Granted and managed by the EIB.

(3) Granted and managed by the Commission.

(4) Including amounts intended for interest subsidies on EIB loans.

(5) The amounts available under the previous financial protocols may be used at the same time, whether that involves all of the sums earmarked (Lebanon, Syria) or residual amounts.

(6) Including ECU 325 million of loans from budgetary resources on special conditions.

(7) Including some 100 million of interest subsidies for EIB loans in the environmental sector.

(8) Budget appropriations earmarked by the Commission (PHARE) and totalling ECU 2.27 billion for the period 1991-1992.

(9) For a maximum period of 7 years.

B. COMMISSION REPORT TO THE COUNCIL AND TO PARLIAMENT

on the rate of utilization of the New Community Instrument (NCI) (half-year from 1 July 1991 to 31 December 1991)

1. Introduction

Council Decisions 83/200/EEC (Article 6) and 87/182/EEC (Article 8(a)) on the financing of the NCI provide for the Commission to draw up a six-monthly report on the rate of utilization of the tranches of NCI III and IV.

The present report covers the period from 1 July 1991 to 31 December 1991.

2. Overall situation at 31 December 1991

The different legal bases determine the method of assessing the amount of loans signed in relation to the maximum authorized borrowing:

- (i) for NCI III, the volume of loans is lower than that of borrowings in order to take account of the currencies borrowed and the associated costs and expenses;
- (ii) for NCI IV, the ceiling applies to the loans signed.

At the end of 1991 the situation regarding the use of the tranches for which a six-monthly report has to be drawn up was as follows (in ECU million):

Rate of utilization of the NCI on 31.12.1991

(in ECU million)

	Ceiling	Amounts used	Balance
NCI III	3,000	2,862	133 (*)
NCI IV	750	693	57

(*) The special borrowing of ECU 100 million for European innovation projects has not yet been authorized by the Council.

The borrowing operations carried out in the six months under review for financing NCI activities are shown, by currency used, in Annex 2(B).

3. Breakdown of loans by country and sector

The table below provides an overall view of loans signed, converted into 'borrowing equivalents', at 31 December 1991. The loans in the various currencies have been converted into ecus at the exchange rate in force on the last working day of the quarter preceding the signing of the contract.

Distribution of loans by country at 31 December 1991

As they are nearing exhaustion, the resources available under the NCI can no longer change the breakdown by country and sector. The rise in the proportion of loans going to Spain under NCI IV is nevertheless noticeable.

This tranche is of interest because of its special features, such as the options of converting loans into risk capital, using loans to finance the purchase of intangible assets and deferring interest payments.

Distribution of loans by country at 31.12.1991

(ECU million)

Country	NCI I	NCI II	NCI III	NCI IV	NCI Reconstruction	Total	%
Belgium	—	—	—	23.58	—	23.58	0.38
Denmark	66.75	100.59	302.97	63.22	—	533.53	8.56
Greece	—	114.92	111.22	—	80.00	306.14	4.91
Spain	—	—	69.21	131.97	—	201.18	3.23
France	70.02	124.97	938.71	72.32	—	1,206.02	19.36
Ireland	238.98	116.59	68.44	—	—	424.01	6.80
Italy	479.94	473.41	1,228.54	285.73	608.77	3,076.39	49.37
Netherlands	—	—	3.22	—	—	3.22	0.05
Portugal	—	—	29.93	9.91	—	39.84	0.64
United Kingdom	134.85	67.05	109.33	105.72	—	416.95	6.69
Total	990.54	997.53	2,861.57	692.45	688.77	6,230.86	100.00
Sector	Productive sector		Infrastructure		Energy		Total
NCI III	52.80 %		26.46 %		20.74 %		100.00 %
NCI IV	100.00 %						100.00 %

Annex 1

NCI IV LOANS
CEILING: ECU 750 MILLION ⁽¹⁾
(Situation at 31.12.1991)

