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*In this number:
Borrowing and lending activities
of the Community in 1990*

COMMISSION REPORT TO THE COUNCIL AND TO PARLIAMENT ON THE BORROWING AND LENDING ACTIVITIES OF THE COMMUNITY IN 1990

INTRODUCTION

The Commission is required to inform the Council and Parliament each year of the Community's borrowing and lending activities. This requirement arises from the Council decisions relating to the Euratom research projects¹ and to the New Community Instrument², these decisions having been subsequently applied as well to cover exceptional aid for the disaster areas in Italy³ and Greece⁴.

Generally speaking, loans and borrowings, which complement the Community's budgetary activities, are not subject to the customary rules of Parliamentary control. It was for this reason that the Parliament, notably in its Resolution on improving political monitoring of the Community's borrowing and lending activities⁵, requested a yearly comprehensive report, i.e. including the activities of the ECSC and the EIB.

This is the Commission's eleventh report, covering the year 1990.

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

² Decision 78/870/EEC; OJ No L 298 of 25 October 1978; Decision 82/169/EEC; OJ No L 78 of 24 March 1982; Decision 83/200/EEC; OJ No L 112 of 28 April 1983; Decision 87/182/EEC; OJ No L71 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. EP 67134 of 5 March 1981; OJ No C 287 of 9 November 1981.

1. COMMUNITY BORROWING

1.1. *Borrowing* by the European institutions in 1990 reached ECU 13 billion, an increase of 13.0% on 1989, with its relative share rising by just under 2 percentage points given the fall of more than 23% in borrowing by the OECD countries over the same period (see Table 1).

This result was achieved despite the standstill in NCI and Euratom activities. Borrowing by the EIB increased from ECU 9 billion to ECU 11 billion and that by the ECSC from ECU 0.9 billion to ECU 1.1 billion, a rise of 22% in both cases. Most of the rapid expansion in EIB borrowing (22.2% compared with 16.9% in 1989) took place on traditional borrowing conditions, i.e. at fixed rates (82% of the total). Even so, variable-rate operations also grew very sharply, from 10% to 17% of the total.

The breakdown by currency of borrowing (see Table 3 annexed) reveals an substantial decline in the use of European currencies and in particular the ecu, although this is still the most widely used currency. Compared with the capital market trend, these apparent anomalies can be explained by the need to re-arrange the spread of currencies used so as to reflect loan applications following a period of pronounced disenchantment with non-Community currencies. Cash management needs (early repayment of dollar loans) were another factor.

and NCI loans, activity in these two sectors came to a virtual standstill. In April, however, the Council agreed to raise the ceiling on Euratom loans, but the effects of this will be felt only in the years ahead.

The ECSC and the EIB thus accounted for the vast bulk of lending. While the ECSC stepped up lending, to ECU 993.8 million (ECU 700.1 million in 1989 and ECU 907.8 million in 1988), EIB financing rose to ECU 12 174.2 million (ECU 11 020.0 million in 1989 and ECU 8 318.5 million in 1988), equivalent to nine-tenths of total lending. The rate of increase was 45.5% for the ECSC and 9.5% for the EIB.

2.2. *In the case of the ECSC*, the rate of increase reflects an exceptionally sharp rise (74%) in investment in this sector and in the consumption of ECSC products (Article 54 of the ECSC Treaty) and a sustained expansion (30.9%) in conversion loans (Article 56), which accounted for 60% of total lending.

On the investment side, Spain relied extensively on this instrument, contributing to the increase recorded. The main factor as regards steel consumption was the financing in France of the TGV-Atlantique.

By contrast, conversion loans for the coal and steel industry followed a more stable trend, with the bulk of lending being accounted for by global loans to the productive sector, which generally carried an interest subsidy of up to 3%.

New opportunities for an expansion in lending were created by the Commission decision of 1990 authorizing the application of Article 56 for infrastructure projects in the Community's assisted regions (areas affected by industrial decline Objective 2).

TABLE 1: **Borrowing by European institutions**
(ECU billion)

	1985	1986	1987	1988	1989	1990
1. ECSC	1,3	1,5	1,5	0,9	0,9	1,1
2. EC ^a	3,6	1,4	1,5	1,6	0,5	0,4
3. EIB	5,7	6,8	5,6	7,7	9,0	11,0
4. Euratom	0,3	0,5	0,9	0,1	—	—
5. Council of Europe	0,5	0,7	0,9	0,4	1,1	0,8
6. Total (1-5)	11,4	10,9	10,4	10,7	11,5	13,3
7. OECD	237,1	290,9	227,9	281,1	315,3	241,8
8. = 6/7 as %	4,8	3,7	4,6	3,8	3,6	5,5

^a NCI + balance of payments.
Sources: OECD and EC.

2. LENDING IN THE COMMUNITY: BREAKDOWN BY INSTRUMENT

2.1. *The relative importance of the Community's lending instruments* (ECSC, Euratom, EIB and NCI) changed appreciably in 1990. Since the Council decided not to authorize the refinancing of Euratom

TABLE 2: **ECSC loans in 1990**
(ECU million)

	Article 54		Article 56		Article 54 and 56	
	Total	Obj. 2	Total	Obj. 2	Total	Obj. 2
Italy	75,98	71,46	53,75	46,72	129,73	118,18
France	108,37	83,08	40,22	31,12	48,59	114,20
Denmark	6,13	—	—	—	6,13	—
Portugal	67,61	—	—	—	67,61	—
Netherlands	—	—	—	—	—	—
Germany	2,97	2,97	191,50	140,13	194,47	143,10
United Kingdom	21,83	21,83	271,55	227,37	293,38	249,20
Spain	115,08	46,03	13,45	11,19	128,53	57,22
Belgium	—	—	15,81	15,74	15,81	15,74
Luxembourg	—	—	2,36	—	2,36	—
Total	397,97	225,37	588,64	472,27		

The major part of ECSC lending (Article 56) already goes to areas in which the structural Funds are also active. It is essential, therefore, that loans and grants in these areas, which possess well-developed financial networks, should complement one another.