Ref.	Project description (2)	Date of contract	ECU million (3)	Breakdown by country, in ECU million (3)						
				B	DK	E	F	I	P	UK
I. LOANS SIGNED										
64/87	FIH (Small Business) PG-VI/A	15.09.87	31.80		31.80					
64/87	FIH (Small Business) PG-VI/B	24.05.88	31.43		31.43					
68/87	BNL - PMI V/A	12.10.87	18.68					18.68		
68/87	BNL - PMI V/B	12.10.87	8.01					8.01		
69/87	IMI - PMI V/A	31.07.87	37.29					37.29		
69/87	IMI - PMI V/B	31.07.87	15.98					15.98		
70/87	MEDIOCR. CENTR. - PMI IV/A	15.09.87	6.19					6.19		
70/87	MEDIOCR. CENTR. - PMI IV/B	10.12.87	5.88					5.88		
70/87	MEDIOCR. CENTR. - PMI IV/C	03.02.88	4.81					4.81		
70/87	MEDIOCR. CENTR. - PMI IV/D	16.03.88	3.27					3.27		
70/87	MEDIOCR. CENTR. - PMI IV/E	23.06.88	18.98					18.98		
71/87	INTERBANCA - PMI IV/A	07.10.87	9.34					9.34		
71/87	INTERBANCA - PMI IV/B	07.10.87	4.00					4.00		
73/87	BPI - PG V	22.07.87	9.91						9.91	
105/87	CENTROBANCA - PMI IV/A	11.12.87	9.34					9.34		
105/87	CENTROBANCA - PMI IV/B	11.12.87	4.00					4.00		
106/87	SAN PAOLO Agroindustria II	05.11.87	13.34					13.34		
107/87	CREDIOP - PMI I/A	18.12.87	4.67					4.67		
107/87	CREDIOP - PMI I/B	18.12.87	2.00					2.00		
108/87	BANCO DI NAPOLI - PMI A	18.12.87	4.60					4.60		
108/87	BANCO DI NAPOLI - PMI B	18.12.87	1.97					1.97		
110/87	B° DE SANTANDER - PYME	24.07.87	20.19			20.19				
121/87	B° DE BILBAO - PYME	23.07.87	31.64			31.64				
148/87	EFIBANCA - PMI IV/A	17.12.87	4.67					4.67		
148/87	EFIBANCA - PMI IV/B	17.12.87	2.00					2.00		
148/87	EFIBANCA - PMI IV/C	24.06.88	4.55					4.55		
148/87	EFIBANCA - PMI IV/D	24.06.88	1.95					1.95		
206/87	B° DE VIZCAYA - PYME A	17.12.87	9.37			9.37				
206/87	B° DE VIZCAYA - PYME B	30.11.88	8.60			8.60				
207/87	B° ESPANOL DE CREDITO - PYME A	18.12.87	12.04			12.04				
207/87	B° ESPANOL DE CREDITO - PYME B	18.11.88	10.94			10.94				
231/87	CREDIT NATIONAL - PMI III	05.02.88	20.00				20.00			
64/88	INVESTORS IN INDUSTRY - GROUPED LOAN V	28.12.88	30.54							30.54
101/88	EFIBANCA - PMI V/A	05.10.88	4.53					4.53		
101/88	EFIBANCA - PMI V/B	05.10.88	1.94					1.94		
101/88	EFIBANCA - PMI V/C	16.01.89	4.57					4.57		
101/88	EFIBANCA - PMI V/D	16.01.89	1.96					1.96		
103/88	MEDIOCR. LOMBARDO - PMI A	10.10.88	6.79					6.79		
103/88	MEDIOCR. LOMBARDO - PMI B	10.10.88	2.91					2.91		
103/88	MEDIOCR. LOMBARDO - PMI C	06.02.89	9.14					9.14		
103/88	MEDIOCR. LOMBARDO - PMI D	06.02.89	3.92					3.92		
109/88	BARCLAYS BANK II GL	21.12.88	45.81							45.81
128/88	CENTROBANCA - PMI V/A	19.12.88	13.23					13.23		
128/88	CENTROBANCA - PMI V/B	19.12.88	5.67					5.67		
135/88	CREDIOP - PMI II/A	09.12.88	4.53					4.53		
135/88	CREDIOP - PMI II/B	09.12.88	1.94					1.94		
185/88	BANCO DI SICILIA - PMI II/A	25.05.89	4.58					4.58		
185/88	BANCO DI SICILIA - PMI II/B	25.05.89	1.96					1.96		
199/88	CREDIT INDUSTRIEL ET COMML.	29.11.88	52.32				52.32			
237/88	IMI - PMI VI/A	19.12.88	9.06					9.06		
237/88	IMI - PMI VI/B	19.12.88	3.88					3.88		
237/88	IMI - PMI VI/C	06.02.89	13.72					13.72		
237/88	IMI - PMI VI/D	06.02.89	5.88					5.88		
175/89	BARCLAYS BANK III/A	30.11.89	29.38							29.38
119/90	KREDIETBANK N.V. - GL	20.12.90	18.04	18.04						
119/90	KREDIETBANK N.V. - GL	20.12.90	5.54	5.54						
48/91	B° ESPANOL DE CREDITO PG PY	28.05.91	39.19			39.19				
I. TOTAL I			692.5	23.58	63.22	131.97	72.32	285.73	9.91	105.72
II. LOANS APPROVED, AWAITING SIGNATURE			28.00							
BALANCE			29.5							
CEILING			750.00							

(1) JO No L 271 of 14.03.1987 (loans ceiling).

(2) See list of abbreviations in Annex.

(3) Conversion rate are those obtaining on the last working day of the quarter preceding the signing of each loan.

Annex 2

NCI BORROWING, BY CURRENCY

A. Debt outstanding at 31.12.1991 ⁽¹⁾		
Currency	Currency in MECU	Equivalent in MECU ⁽²⁾
ECU	795.00	795.0
BFR	2,875.00	68.6
DM	1,234.63	606.5
FF	2,100.00	302.0
HFL	1,235.22	538.6
LFR	2,830.00	67.5
LIT	100,000.00	64.8
PTA	25,000.00	192.8
UKL	119.25	166.5
CAD	—	—
SFR	547.00	300.9
USD	1,052.61	784.9
YEN	17,820.80	106.5
Total		3,994.6

B. New operations: 1.7.1991-31.12.1991					
Date of issue	Duration (years)	Coupon (%)	Currency (million)	Equivalent in MECU ⁽³⁾	
				Fresh capital ⁽¹⁾	Refinancings
20.12.1991	4	6.25	US\$65.4	—	52.3

(1) Excluding refinancing operations, designed to reduce the cost of servicing existing debt initially contracted at higher interest rates.

(2) Exchange rates as at 31.12.1991.

(3) Exchange rates at signature (30.11.1991).

TABLE A.1: Industrial production (a) — Percentage change on preceding period (s.a.)

	1987	1988	1989	1990	1991	1991			1992		1992						Change over 12 months (b)
						II	III	IV	I	II	Jan.	Feb.	March	April	May	June	
B	2.2	5.7	3.5	4.4	-2.4	0.5	-3.7	3.1	1.3	:	-2.0	3.4	-1.7	0.3	3.9	:	5.7
DK	-3.5	1.9	2.3	0.6	2.2	1.5	2.3	-2.8	2.6	-0.7	1.9	0.4	1.5	-0.9	-4.9	7.3	2.3
WD	0.3	3.7	5.3	5.2	2.8	1.3	-1.0	-0.7	0.8	-1.0	0.5	1.1	0.2	-1.1	-0.2	-0.7	-2.7
GR	-1.7	5.7	1.5	-1.9	-1.5	0.5	2.6	-3.9	1.6	-2.4	4.2	-2.7	0.1	-1.3	-2.8	4.9	1.7
E	4.7	3.0	4.5	0.1	-0.9	1.5	0.0	1.3	0.2	-3.5	0.3	3.3	0.3	-4.3	-2.1	3.1	1.3
F	1.9	4.7	4.1	1.9	0.2	-0.6	0.6	0.8	0.4	-1.3	0.7	-0.6	0.2	-0.5	-0.8	-0.4	-0.1
IRL	8.8	10.7	11.6	4.7	3.4	-2.3	3.4	3.1	4.3	-1.0	7.9	-1.1	1.1	2.4	-3.6	-4.1	5.0
I	2.6	6.9	3.9	-0.7	-2.0	-0.9	-1.4	0.6	2.0	-1.3	3.9	0.8	0.6	-3.5	4.1	-3.2	0.3
L	-0.9	8.7	7.8	-0.5	0.5	1.4	-0.2	-0.4	2.2	-3.1	-1.4	5.4	1.1	-6.8	6.2	-7.6	-8.0
NL	0.9	-0.1	4.7	3.2	3.8	-0.5	-2.9	3.6	0.8	-1.3	1.7	-1.6	0.6	0.4	-1.7	-1.2	-1.9
P	4.4	3.8	6.8	9.0	-0.1	-2.5	1.1	-1.3	-0.6	:	1.6	1.7	-3.0	0.2	:	:	0.4
UK	3.2	3.6	0.4	-0.5	-2.9	-1.4	1.0	-0.1	-0.8	-0.2	-1.0	1.2	-0.8	0.7	-1.0	0.0	0.0
EUR 12	2.0	4.2	3.8	1.9	-0.1	-0.4	-0.5	0.2	1.1	(-1.3)	1.9	0.8	-0.4	-1.2	(0.3)	(-0.8)	(0.7)
USA	6.1	5.8	2.9	0.9	-2.3	0.6	1.7	0.0	-0.5	1.4	-0.6	0.6	0.4	0.4	0.8	-0.2	1.1
JAP	3.0	9.8	6.1	4.7	2.1	-0.5	0.1	-1.2	-3.1	-2.2	-1.2	-0.5	-2.6	0.1	-1.9	2.5	-6.2

TABLE A.2: Unemployment rate (b) — Number of unemployed as percentage of civilian labour force (s.a.)

	1987	1988	1989	1990	1991	1991			1992		1992						Change over 12 months (c)
						II	III	IV	I	II	Feb.	March	April	Mai	June	July	
B	11.3	10.2	8.6	7.6	7.5	7.4	7.6	7.7	7.9	8.2	7.9	8.0	8.1	8.1	8.2	8.2	0.7
DK	5.6	6.4	7.7	8.1	8.9	8.9	9.2	9.2	9.2	9.5	9.2	9.2	9.5	9.5	9.5	9.7	0.5
WD	6.3	6.3	5.6	4.8	4.3	4.3	4.4	4.3	4.3	4.6	4.3	4.3	4.5	4.6	4.6	4.7	0.4
GR	7.4	7.6	7.4	7.0	7.0	:	:	:	:	:	:	:	:	:	:	:	:
E	20.4	19.3	17.1	16.1	16.3	15.9	16.5	16.8	17.0	17.6	17.0	17.1	17.7	17.5	17.5	17.2	0.6
F	10.4	9.9	9.4	9.0	9.5	9.3	9.6	9.8	9.9	10.0	9.9	9.9	10.0	10.0	10.0	10.1	0.4
IRL	18.0	17.3	15.7	14.5	16.2	16.0	16.6	16.9	17.2	17.6	17.2	17.3	17.7	17.5	17.7	18.0	1.5
I	10.3	10.8	10.6	9.9	10.2	10.1	10.3	10.2	10.2	10.5	10.2	10.2	10.5	10.6	10.6	10.6	0.3
L	2.5	2.0	1.8	1.7	1.6	1.6	1.7	1.7	1.8	1.9	1.8	1.8	1.9	1.8	1.9	1.9	0.3
NL	10.0	9.3	8.5	7.5	7.0	7.1	6.8	7.0	6.8	6.6	6.6	6.9	6.8	6.6	6.3	6.0	-0.8
P	6.9	5.7	5.0	4.6	4.0	3.9	4.2	4.1	4.4	4.7	4.4	4.5	4.7	4.7	4.6	4.5	0.4
UK	10.4	8.5	7.1	7.0	9.1	8.9	9.6	9.9	10.3	10.6	10.3	10.4	10.5	10.7	10.7	10.8	1.4
EUR 12	10.3	9.8	8.9	8.3	8.8	8.7	9.0	9.1	9.2	9.5	9.2	9.2	9.4	9.5	9.5	9.5	0.6
USA (g)	6.2	5.5	5.3	5.5	6.7	6.8	6.8	7.0	7.2	7.5	7.3	7.3	7.2	7.5	7.8	7.7	0.8
JAP (g)	2.8	2.5	2.3	2.1	2.1	2.1	2.2	2.1	2.1	2.1	2.0	2.1	2.0	2.1	2.1	2.2	0.0