2.3. In the case of the EIB, the salient features of its activity in 1990 were as follows:

- (i) The volume of loans signed within the Community grew at a slower rate (9% compared with 22.2% in 1989 and 27.2% in 1988). This was due to the cyclic weakness of the demand for credit from firms during the first half of the year and to the fact that investment remained virtually flat during the Gulf crisis in the second half of the year. However, since Spain and Portugal joined the Community (1986), the average annual rate of increase in lending has been 15.7% (amounting to ECU 12.7 billion in 1990);
- (ii) Loans were granted for projects in all Member States. The growth in lending was particularly rapid in Spain, the United Kingdom, France and Ireland. Lending operations in the less-favoured regions covered by the Community's structural Funds accounted for over 59% of total lending in Member States;
- (iii) At the same time, the EIB stepped up financing for projects contributing to the attainment of the other priority objectives: strengthening of infrastructures and modernization of firms in preparation for the single market, environmental protection, support for small and medium-sized enterprises (SMEs).

The overall assessment of the two instruments (ECSC and EIB) shows that the priority objectives were achieved: regional policy occupies first place, accounting for 60% of loans (compared with 64.7% in 1989), a figure very close to the average for the period 1986-90 (60.9%). Community infrastructures are ranked second, as in 1989. Loans to promote the modernization and competitiveness of firms, including SMEs, have been expanding rapidly for a number of years.

2.4 The only NCI operations last year involved two loans totalling ECU 23.6 million. This leaves a balance of ECU 64.2 million out of the ECU 750 million available under the fourth NCI tranche, the other tranches having already been used up.

Minor operations consisting in the refinancing of existing loans on more favourable terms amounted to ECU 52.13 million.

The speed with which NCI resources have been used up indicates that this instrument met a market need. For the time being, the EIB is ensuring the continuity of Community lending to assist SMEs.

2.5. Although *interest subsidies* are one way of combining the advantages of loans and grants in a single operation, its amount went down 9,3% to 65 MECU. This instrument is used primarily for ECSC operations (see annexed Table 7).

3. LENDING OUTSIDE THE COMMUNITY

3.1. Community financing outside the territory of the Member States has traditionally focused on three main areas: the countries of the Mediterranean basin, the African, Caribbean and Pacific countries (ACP), and the Overseas Countries and Territories (OCT).

Repayable aid granted by the Community to these countries out of budgetary and EDF resources generally takes the form of special loans or risk capital (managed for the most part by the EIB) and comprises a substantial grant element.

For its part, the EIB devotes a significant proportion of financing to projects in these countries (ECU 669 million in 1990, or 5.0% of its total lending). EIB loans are, for the most part, granted from own resources and attract a total or partial guarantee from the Community. However, the EIB also manages under mandate part of the repayable aid financed out of the Community's budgetary resources (see Table 3 below and Table 8 annexed).

TABLE 3: Financing outside the Community in 1990

	EC budgetary resources	EIB own resources	ECSC and Euratom	Total
ACP-OCT	35,9 (1)	117,5	—	153,4
Mediterranean	8,0	336,5	—	344,5
CEEC ³	350,0 (2)	215,0	0,5	565,5
Total	393,9	669,0	0,5	1 063,4

¹ Granted and managed by the EIB out of the budgetary resources of the EC of the Member States.
² Balance-of-payments loans granted and managed by the Commission.
³ Central and Eastern European countries.

3.2. As part of the measures for strengthening cooperation with the developing countries of Latin America and Asia, the Commission adopted in November 1990 a communication proposing an extension of the experimental phase of the EC-International Investment Partners financial instrument for a period of

five years. This initiative, which includes measures aimed at fostering direct private investment notably by way of joint ventures between Community firms and firms in the beneficiary countries, provides for financial assistance in the form of short-term loans or risk capital. Commitment appropriations totalling some ECU 10 million were earmarked in the budget for this initiative in 1990.

- 3.3. In the context of the political and economic reforms adopted by the Central and Eastern European countries (CEEC), the Community decided to step up cooperation with those countries and to provide increased financial assistance (see Table 3 and Table 8 annexed).

As regards structural loans, the Council decided in February 1990 to provide the EIB with a Community guarantee in respect of any loans the EIB would make from own resources for investment projects in Poland and Hungary. In August 1990 the Commission proposed an extension of this guarantee to loans for projects in Czechoslovakia, Bulgaria and Romania. In addition, it was decided in May 1990 to make ECSC loans available to Poland and Hungary, up to a ceiling of ECU 200 million, and the Commission adopted in December 1990 a draft decision granting Czechoslovakia, Bulgaria and Yugoslavia access to these instruments, which are intended among other things to finance projects promoting the marketing of Community steel and industrial projects capable of being carried out in the form of joint ventures.

As regards macroeconomic financial assistance, the Council decided in February 1990 to grant Hungary a medium-term loan of not more than ECU 870 million in principal for a maximum period of five years in order to enable this country to overcome the structural adjustment difficulties its economy presently faces.

Based on the medium-term financial support mechanism for Member States' payments balances, the decision to lend to Hungary is the first Community initiative granting a third country untied macroeconomic financial assistance. As when providing Member States with support, the Community made use of its creditworthiness to borrow funds itself before on-lending them to Hungary. A first instalment of ECU 350 million was paid over to the National Bank of Hungary at the beginning of 1990, and the Council approved a second instalment of ECU 260 million in December 1990. The lending operation is being managed and monitored by the Commission, which also ensures that an appropriate degree of economic conditionality is met.

At its meeting in Rome in December 1990, the European Council agreed that further initiatives should be taken, notably the Group of 24 industrialized countries (the OECD countries) involved in providing support for the process of political and economic reform in the Central and Eastern European countries, in order to meet the latter's financing needs, which would not be covered by traditional public or private initiatives.

- 3.4. A new type of external financial activity is the financial participation by the Community (represented by the Commission) and the EIB in the capital of the European Bank for Reconstruction and Development (EBRD).

Signed in Paris in May 1990 and approved by the Council in November, the Agreement establishing the Bank stipulates that its purpose is to foster the transition of the economies of the Central and Eastern European countries towards market-oriented economies and to promote private and entrepreneurial initiative in those countries. The bulk of the Bank's capital, which will amount to ECU 10 billion, will be held by the Community (3%), its Member States (45%) and the EIB (3%).