TABLE A.3: Consumer price index — Percentage change on preceding period

	1987	1988	1989	1990	1991	1991			1992		1992						Change over 12 months (a)(b)
						II	III	IV	I	II	Feb.	March	April	Mai	June	July	
B	1.6	1.2	3.1	3.4	3.2	0.3	1.1	0.5	0.4	0.6	0.3	0.0	0.1	0.4	0.3	0.5	-0.2
DK	4.0	4.5	4.8	2.6	2.4	0.9	0.3	0.8	0.2	1.1	0.5	0.4	0.2	0.7	0.0	-0.4	(0.1)
WD	0.2	1.3	2.8	2.7	3.5	0.9	1.5	0.7	1.2	1.1	0.6	0.4	0.3	0.4	0.2	0.0	0.2
GR	16.4	13.5	13.7	20.4	19.5	5.9	2.3	6.3	2.7	3.6	0.3	2.0	1.5	0.0	1.7	-1.9	1.4
E	5.3	4.8	6.8	6.7	6.0	0.7	2.1	1.4	2.2	0.6	0.7	0.4	-0.1	0.2	0.0	0.3	0.9
F	3.1	2.7	3.6	3.4	3.2	0.7	0.8	0.8	0.7	0.7	0.3	0.3	0.3	0.3	0.1	0.3	(0.1)
IRL (h)	3.1	2.2	4.1	3.3	3.1	0.8	1.3	0.6	0.9	0.7	0.3	0.2	0.2	0.2	0.2	0.2	2.9
I	4.7	5.1	6.2	6.5	6.4	1.4	1.2	1.5	1.5	1.1	0.5	0.4	0.3	(0.5)	(0.3)	(0.2)	(0.1)
L	-0.1	1.4	3.4	3.7	3.1	0.2	1.1	0.9	0.7	0.8	0.0	0.4	0.2	0.5	0.2	0.2	0.1
NL	-0.4	0.9	1.1	2.4	4.0	1.0	2.0	1.0	0.2	1.0	0.4	0.6	0.4	0.1	-0.2	0.5	0.8
P	9.4	9.6	12.7	13.2	10.9	2.3	1.7	1.5	2.6	3.5	1.3	1.0	1.6	1.0	0.4	0.5	9.3
UK	4.1	4.9	7.8	9.5	5.9	2.1	0.4	1.0	0.5	2.2	0.5	0.3	1.5	0.4	0.0	-0.4	0.1
EUR 12	3.2	3.6	5.1	5.6	5.0	1.3	1.2	1.1	1.1	1.2	0.5	0.4	0.5	(0.4)	(0.1)	(0.1)	(0.2)
USA	3.7	4.1	4.8	5.4	4.2	0.6	0.8	0.8	0.7	0.8	0.4	0.5	0.1	0.1	0.4	0.2	0.3
JAP	0.1	0.7	2.3	3.1	3.3	1.0	0.0	1.2	-0.4	1.4	-0.1	0.5	1.1	0.1	-0.1	-0.8	(0.3)

TABLE A.4: Visible trade balance — fob/cif, million ECU (s.a.)

	1987	1988	1989	1990	1991	1991			1992		1992						Change over 12 months (d)
						II	III	IV	I	II	Jan.	Feb.	March	April	May	June	
B/L	-580	-2543	-2107	-5655	-7295	-1635	-2259	-1970	-2480	-1472	-449	-888	-1143	-766	-340	-366	222
DK	98	925	1225	1951	2318	572	636	674	779	901	254	333	192	151	338	412	228
D (i)	56961	60935	64055	44036	9245	-1493	1136	3241	2477	3055	116	945	1416	1804	623	628	1296
GR	-5692	-5825	-7783	-10342	-10342	-2222	-2035	-3387	-2391	-3076	-893	-872	-626	-1141	-872	-1063	-410
E	-8749	-11974	-19802	-19232	-21285	-4943	-5837	-5624	-6014	-5617	-2252	-1568	-2194	-1818	-1954	-1845	17
F	-12471	-11855	-13986	-17275	-13811	-3213	-4130	-2083	-1770	-1125	-253	-655	-862	-204	2	-923	1363
IRL	2046	2741	3049	2505	2701	523	618	890	1228	:	418	494	316	351	628	:	450
I	-7429	-8388	-11098	-9273	-10439	-3187	-3540	-2311	-2219	-3318	-377	-1126	-716	-948	-1144	-1226	682
NL	1087	1296	2895	-329	-2913	-1128	-1101	-715	-514	24	-51	-27	-436	208	-48	-136	444
P	-2955	-3473	-5033	-6239	-7492	-1882	-1968	-1922	-1897	-2081	-438	-585	-874	-725	-710	-646	144
UK	-20890	-42384	-41826	-30906	-22327	-5210	-5552	-4974	-6375	-6643	-1764	-2473	-2138	-2458	-2175	-2010	-715
EUR 12 (j)	1423	-20548	-30416	-49647	-81642	-23807	-24003	-18108	-10705	(-17954)	-4973	-6685	-7047	-5719	-5714	(-6525)	(817)
USA	-132116	-100208	-99430	-79511	-52379	-11746	-15887	-12439	-11625	-16480	-4479	-2608	-4538	-5685	-5632	-5163	-803
JAP	69636	65441	58691	41167	62943	15367	16979	17862	22166	19284	6471	8260	7436	5548	7635	6100	1104

TABLE A.5: Money stock (k) — Percentage change on preceding period (s.a.)

		1987	1988	1989	1990	1991	1991			1992		1992						Change over 12 months (e)
							II	III	IV	I	II	Feb.	March	April	Mai	June	July	
B (M3H)	10.2	7.7	13.2	4.5	5.4	2.3	1.7	0.9	1.4	:	0.4	0.9	1.8	0.8	:	:	:	6.3
DK (M2)	4.1	3.5	8.3	7.1	6.4	4.7	0.8	-3.0	2.1	-0.3	-0.4	0.5	0.3	0.2	-0.8	1.5	1.0	2.3
D(i) (M3)	6.4	7.0	4.5	5.3	5.7	0.8	1.5	2.4	2.1	1.9	0.7	1.0	0.6	0.7	0.7	0.5	(1.0)	(8.8)
GR (M3)	24.0	23.2	24.2	15.3	12.3	2.8	2.4	5.6	2.9	6.1	0.9	1.0	2.6	1.1	2.3	0.7	:	17.8
E (ALP)	15.4	14.4	14.6	15.3	10.9	2.4	2.8	1.9	0.0	1.8	-0.4	0.5	0.6	0.5	0.6	0.1	0.6	5.6
F (M3)	9.8	8.4	9.6	8.9	2.5	1.2	0.4	0.4	1.7	2.2	0.6	0.6	0.6	1.1	0.4	-0.1	:	4.7
IRL (M3)	10.9	6.3	5.0	15.4	3.1	1.3	1.4	0.9	-1.6	2.4	0.1	-0.7	0.7	0.2	1.5	1.1	-1.5	-0.5
I (M2)	7.4	7.5	11.2	8.7	9.4	1.9	1.5	4.1	0.9	0.7	1.2	1.5	0.5	1.4	-1.2	(0.2)	(-0.4)	(6.8)
NL (M2)	4.4	10.6	13.7	8.2	4.7	-2.9	1.3	4.6	2.5	-3.0	0.4	0.4	0.9	1.6	-5.3	:	:	5.4
P (L-)	19.7	17.8	10.4	11.2	19.0	4.5	4.2	6.5	2.6	2.6	1.4	1.2	0.4	0.6	(1.5)	(3.3)	:	(17.4)
UK (M4)	16.3	17.6	19.1	11.5	5.8	1.5	1.2	1.1	1.0	1.1	0.5	0.1	0.7	0.2	0.1	0.8	0.1	4.7
EUR 12(i)	10.3	10.4	11.3	9.0	6.5	1.4	1.4	2.1	1.4	(1.4)	0.6	0.7	0.7	0.8	(-0.1)	(0.4)	:	(6.7)
USA (M2)	3.5	5.5	5.1	3.5	3.0	0.7	0.0	0.8	1.0	-0.4	0.8	0.0	-0.1	0.0	-0.3	-0.1	0.3	1.8
JAP (M2)	10.8	10.2	12.0	7.4	2.3	-0.9	1.2	-0.7	1.1	-1.1	1.3	-0.2	-1.2	2.5	-2.3	:	:	0.0

TABLE A.6: Short-term interest rates (m)

	1987	1988	1989	1990	1991	1991		1992			1992							Change over 12 months (c)
						III	IV	I	II	III	March	April	May	June	July	Aug.	Sept.	
B	7.1	6.7	8.7	9.8	9.4	9.2	9.5	9.6	9.6	9.6	9.7	9.6	9.6	9.6	9.6	9.8	9.5	0.3
DK	9.9	8.3	9.4	10.8	9.5	9.4	9.3	9.8	10.1	11.0	9.8	9.9	10.0	10.6	10.6	10.5	11.9	2.3
D	4.0	4.3	7.1	8.4	9.2	9.2	9.4	9.6	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.8	9.4	0.2
GR	14.9	15.9	18.7	19.9	22.7	21.2	24.5	24.5	17.5	:	24.1	16.7	13.5	22.3	21.3	19.6	:	-0.5
E	15.8	11.6	15.0	15.2	13.2	12.6	12.8	12.7	12.6	13.5	12.6	12.6	12.5	12.6	13.0	13.5	14.1	1.7
F	8.3	7.9	9.4	10.3	9.6	9.5	9.7	10.1	10.0	10.6	10.1	10.0	10.0	10.1	10.2	10.4	11.0	1.6
IRL	11.1	8.1	9.8	11.4	10.4	10.0	10.3	10.5	10.2	11.1	10.6	10.5	10.1	10.0	10.2	10.7	12.5	2.5
I	11.4	11.3	12.7	12.3	12.2	11.9	12.0	12.2	12.8	16.4	12.3	12.4	12.4	13.5	15.6	15.4	18.1	6.3
NL	5.4	4.8	7.4	8.7	9.3	9.3	9.5	9.6	9.5	9.6	9.6	9.5	9.5	9.5	9.6	9.8	9.4	0.1
P	13.9	13.0	14.9	16.9	17.7	17.9	17.8	17.4	16.5	15.4	16.9	16.3	16.5	16.8	16.7	15.7	13.9	-4.0
UK	9.7	10.3	13.9	14.8	11.5	10.8	10.6	10.5	10.2	10.2	10.6	10.6	10.1	10.0	10.2	10.4	10.0	-0.3
EUR 12 (n)	8.4	8.2	10.6	11.4	10.8	10.5	10.7	10.8	10.8	11.7	10.9	10.8	10.7	11.0	11.4	11.5	12.0	1.6
USA	5.9	6.9	8.4	7.8	5.5	5.5	4.7	4.0	3.8	3.1	4.1	3.9	3.7	3.7	3.3	3.2	3.0	-2.4
JAP	3.9	4.0	5.4	7.7	7.4	7.2	6.2	5.1	4.7	4.0	5.0	4.7	4.7	4.6	4.3	3.9	3.9	-3.0

TABLE A.7: Long-term interest rates (o)