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Annex

TABLE 1: Trend of borrowing and lending in the Community

(ECU million)

Ecu rate at year-end	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
I. Borrowing																
ECSC	731	956	729	981	837	1,004	325	712	750	822	1,265	1,517	1,487	880	913	1,086
Balance of payments	—	1,249	571	—	—	—	—	—	4,247	—	—	862	860	—	—	—
Euratom	—	—	99	72	153	181	373	363	369	214	344	488	853	93	—	—
NCI	—	—	—	—	178	305	339	773	1,617	967	860	541	611	945	522	76
Total Commission	731	2,205	1,399	1,053	1,168	1,490	1,037	1,848	6,938	2,003	2,469	3,408	3,811	1,918	1,435	1,162
EIB ¹	814	732	1,030	1,863	2,437	2,384	2,243	3,146	3,508	4,339	5,699	6,786	5,593	7,666	9,034	10,996
Total EC	1,545	2,937	2,429	2,916	3,605	3,874	3,280	4,994	10,941	6,342	8,168	10,194	9,404	9,584	10,469	12,158
II. Lending																
ECSC	805	989	709	798	676	1,031	388	740	778	825	1,010	1,069	969	908	700	993
Balance of payments	—	1,249	571	—	—	—	—	—	4,247	—	—	862	860	—	—	—
Euratom	—	—	97	70	152	181	357	362	366	186	211	443	314	—	—	—
NCI	—	—	—	—	277	197	540	791	1,200	1,182	884	393	425	357	78	24
Total Commission	805	2,238	1,377	868	1,105	1,409	1,285	1,893	6,591	2,193	2,105	2,767	2,568	1,265	778	1,017
EIB ²	917	947	1,391	1,966	2,281	2,724	2,524	3,446	4,146	5,007	5,641	6,678	6,967	8,844	11,507	12,605
Total EC	1,722	3,185	2,768	2,834	3,386	4,133	3,809	5,339	10,737	7,200	7,746	9,445	9,535	10,109	12,285	13,622

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.

TABLE 2: Community borrowings outstanding (at the end of each year)^{1, 2}

(ECU million)

YEAR	ECSC	EIB	Euratom	NCI	Total borrowings for structural purposes	Balance-of- payments loans	Total borrowings
1977	3 955	5 421	99	—	9 475	1 500	10 975
1978	4 416	6 715	172	—	11 303	1 361	12 664
1979	4 675	8 541	323	178	13 717	965	14 682
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 (+)	6 738	42 330	1 945	5 122	56 135	2 075	58 210
1990 (+)	6 673	48 858	1 687	4 542	61 760	1 695	63 455

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, annulments and exchange-rate adjustments.

(+) Including short term — new EIB approach.

TABLE 3: Community borrowings in 1990, by currency

(ECU million)

	Community currencies												Other currencies				TOTAL	
	ECU	BFR	DM	ESC	FF	HFL	IRL	LFR	LIT	PTA	UKL	Sub-total	SFR	USD	YEN	Sub-total		
EIB	1 765.0	330.4	1 123.5	123.6	1 114.4	528.4	—	51.8	850.6	614.3	1 331.0	7 833.0	818.4	1 573.5	770.7	3 162.6	10 995.6	
Euratom	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
ECSC	2.9	—	138.0	27.3	46.6	4.7	—	60.2	324.0	127.5	84.8	816.0	140.7	129.2	—	269.9	1 085.9	
NCI	—	23.7	48.9	—	—	—	—	—	—	—	—	72.6	—	3.7	—	—	76.3	
TOTAL	1 767.9	354.1	1 310.4	150.9	1 161.0	533.1	—	112.0	1 174.6	741.8	1 415.8	8 721.6	959.1	1 706.4	770.7	3 436.2	12 157.8	
As %	1989	18.5	3.8	12.8	0.8	11.7	3.6	0.5	1.2	7.6	7.9	18.6	86.9	2.7	4.8	4.9	13.1 ⁽¹⁾	100
	1990	14.5	2.9	10.8	1.2	9.5	4.4	—	0.9	9.7	6.1	11.6	71.7	7.9	14.0	6.3	28.3	100

¹ Plus a borrowing of ECU 57.7 million in Canadian dollars, accounting for 0.7%.

TABLE 4: Lending in the Community in 1989 and 1990, by sector and by instrument¹

(ECU million)

Sector	ECSC		EIB		Euratom		NCI		Total		Total (%)	
	1989	1990	1989	1990	1989	1990	1989	1990	1989	1990	1989	1990
Productive sector	639.1	953.6	3 909.7	4 559.5	—	—	242.7	71.5	4 791.5	5 584.6	40.0	42.2
(of which allocations from global loans)	(445.1)	(614.0)	(2 121.2)	(2 280.1)	—	—	(242.7)	—	(2 809)	(2 894.1)	(23.5)	(22.0)
Infrastructure	16.0	10.1	5 207.1	6 032.8	—	—	—	—	5 223.1	6 042.9	43.7	45.7
(of which allocations from global loans)	—	(—)	(353.5)	(432.3)	—	—	—	—	—	(758.8)	—	(6.0)
Energy	45.0	30.1	1 903.2	1 581.9	—	—	3.2	—	1 951.4	1 612.0	16.3	12.1
(of which allocations from global loans)	(1.6)	(—)	(87.9)	(76.9)	—	—	—	—	(442.9)	(76.9)	(3.7)	(0.6)
TOTAL	700.1	993.8	11 020.2	12 174.2	—	—	245.9	71.5	11 966.0	13 239.5	100.0	100.0

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

TABLE 5: Loans granted in the Community by the EIB¹ in 1990, by economic objective²