	1987	1988	1989	1990	1991	1991		1992			1992							Change over 12 months (c)
						III	IV	I	II	III	March	April	May	June	July	Aug.	Sept.	
B	7.8	7.9	8.7	10.1	9.3	9.3	9.1	8.8	8.9	9.0	8.9	8.9	8.8	8.9	9.1	9.1	8.7	-0.5
DK	11.9	10.6	10.2	11.0	10.1	10.1	9.9	9.8	10.0	10.5	10.0	9.9	9.9	10.1	10.3	10.6	10.7	0.7
D	5.8	6.1	7.0	8.9	8.6	8.8	8.6	8.1	8.3	8.2	8.1	8.2	8.3	8.3	8.3	8.4	8.0	-0.7
GR	17.4	16.6	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
E	12.8	11.7	13.7	14.7	12.4	11.9	11.8	11.4	11.4	12.7	11.3	11.3	11.2	11.7	12.3	12.7	13.1	1.5
F	9.4	9.0	8.8	9.9	9.0	9.0	8.8	8.5	8.7	9.0	8.7	8.7	8.5	8.8	9.2	9.2	8.6	-0.3
IRL	11.3	9.4	9.0	10.1	9.2	9.3	9.0	8.7	8.8	9.3	8.8	8.9	8.7	8.9	9.1	9.1	9.7	0.5
I	11.3	12.1	12.9	13.4	13.0	12.8	12.6	12.7	13.0	14.7	12.7	12.8	12.8	13.4	14.3	14.3	15.4	2.6
L	8.0	7.1	7.7	8.6	8.2	8.1	8.1	7.6	7.9	:	7.7	7.9	7.9	7.9	7.9	:	:	-0.3
NL	6.4	6.3	7.2	9.0	8.7	8.8	8.7	8.3	8.3	8.2	8.3	8.3	8.3	8.3	8.3	8.3	8.0	-0.7
P	15.4	14.2	16.7	16.8	17.1	17.4	16.9	16.4	14.7	14.5	15.9	14.6	14.5	14.9	14.7	14.7	14.1	-3.7
UK	9.5	9.3	9.6	11.1	9.9	9.8	9.7	9.4	9.0	9.3	9.7	9.1	8.8	9.0	9.1	9.4	9.4	-0.1
EUR 12 (n)	9.0	9.0	9.7	10.9	10.2	10.1	9.9	9.7	9.7	10.3	9.8	9.7	9.6	9.9	10.2	10.3	10.3	0.3
USA	8.7	9.0	8.5	8.6	8.1	8.2	7.9	7.8	7.9	7.4	8.0	8.0	7.9	7.8	7.6	7.4	7.3	-0.6
JAP	4.7	4.7	5.2	7.5	6.7	6.8	6.1	5.7	5.8	5.0	5.7	5.9	5.8	5.7	5.3	4.9	4.8	-1.7

TABLE A.8: Value of ECU = ... units of national currency or SDR

	1987	1988	1989	1990	1991	1991		1992			1992							Change over 12 months (b)
						III	IV	I	II	III	March	April	May	June	July	Aug.	Sept.	
BFR/LFR	43.04	43.43	43.38	42.43	42.22	42.26	42.06	42.05	42.21	41.77	42.06	42.13	42.29	42.21	42.08	41.91	41.32	-2.2
DKR	7.88	7.95	8.05	7.86	7.91	7.93	7.92	7.92	7.92	7.82	7.93	7.94	7.94	7.90	7.86	7.85	7.76	-1.9
DM	2.07	2.07	2.07	2.05	2.05	2.05	2.04	2.04	2.05	2.03	2.04	2.05	2.06	2.05	2.04	2.03	2.00	-2.3
DR	156.1	167.5	178.8	201.3	225.2	226.2	231.0	235.9	243.8	251.4	236.3	239.4	243.4	248.6	250.5	251.6	252.1	10.8
PTA	142.2	137.6	130.4	129.4	128.5	128.5	129.4	128.9	128.8	131.9	129.0	129.0	128.5	129.0	130.0	130.7	135.0	4.9
FF	6.93	7.04	7.02	6.91	6.97	6.98	6.97	6.95	6.91	6.87	6.94	6.93	6.91	6.90	6.89	6.90	6.82	-2.3
IRL	0.775	0.776	0.777	0.768	0.768	0.768	0.765	0.766	0.768	0.764	0.766	0.768	0.769	0.768	0.766	0.767	0.760	-1.0
LIT	1495	1537	1511	1522	1533	1532	1537	1536	1547	1570	1536	1542	1547	1551	1548	1545	1618	5.6
HFL	2.33	2.34	2.34	2.31	2.31	2.31	2.30	2.30	2.31	2.29	2.30	2.31	2.31	2.31	2.30	2.29	2.26	-2.3
ESC	162.5	170.1	173.4	181.1	178.7	176.5	178.3	176.2	172.1	175.0	176.0	175.0	171.1	170.4	172.9	175.5	176.5	0.3
UKL	0.705	0.664	0.673	0.714	0.701	0.699	0.708	0.713	0.703	0.728	0.713	0.707	0.700	0.703	0.714	0.723	0.749	6.9
USD	1.154	1.183	1.102	1.271	1.238	1.177	1.256	1.262	1.271	1.386	1.230	1.242	1.268	1.303	1.370	1.401	1.385	14.7
YEN	166.5	151.5	151.8	183.6	166.4	160.6	162.6	162.2	165.6	173.0	163.5	165.8	165.7	165.3	172.3	177.0	169.9	4.6
DTS	0.892	0.880	0.860	0.937	0.905	0.881	0.907	0.909	0.914	0.954	0.901	0.906	0.913	0.922	0.949	0.962	0.951	6.6

TABLE A.9: Effective exchange rates: export aspect (p) — Percentage change on preceding period

	1987	1988	1989	1990	1991	1991		1992			1992							Change over 12 months (b)
						III	IV	I	II	III	March	April	May	June	July	Aug.	Sept.	
B/L	4.1	-1.3	-0.9	5.2	-0.3	0.1	1.4	0.2	-0.1	2.3	-0.2	0.0	-0.1	0.4	1.1	0.8	1.1	4.4
DK	4.2	-1.9	-2.7	7.6	-1.9	-0.6	1.5	0.3	0.3	3.2	-0.3	0.2	0.3	0.9	1.6	0.8	1.0	5.7
D	6.9	-0.8	-1.3	5.7	-1.1	0.2	2.1	0.4	0.0	3.4	-0.3	0.2	0.0	0.7	1.7	1.1	1.4	6.6
GR	-9.9	-7.2	-7.5	-8.0	-11.5	-1.0	-1.0	-1.9	-2.9	-1.5	-0.3	-1.0	-1.3	-1.8	0.2	0.1	-0.3	-7.1
E	0.2	3.1	4.1	5.1	-0.3	-0.9	0.6	0.7	0.3	-0.4	-0.8	0.3	0.7	0.0	0.4	0.1	-3.5	-1.5
F	1.1	-2.3	-1.3	6.1	-2.1	-0.2	1.4	0.7	1.1	2.6	0.1	0.6	0.7	0.5	1.3	0.5	1.2	6.4
IRL	-2.1	-1.4	-1.3	5.8	-1.3	0.1	1.7	0.2	-0.2	2.8	-0.2	-0.2	0.1	0.6	1.5	0.7	1.2	5.0
I	1.1	-3.5	0.4	3.7	-2.0	-0.5	1.1	0.3	-0.3	0.3	-0.3	-0.1	0.1	0.1	1.5	0.9	-5.3	-2.3
NL	5.1	-0.4	-1.0	3.9	-0.7	0.1	1.3	0.3	-0.2	2.3	-0.2	0.0	-0.1	0.4	1.1	0.8	1.4	4.6
P	-7.1	-5.1	-3.2	-1.3	0.6	1.6	0.0	1.5	2.5	-0.1	-0.3	0.8	2.5	0.7	-0.6	-1.0	-0.5	2.6
UK	-1.0	5.7	-3.4	-0.8	0.4	-0.9	0.4	-0.3	1.9	-1.1	-0.9	1.4	1.7	0.2	-0.1	-0.4	-4.3	-2.6
EUR 12	7.0	-1.6	-3.0	11.5	-3.3	-0.6	3.4	0.8	1.2	4.6	-0.8	0.9	1.1	1.0	3.1	1.7	-1.9	7.9
USA	-12.1	-6.1	4.9	-6.2	-0.7	0.0	-4.7	0.5	0.3	-5.2	2.6	-0.5	-1.4	-2.2	-2.9	-1.0	0.6	-7.3
JAP	8.2	10.4	-4.4	-10.2	8.6	1.8	2.4	1.0	-1.6	0.7	-2.9	-0.9	1.2	1.7	-1.2	-1.3	3.8	4.4

Sources: For Community countries: Eurostat, unless otherwise specified; for the USA and Japan: national sources.

(a) Excluding construction. Data are adjusted for working days.

(b) Percentage change over 12 months on the basis of the non-adjusted series of the most recent figure.

(c) Difference of rates with respect to the corresponding month of the previous year.

(d) Absolute value of change on corresponding month in previous year; seasonally adjusted.

(e) Percentage change over 12 months in the s.a. figure.

(f) Number of unemployed estimated by Eurostat on the basis of the results of Community labour force survey; annual average and quarterly average.

(g) National source: quarterly and monthly figures of the Netherlands; USA and Japan; as % of the total labour force.

(h) Monthly figures calculated by linear interpolation.

(i) Before January 1991, West-Germany.

(j) The deseasonalized series for EUR 12 is the result of a deseasonalization of the gross export and import figures of the Member States.

(k) National sources for Belgium, Denmark, Germany, Spain, France, the Netherlands, Portugal and the United Kingdom; seasonal adjustment by Eurostat for Greece, Ireland and Italy.

(l) Average of monthly changes s.a. weighted by GDP at 1985 prices and purchasing power. Belgium: monthly figure obtained by linear interpolation of quarterly data.

(m) National sources; three-month interbank rate except: Belgium, up to end 1989, 3 month treasury certificates; Denmark, daily money market rate; Portugal: 3 month treasury. Annual, quarterly and monthly averages.

(n) Weighted geometric mean; weights: gross domestic product at current prices and ECU.

(o) Yield on public sector bonds. Portugal starting from 1990 before tax. Annual and quarterly averages. Monthly average for Germany, Spain, France, Italy, Luxembourg, the Netherlands, Portugal, USA; end of month for the other countries.

(p) Weighting coefficients are calculated taking into account not only bilateral trade

Principal economic policy measures — September 1992

Community (Eur-12)

None.

Belgium (B)

14.9 The central bank (BNB) cuts its key rates in several stages (on 14, 16, 21, 28 and 29 September). From 17 September the discount rate is reduced from 8.50% to 8%. From 21 September the three money market intervention rates are cut, by 0.1 percentage point, to 9.70%, 8.70% and 7.10% respectively. From 28 September the rate for seven-day advances is lowered from 9.10% to 9%.

Denmark (DK)

22.9 The Nationalbank limits its repurchasing of short-term paper and certificates of deposit in the second half of September, thereby tightening the money supply.

30.9 The interest rate on the Nationalbank's certificates of deposit is increased to 12% from 10.25% in mid-September.

Germany (D)

14.9 Bundesbank reduces interest rates, with effect from 15 September: the Lombard rate falls to 9.50% (from 9.75%), the discount rate is lowered to 8.25% (from 8.75%).