	1990		1989	
	ECU million	%	ECU million	%
1. Regional development	7 439.5	100.0	7 439.5	100.0
1.1 By country				
Belgium	57.2	0.8	57.2	0.2
Denmark	284.1	3.8	284.1	5.2
Germany	410.2	5.5	410.2	2.6
Greece	157.3	2.1	157.3	3.7
Spain	1 006.8	13.5	1 006.8	16.4
France	1 125.6	15.1	1 125.6	14.5
Ireland	197.0	2.6	197.0	2.7
Italy	2 360.4	31.7	2 360.4	33.9
Luxembourg	11.8	0.2	11.8	—
Netherlands	39.6	0.5	39.6	1.2
Portugal	829.1	11.1	829.1	10.7
United Kingdom	960.5	12.9	960.5	8.8
1.2 By major sector				
Energy	794.8	10.7	794.8	15.7
Transport	1 685.2	22.7	1 685.2	20.5
Telecommunications	1 574.9	21.2	1 574.9	15.5
Water, sewerage	719.4	9.7	719.4	7.2
Other infrastructure	180.1	2.4	180.1	4.6
Industry, agriculture	2 169.3	29.2	2 169.3	30.2
Services	315.7	4.2	315.7	6.3
2. Infrastructure of Community interest	3 117.1	100.0	3 117.1	100.0
2.1 Transport	1 775.3	57.0	1 775.3	69.0
2.2 Telecommunications	1 335.5	42.8	1 335.5	30.5
2.3 Other	6.3	0.3	6.3	0.5
3. Environmental protection and improvement	2 196.2	100.0	2 196.2	100.0
3.1 Environment	1 932.9	88.0	1 932.9	89.7
3.2 Town planning	263.3	12.0	263.3	10.3
4. Energy	1 476.9	100.0	1 476.9	100.0
4.1 Indigenous resources	666.5	45.1	666.5	45.6
4.2 Import diversification	313.5	21.2	313.5	34.5
4.3 Efficient use of energy	497.0	33.7	497.0	19.9
5. Industrial competitiveness	1 760.7	100.0	1 760.7	100.0
6. Small and medium-sized enterprises	1 975.6	7 447	2 013.8	7 605

(1) Including NCI loans.

(2) As certain loans serve a number of purposes simultaneously, the amounts shown under the different headings cannot be aggregated.

TABLE 6: Geographical breakdown of lending¹ in the Community in 1989 and 1990

(ECU million)

Country	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK	EC ² Art. 18	Total
1989														
Amount	104.0	546.8	1 011.3	271.5	1 553.4	1 567.5	186.9	3 848.8	1.2	392.9	796.6	1 838.5	165.5	12 284.9
%	0.8	4.5	8.2	2.2	12.6	12.8	1.5	31.3	0.01	3.2	6.5	15.0	1.3	100.0
1990														
Amount	247.6	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	13 697.9 ³
%	1.8	4.2	7.7	1.3	15.1	13.4	1.6	29.1	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	—	134.4	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	12 656.9 ³
Euratom	—	—	—	—	—	—	—	—	—	—	—	—	—	—
NCI	23.6	—	—	—	—	—	—	—	—	—	—	—	—	23.6

¹ Loans signed.

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

³ The difference with Table 1 is due to inclusion of the ECU 52.5 million guarantee provided by the EIB.

TABLE 7: ECSC interest subsidies paid out in 1989 and 1990

(ECU million)

Country	B	DK	D	E	F	IRL	I	L	NL	UK	Total
1989											
Art, 54	0	0	2.19	0	0.09	0	0	0	0	0.28	2.56
Art, 56	0.74	0.17	24.07	0.51	1.53	0	2.9	0.1	0.19	12.3	42.54 ¹
Total	0.74	0.17	26.26	0.51	1.62	0	2.9	0.1	0.19	12.58	45.1
1990											
Art, 54	0	0	1.11	0	0.07	0	0	0	0	0.16	1.34
Art, 56	0.99	0.14	20.94	0.73	2.03	0	2.78	0.19	0.17	12.65	40.62
Total	0.99	0.14	22.05	0.73	2.10	0	2.78	0.19	0.17	12.81	41.96

¹ This includes an amount of ECU 0.54 million for the special Saarland-Lorraine-Luxembourg project.

TABLE 8: Loans and repayable aid outside the Community provided for in conventions, financial protocols and decisions in force or under negotiation as at 31 December 1990

(ECU million)

Operations set from budgetary resources								
Agreement	Duration	Loans from own resources ¹	Risk capital operations ¹	Loans on special conditions	Loans from ECSC resources ³	Balance-of-payments loans ³	Total	
ACP States-OCT		2,345	1,465	625			4,435	
ACP	Third Lomé Convention ⁴	1,100	600	600 ³	—	—	2,300	
	Fourth Lomé Convention	1,200	825	—	—	—	2,025	
OCT	Council Decision ⁴	20	15	25 ⁽¹⁾	—	—	60	
	Council Decision	25	25	—	—	—	50	
Mediterranean countries		5,675	149.5	325			6,149.5	
Yugoslavia	Second Financial Protocol	550	—	—	—	—	550	
	Third Financial Protocol awaiting signature	730	—	—	—	—	730	
Turkey	Fourth Financial Protocol awaiting signature	225	—	325 ¹	—	—	550	
Algeria	Third Financial Protocol	183	4	—	—	—	187	
Morocco		151	11	—	—	—	162	
Tunisia		131	6	—	—	—	137	
Algeria	Fourth Financial Protocols awaiting signature	280	18	—	—	—	298	
Morocco		220	25	—	—	—	245	
Tunisia		168	15	—	—	—	183	
Egypt	Third Financial Protocols	249	11	—	—	—	260	
Jordan		63	2	—	—	—	65	
Lebanon		53	1	—	—	—	54	
Syria		110	2	—	—	—	112	
Egypt	Third Financial Protocols awaiting signature	310	16	—	—	—	326	
Jordan		80	2	—	—	—	82	
Lebanon		45	2	—	—	—	47	
Syria		115	2	—	—	—	117	
Israel	Third Financial Protocol	63	—	—	—	—	63	
	Fourth Financial Protocol awaiting signature	82	—	—	—	—	82	
Malta	Third Financial Protocol	23	2.5	—	—	—	25.5	
Cyprus	Third Financial Protocol	44	5	—	—	—	49	
'Non-Protocol' horizontal financial cooperation		1,800	25	—	—	—	1,825	
Central and Eastern European countries		1,700			200	870	2,770	
Poland/Hungary	1990-1993	1,000	—	—	200	—	1,200	
Czechoslovakia/Bulgaria/Romania	1991-1993	700	—	—	—	—	700	
Hungary	1990-1993	—	—	—	—	870	870	
Total		9,720	1,614.5	950	200	870	13,354.5	

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 some Mediterranean countries.