Greece (GR)

1.9 As part of the campaign against tax evasion, medical doctors are obliged to keep records of all patients' visits. Failure to comply will give rise to penalty payments of up to DRS 200 000 for each case.

15.9 As part of the campaign against tax evasion, the so-called co-responsibility of traders and consumers for issuing electronic cash receipts becomes effective. Consumers unable to produce the cash receipts for their purchases are liable to penalties of between DRS 1 000 and DRS 100 000 (and limited to 50% of the value of the purchase).

15.9 The Treasury issues three series of one-, two- and three-year ECU-linked bonds. The interest rate for the first year is fixed at 11.45%, 11.75% and 12.00% respectively. For the following years the interest rates will be calculated according to the formula $LIBOR + 0.50\%$ for the two-year bonds and $LIBOR + 0.75\%$ for the three-year bonds.

30.9 The Treasury issues three series of three-, six- and twelve-month bills at an interest rate of 17.5%, 19.75% and 21.5% p.a. respectively. The interest rate is up to half a percentage point above that of the previous issue.

30.9 The Treasury issues four series of two-, three-, four- and five-year floating-rate bonds. The interest rate is pegged to the rate of 12-month Treasury bills plus 0.75%, 1.25%, 1.50% and 2.0% respectively. For the first year the interest rate is 22.25%, 22.75%, 23.00% and 23.50% respectively.

Spain (E)

3.9 The Treasury issues new six-month securities at the rate of 13.25%.

17.9 The Spanish authorities devalue the peseta by 5% against the other currencies of the EMS exchange rate mechanism. This takes the peseta's central rate against the ECU from 132 562 to 139 176.

23.9 In order to prevent speculation against the peseta, the Bank of Spain rules that banks will have to deposit with the central bank an interest-free sum equalling their increases in foreign currencies or their peseta loans to foreigners.

25.9 The government approves the draft budget law for 1993 which will then have to be approved by Parliament. Expenditure is projected to rise by 3.7% and revenue by 6.9% and the central government deficit will be 2.6% of GDP.

France (F)

7.9 New budgetary expenditure (FF 10 billion) in favour of employment, financed by partial privatizations in the State-owned oil industry (Total and Elf).

16.9 Wages in the public sector to be raised by 1.4% with effect from 1 October.

23.9 Rise in the five-to-ten day repurchase rate from 10.5% to 13%.

29.9 Tax relief for enterprises hiring young unqualified job searchers (Exo-jeunes) is extended till the end of the year.

30.9 The first draft of the 1993 Finance Bill sets the budget deficit at FF 165.4 billion (2.2% of GDP).

Ireland (IRL)

28.9 The Central Bank increases its short-term facility by 300 basis points to 13.75%, in response to persistent speculative pressure on the Irish pound.

Italy (I)

3.9 The ministers and the central bank governors of the EC Member States agree on a realignment of the EMS central parities resulting in a 7.3% devaluation of the bilateral central rates of the Lira vis-à-vis all other member currencies.

4.9 In a bid to defend the Lira parity within the exchange rate mechanism (ERM) in the face of mounting tensions on the foreign exchange markets, the Bank of Italy raises the official discount rate from 13.75% to 15%; the premium charged on fixed-term advances is kept unchanged at 1.5 percentage points.

17.9 The participation of the Lira in the ERM is temporarily suspended after speculation on the markets caused it to hit the lower limit of the band.

17.9 The Italian government unveils its latest plans for fiscal adjustment. The revised deficit target for 1992 (LIT 155 000 billion) is confirmed. For 1993 the deficit target is set at LIT 150 000 billion or 9.3% of GDP. The estimated adjustment with respect to the underlying deficit at current legislation amounts to LIT 93 300 billion, LIT 42 900 billion of which is to come from revenue increases, LIT 43 400 billion from expenditure cuts, and LIT 7 000 billion from privatization.

30.9 The government publishes the Finance Bill for 1993. The target for the state sector borrowing requirement is LIT 150 000 billion (with a primary surplus — net of interest payments — of LIT 50 000 billion). The adjustment with respect to the trend deficit amounts to LIT 93 500 billion.

Luxembourg (L)

None.

Netherlands (NL)

10.9 Parliament approves the cut in the higher rate of VAT from 18.5% to 17.5% from 1 October 1992 (instead of 1 January 1993 as originally planned). The measure will entail revenue losses of HFL 1.7 billion, but these are covered by other tax measures which will yield HFL 2.5 billion.

14.9 The central bank (DNB) decides to lower its key rates in several stages (on 14, 16, 21 and 24 September). From 17 September the discount rate is reduced from 8.50% to 8%. The rate for special advances is cut from 9.30% to 9%.

Portugal (P)

None.

United Kingdom (UK)

3.9 The government announces its negotiation of a loan facility of up to ECU 10 billion in DM and other foreign currencies to be converted into sterling for deficit-funding purposes.

16.9 The government announces that sterling's participation in the ERM is to be suspended and that the currency will float. This action followed intense speculation against sterling driving its value below its lower DM intervention limit. Before the suspension, interest rates had been initially raised from 10% to 12% and subsequently to 15% through the reintroduction by the Bank of England of its minimum lending rate. After sterling's ERM suspension, the 3 point further rate rise was rescinded; banks' base rates were thus raised 2 points a day earlier to 12%.

17.9 The Bank of England reduces its minimum lending rate from 12% to 10%, with commercial banks' base rates following suit.

22.9 The Bank of England signals in the money markets a 1% point reduction in banks' base rates to 9%. The move is succeeded by mortgage lenders reducing their reference lending rates by 3/4 point to just under 10%.

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