² Granted and managed by the Bank.

³ Granted and managed by the Commission.

⁴ The duration of which has been extended until entry into force of the Fourth Lomé Convention.

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

	1986	1987	1988	1989	1990	1990		1991			1991					Change over 12 months (%) (b)		
						III	IV	I	II	III	April	May	June	July	Aug.		Sept.	Oct.
B	0,8	2,1	5,8	3,4	5,0	-1,9	2,4	-3,0	-1,5	:	-3,9	1,5	2,9	-6,9	-0,3	:	:	-6,9
DK	6,5	-3,4	1,9	2,3	0,5	1,8	0,6	0,4	1,5	2,3	6,8	-0,7	-4,0	9,6	-5,9	0,5	2,5	3,4
D	2,4	0,3	3,7	5,3	5,1	2,2	1,5	0,4	1,5	-1,4	3,6	-3,1	2,7	-1,1	-2,0	1,3	-0,6	0,0
GR	-0,2	-1,7	5,7	1,6	-1,9	-3,9	4,7	-3,6	0,3	2,1	-0,3	0,1	0,1	0,2	0,4	4,6	:	16,9
E	3,1	4,6	3,1	4,5	0,0	-0,7	-0,4	-1,6	1,7	0,1	10,8	-3,2	-1,4	2,4	-0,7	0,7	:	1,2
F	0,9	1,9	4,6	4,1	1,5	0,7	-1,1	0,5	-0,6	0,3	1,6	0,1	0,1	-0,1	1,0	-1,2	1,3	0,1
IRL	2,2	8,9	10,7	11,6	4,7	5,1	-1,2	1,6	-3,6	5,0	-0,9	-2,7	3,6	-2,2	7,9	1,6	:	3,4
I	4,1	2,6	6,9	3,9	-0,7	0,4	-1,8	0,2	-1,0	-1,3	-3,3	1,9	3,4	-4,3	-0,8	2,4	-1,4	-1,9
L	2,1	-0,9	8,7	7,8	-0,5	1,4	-4,2	0,8	1,8	:	-1,9	-1,4	5,8	-5,2	1,5	:	:	0,5
NL	0,2	0,9	-0,1	4,6	3,2	2,7	1,8	1,8	-0,5	-2,9	2,3	5,1	-1,1	-2,8	0,3	-3,6	:	-6,5
P	7,2	4,4	3,8	6,7	9,0	2,8	1,0	-0,9	:	:	-5,3	1,4	:	:	:	:	:	-0,9
UK	2,4	3,2	3,6	0,4	-0,5	-2,8	-1,7	-0,3	-1,1	0,9	-2,6	-0,3	3,2	0,0	-1,8	0,3	0,9	-1,0
EUR 12	2,4	1,9	4,2	3,8	1,9	0,4	-0,1	0,2	(-0,3)	(-0,7)	0,6	-0,2	(1,7)	(-1,1)	(-1,3)	(0,7)	(0,5)	(-0,6)
USA	2,9	6,1	5,8	2,9	0,9	0,8	-1,9	-2,7	0,7	2,0	0,3	0,8	1,0	0,8	0,2	0,5	0,0	-2,0
JAP	-0,2	3,0	9,8	6,1	4,7	2,2	1,7	-0,1	-0,6	0,2	0,5	2,0	-2,8	3,2	-2,5	0,5	-0,4	-2,1

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

	1986	1987	1988	1989	1990	1990		1991			1991					Change over 12 months (%) (c)		
						III	IV	I	II	III	May	June	July	Aug.	Sept.		Oct.	Nov.
B	11,6	11,4	10,0	8,4	7,7	7,7	7,8	7,9	8,0	8,2	8,0	8,1	8,1	8,2	8,2	8,3	8,4	0,6
DK	5,6	5,7	6,5	7,8	8,2	8,5	8,4	8,5	8,9	9,3	9,0	9,1	9,2	9,3	9,2	9,2	9,2	0,8
D	6,3	6,2	6,1	5,5	5,1	5,1	4,8	4,6	4,6	4,7	4,6	4,6	4,7	4,7	4,7	4,6	4,6	-0,2
GR	7,4	7,4	7,6	7,4	7,1	:	:	:	:	:	:	:	:	:	:	:	:	:
E	21,1	20,4	19,3	17,1	16,1	16,0	16,0	15,8	15,9	15,7	15,9	15,9	15,6	15,7	15,8	16,2	16,3	0,2
F	10,3	10,4	9,9	9,4	9,1	9,1	9,2	9,3	9,6	9,9	9,6	9,7	9,9	9,9	10,0	10,0	10,1	0,9
IRL	18,2	18,0	17,4	16,0	15,6	15,6	15,8	16,4	17,2	17,8	17,1	17,4	17,7	17,8	17,9	18,0	18,0	2,3
I	10,5	10,2	10,8	10,7	9,8	9,9	9,8	10,2	10,3	10,0	10,2	10,4	10,0	10,0	10,0	10,3	10,2	0,6
L	2,6	2,6	2,1	1,8	1,7	1,6	1,7	1,7	1,9	2,0	1,9	1,9	1,9	2,0	2,0	2,0	2,0	0,2
NL (g)	10,2	10,0	9,3	8,7	8,1	(6,6)	(6,4)	(6,3)	(6,2)	(5,8)	(6,1)	(6,0)	(5,8)	(5,8)	(5,8)	(5,9)	:	(-0,5)
P	8,2	6,8	5,6	5,0	4,6	4,7	4,5	4,2	4,2	4,1	4,3	4,2	4,2	4,1	4,1	4,1	4,0	-0,5
UK	11,4	10,4	8,5	7,1	7,1	7,0	7,5	8,3	9,2	9,9	9,2	9,4	9,7	10,0	10,1	10,2	10,2	2,8
EUR 12	10,7	10,3	9,7	8,9	8,5	8,5	8,5	8,7	9,0	9,1	8,9	9,0	9,1	9,1	9,1	9,3	9,3	0,8
USA (g)	7,0	6,2	5,5	5,3	5,5	5,6	5,9	6,5	6,8	6,8	6,9	7,0	6,8	6,8	6,7	6,8	:	1,1
JAP (g)	2,8	2,8	2,5	2,3	2,1	2,1	2,1	2,1	2,1	2,2	2,0	2,1	2,2	2,2	2,2	2,0	:	-0,2

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

	1986	1987	1988	1989	1990	1990		1991			1991					Change over 12 months (%) (b)		
						III	IV	I	II	III	May	June	July	Aug.	Sept.		Oct.	Nov.
B	1,3	1,6	1,2	3,1	3,4	1,1	1,2	0,6	0,3	1,1	0,4	0,5	0,5	0,3	-0,1	0,4	0,3	2,8
DK	3,7	4,0	4,5	4,8	2,6	0,7	0,9	0,0	0,9	0,3	0,7	0,2	-0,3	0,2	0,6	0,2	0,4	2,3
D	-0,1	0,2	1,3	2,8	2,7	0,4	0,9	0,8	0,9	1,5	0,4	0,5	0,9	0,0	0,2	0,3	0,4	4,2
GR	23,0	16,4	13,5	13,7	20,4	3,8	6,6	2,1	5,7	2,5	0,4	1,9	-0,1	-0,2	3,9	2,2	1,7	17,9
E	8,8	5,3	4,8	6,8	6,7	2,2	1,8	1,3	0,7	2,1	0,3	0,3	1,2	0,4	0,8	0,6	0,2	5,8
F	2,7	3,1	2,7	3,6	3,4	1,0	1,0	0,5	0,7	0,8	0,3	0,2	0,4	0,2	0,2	0,4	0,3	3,0
IRL (h)	3,8	3,1	2,2	4,1	3,3	0,8	0,6	0,8	0,8	1,3	(0,3)	(0,4)	(0,4)	(0,4)	(0,2)	(0,2)	(0,2)	(3,6)
I	5,8	4,7	5,1	6,2	6,5	1,4	1,9	1,8	1,4	1,2	0,4	0,4	0,4	0,4	0,5	0,6	(0,7)	(6,1)
L	0,3	-0,1	1,4	3,4	3,7	0,6	2,0	0,3	0,2	1,1	0,5	0,2	0,5	0,3	0,2	0,3	0,6	2,6
NL	0,2	-0,4	0,9	1,1	2,4	0,8	0,9	0,7	1,0	2,0	0,2	0,1	1,4	0,4	0,6	0,4	0,2	4,8
P	11,7	9,4	9,6	12,6	13,4	2,5	3,0	3,1	2,9	1,7	1,3	0,8	0,3	0,6	0,0	0,7	0,8	9,9
UK	3,4	4,1	4,9	7,8	9,5	1,6	1,6	0,6	2,1	0,4	0,3	0,4	-0,2	0,2	0,4	0,4	0,4	4,3
EUR 12	3,5	3,2	3,6	5,2	5,6	1,2	1,4	1,0	1,3	1,2	(0,3)	(0,4)	(0,5)	(0,2)	(0,4)	(0,5)	(0,4)	(4,8)
USA	1,9	3,7	4,1	4,8	5,4	1,7	1,6	0,8	0,6	0,8	0,3	0,3	0,1	0,3	0,4	0,1	0,3	3,0
JAP	0,6	0,1	0,7	2,3	3,1	0,2	1,6	0,5	1,0	0,0	0,5	-0,4	-0,1	0,2	0,2	1,1	0,2	3,1

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

	1986	1987	1988	1989	1990	1990		1991			1991					Change over 12 months (d)		
						III	IV	I	II	III	April	May	June	July	Aug.		Sept.	Oct.
B/L	147	-580	-2543	-2107	-5655	-1253	-1908	-1412	-1635	-2259	-550	-497	-588	-906	-657	-696	-563	170
DK	-1716	98	925	1225	1951	455	529	393	572	701	97	192	283	103	324	274	161	60
D(i)	53044	56961	60935	64055	44036	10134	3789	3092	-1493	1136	-102	-723	-668	-391	1437	90	:	:
GR	-5809	-5692	-5825	-7783	-9228	-2546	-1713	-2465	-2222	-2035	-737	-675	-810	-519	-748	-768	-815	-231
E	-6307	-8749	-11974	-19802	-19232	-4240	-4659	-4644	-4943	-5837	-1845	-1537	-1561	-2291	-1626	-1920	-1768	-3
F	-9697	-12471	-11855	-13986	-17275	-4838	-4824	-4667	-3213	-4130	-1077	-1021	-1115	-1709	-1333	-1088	-119	1366
IRL	981	2046	2741	3049	2505	420	485	539	523	:	108	178	237	120	260	:	:	196
I	-2460	-7429	-8388	-11098	-9273	-1548	-2651	-1285	-3187	-3540	-1380	-1488	-319	-1468	-738	-1334	-1157	-79
NL	4161	1087	1296	2895	-329	-435	-606	-276	-1128	-1101	-649	-338	-141	-535	-45	-521	-210	8
P	-1298	-2955	-3473	-5033	-6239	-1482	-1825	-1749	-1882	-1968	-705	-531	-646	-736	-553	-679	-638	16
UK	-19868	-20890	-42384	-41826	-30906	-7350	-5654	-6318	-5210	-5552	-1410	-1750	-2050	-1402	-1835	-2315	-1471	606
EUR 12 (i)	11160	1423	-20548	-30416	-49647	-12938	-18604	-18796	-23807	-24124	-8240	-8227	-7340	-9732	-5484	(-8841)	:	(-4701)
USA	-157829	-132116	-100208	-99430	-80004	-21347	-18850	-12588	-11009	-16351	-3723	-3995	-3291	-5178	-5551	-5622	:	1296
JAP	84010	69636	65441	58691	41167	11202	6164	13061	15869	17592	4952	4847	6069	5153	6149	6290	5313	3443

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

	1986	1987	1988	1989	1990	1990		1991			1991					Change over 12 months (%) (e)		
						III	IV	I	II	III	May	June	July	Aug.	Sept.		Oct.	Nov.
B (M2)	12,7	10,2	7,6	13,1	4,0	1,2	1,5	1,4	1,7	2,6	:	:	:	:	:	:	:	7,4
DK (M2)	8,4	4,1	3,5	8,3	7,1	3,6	-0,5	4,2	4,4	1,3	5,2	-2,3	1,1	-0,8	1,0	0,8	-1,2	8,0
D(i) (M3)	7,2	6,4	7,0	4,5	5,3	1,6	1,8	0,9	0,8	1,5	0,4	0,3	0,5	0,6	0,4	0,6	0,7	:
GR (M3)	19,0	24,2	23,4	24,2	14,2	3,9	2,5	-0,8	2,3	2,0	0,8	1,7	0,9	0,9	0,2	(0,9)	:	(6,9)
E (ALP)	12,1	14,6	12,1	10,4	11,7	2,1	3,3	4,0	2,1	2,5	0,5	0,9	0,7	0,3	1,4	:	:	12,3
F (M3)	6,8	9,8	8,4	9,6	8,9	1,2	3,1	0,7	1,3	0,6	-0,2	1,6	-0,3	0,8	0,1	-1,0	0,8	5,2
IRL (M3)	-1,0	10,9	6,3	5,0	15,4	7,5	2,1	0,0	1,3	1,4	-0,4	0,4	2,8	0,3	-1,7	1,8	:	6,4
I (M2)	9,4	8,1	8,9	11,3	9,9	2,6	3,4	1,5	2,4	3,0	0,8	1,6	0,0	1,9	1,0	0,9	:	10,5
NL (M2)	5,1	3,9	13,7	13,7	8,2	3,4	2,4	0,7	-3,2	:	0,4	-3,1	2,0	2,9	:	:	:	6,7
P (L-)	26,3	19,7	17,8	10,6	11,5													

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

	1987	1988	1989	1990	1991	1990					1991					Change over 12 months (c)		
						IV	I	II	III	IV	June	July	Aug.	Sept.	Oct.		Nov.	Dec.
B	7.1	6.7	8.7	9.8	9.4	9.3	9.7	9.2	9.2	9.5	9.1	9.2	9.3	9.3	9.3	9.5	9.7	-0.2
DK	9.9	8.3	9.4	10.8	9.5	9.8	10.0	9.5	9.4	9.3	9.1	9.1	9.4	9.6	9.4	9.1	9.3	-0.6
D	4.0	4.3	7.1	8.4	9.2	8.8	9.1	9.0	9.2	9.4	9.0	9.1	9.3	9.2	9.3	9.4	9.5	0.4
GR	14.9	15.9	18.7	19.6	22.2	19.8	25.5	19.8	21.2	:	17.8	23.2	20.1	20.2	18.7	26.1	:	9.4
E	15.8	11.6	15.0	15.2	13.2	15.0	14.5	13.0	12.6	12.8	12.5	12.8	12.7	12.4	12.6	12.7	12.9	-2.2
F	8.3	7.9	9.4	10.3	9.6	10.1	9.8	9.4	9.5	9.7	9.7	9.6	9.6	9.4	9.3	9.5	10.1	-0.2
IRL	11.1	8.1	9.8	11.4	10.4	10.7	11.1	10.3	10.0	10.3	10.3	10.1	10.1	10.0	10.2	10.2	10.5	-0.6
I	11.4	11.3	12.7	12.3	12.2	12.6	13.2	11.7	11.9	12.0	11.6	11.8	12.0	11.8	11.5	11.8	12.7	-1.1
NL	5.4	4.8	7.4	8.7	9.3	8.9	9.2	9.2	9.3	9.5	9.2	9.2	9.3	9.3	9.3	9.4	9.7	0.3
P	13.9	13.0	14.8	16.9	17.7	17.0	17.5	17.5	17.9	:	17.9	17.9	17.9	17.9	17.8	17.7	:	0.4
UK	9.7	10.3	13.9	14.8	11.5	13.8	13.2	11.6	10.8	10.6	11.2	11.1	10.9	10.3	10.4	10.5	10.8	-3.0
EUR 12 (n)	8.9	8.6	11.0	11.9	11.1	11.7	11.8	10.8	10.8	10.9	10.7	10.9	10.8	10.6	10.6	10.8	11.2	-0.9
USA	5.9	6.9	8.4	7.8	5.5	7.2	5.9	5.7	5.5	4.7	5.7	5.7	5.5	5.4	5.1	4.7	4.2	-2.8
JAP	3.9	4.0	5.4	7.7	7.4	8.3	8.1	7.9	7.2	6.2	7.8	7.6	7.3	6.8	6.4	6.2	6.1	-2.2

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

	1987	1988	1989	1990	1991	1990					1991					Change over 12 months (c)		
						IV	I	II	III	IV	June	July	Aug.	Sept.	Oct.		Nov.	Dec.
B	7.8	7.9	8.7	10.1	9.3	10.0	9.5	9.2	9.3	9.1	9.4	9.5	9.3	9.2	9.2	9.2	9.0	-1.0
DK	11.9	10.6	10.2	11.0	10.1	11.0	10.4	10.1	10.1	9.9	10.0	10.2	10.1	10.0	9.9	10.0	9.9	-1.1
D	5.8	6.1	7.0	8.9	8.6	9.0	8.7	8.5	8.8	8.6	8.5	8.8	8.8	8.7	8.6	8.6	8.5	-0.5
GR	17.4	16.6	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
E	12.8	11.8	13.8	14.7	12.4	14.7	14.0	12.1	11.9	11.8	11.9	12.2	12.1	11.6	11.6	11.8	11.9	-2.7
F	9.4	9.0	8.8	9.9	9.0	10.1	9.3	9.0	9.0	8.8	9.1	9.3	8.9	8.9	8.8	8.9	8.7	-1.3
IRL	11.3	9.4	9.0	10.1	9.2	10.0	9.3	9.1	9.3	9.1	9.1	9.4	9.3	9.2	9.2	9.1	9.0	-0.7
I	11.3	12.1	12.9	13.4	13.0	13.4	13.6	12.8	12.8	12.6	12.5	12.7	12.8	12.8	12.6	12.5	12.7	-0.9
L	8.0	7.1	7.7	8.6	:	8.7	8.2	8.2	8.1	:	8.2	8.1	8.1	8.1	8.1	8.1	:	-0.6
NL	6.4	6.3	7.2	9.0	8.9	9.4	9.1	8.8	9.0	8.9	8.9	9.0	9.0	9.0	8.9	8.9	8.9	-0.5
P	15.4	14.2	14.9	16.8	17.1	17.1	16.8	17.3	17.4	:	16.8	16.9	17.6	17.8	17.1	16.6	:	-0.1
UK	9.5	9.3	9.6	11.1	9.9	10.7	10.0	10.2	9.8	9.7	10.3	10.0	9.8	9.5	9.6	9.7	9.6	-1.0
EUR 12 (n)	9.4	9.4	10.0	11.2	10.4	11.2	10.7	10.3	10.3	10.1	10.3	10.4	10.3	10.2	10.1	10.1	10.1	-1.1
USA	8.7	9.0	8.5	8.6	8.1	8.5	8.2	8.3	8.2	7.9	8.5	8.5	8.2	8.0	7.9	7.9	7.7	-0.5
JAP	4.7	4.7	5.2	7.5	6.7	7.7	6.9	7.1	6.8	6.1	7.2	7.1	6.8	6.5	6.2	6.0	6.0	-1.2

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

	1987	1988	1989	1990	1991	1990					1991					Change over 12 months (b)		
						IV	I	II	III	IV	June	July	Aug.	Sept.	Oct.		Nov.	Dec.
BFR/LFR	43.04	43.43	43.38	42.43	42.22	42.35	42.22	42.35	42.26	42.06	42.29	42.29	42.25	42.23	42.16	42.06	41.96	-0.7
DKR	7.88	7.95	8.05	7.86	7.91	7.87	7.88	7.90	7.93	7.92	7.92	7.94	7.92	7.91	7.93	7.93	7.93	0.7
DM	2.07	2.07	2.07	2.05	2.05	2.05	2.05	2.06	2.05	2.04	2.06	2.05	2.05	2.05	2.04	2.04	2.04	-0.3
DR	156.1	167.5	178.8	201.3	225.2	209.9	219.2	224.4	226.2	231.0	224.5	224.8	226.5	227.5	228.3	231.1	233.5	9.8
PTA	142.2	137.6	130.4	129.4	128.5	129.9	128.3	127.6	128.5	129.4	128.2	128.7	128.2	128.6	129.1	129.1	130.0	-0.4
FF	6.93	7.04	7.02	6.91	6.97	6.92	6.97	6.97	6.98	6.97	6.97	6.97	6.97	6.98	6.98	6.98	6.96	0.3
IRL	0.775	0.776	0.777	0.768	0.768	0.768	0.769	0.769	0.768	0.765	0.768	0.768	0.768	0.767	0.766	0.765	0.765	0.0
LIT	1495	1537	1511	1522	1533	1542	1536	1528	1532	1537	1528	1530	1534	1533	1531	1538	1541	-0.3
HFL	2.33	2.34	2.34	2.31	2.31	2.31	2.31	2.32	2.31	2.30	2.32	2.31	2.31	2.31	2.31	2.30	2.30	-0.4
ESC	162.5	170.1	173.4	181.1	178.7	181.2	180.6	179.3	176.5	178.3	179.9	177.4	176.0	176.1	176.1	178.0	180.7	-0.2
UKL	0.705	0.664	0.673	0.714	0.701	0.702	0.702	0.695	0.699	0.708	0.699	0.697	0.699	0.701	0.703	0.708	0.713	0.5
USD	1,154	1,183	1,102	1,271	1,238	1,367	1,339	1,186	1,177	1,256	1,151	1,148	1,176	1,208	1,211	1,258	1,300	-4.9
YEN	166.5	151.5	151.8	183.6	166.4	178.7	179.0	164.2	160.6	162.6	161.0	158.4	160.9	162.5	158.3	163.0	166.6	-8.8
DTS	0.892	0.880	0.860	0.937	0.905	0.953	0.947	0.887	0.881	0.907	0.782	0.869	0.881	0.892	0.889	0.908	0.924	-3.5

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

	1987	1988	1989	1990	1991	1990					1991					Change over 12 months (b)		
						IV	I	II	III	IV	June	July	Aug.	Sept.	Oct.		Nov.	Dec.
B/L	4.1	-1.3	-0.9	5.2	-0.3	0.7	0.2	-2.2	0.1	1.4	-0.5	-0.1	0.5	0.4	0.0	0.9	0.8	0.0
DK	4.2	-1.9	-2.7	7.6	-1.9	0.8	-0.5	-3.1	-0.6	1.5	-1.3	-0.5	0.7	0.8	-0.1	0.8	0.9	-2.1
D	6.9	-0.8	-1.3	5.7	-1.1	1.5	-0.2	-3.6	0.2	2.1	-0.7	-0.1	0.7	0.0	1.5	1.2	1.2	-0.5
GR	-9.9	-7.2	-7.5	-8.0	-11.5	-2.8	-4.5	-4.7	-1.0	-1.0	-0.5	-0.2	-0.3	0.0	-0.5	-0.4	-0.3	-11.1
E	0.2	3.1	4.1	5.1	-0.3	-0.8	1.0	-2.3	-0.9	0.6	-1.4	-0.6	1.0	0.2	-0.5	1.0	0.2	-1.4
F	1.1	-2.3	-1.3	6.1	-2.1	0.8	-1.2	-2.8	-0.2	1.4	-0.7	-0.1	0.5	0.5	-0.2	1.1	1.1	-2.1
IRL	-2.1	-1.4	-1.3	5.8	-1.3	1.0	-0.5	-2.6	0.1	1.7	-0.5	-0.1	0.6	0.6	0.1	1.1	0.8	-0.7
I	1.1	-3.5	0.4	3.7	-2.0	-0.4	0.2	-2.5	-0.5	1.1	-0.9	-0.3	0.3	0.7	0.0	0.6	0.7	-1.2
NL	5.1	-0.4	-1.0	3.9	-0.7	1.0	0.0	-2.2	0.1	1.3	-0.4	-0.1	0.4	0.4	0.0	0.9	0.8	0.0
P	-7.1	-5.1	-3.2	-1.3	0.6	1.3	0.1	-1.4	1.6	0.0	-1.1	1.4	1.2	0.3	-0.1	-0.4	-0.8	-0.8
UK	-1.0	5.7	-3.4	-0.8	0.4	0.0	-0.4	-2.9	-0.9	0.4	-1.9	0.1	0.5	0.5	-0.7	0.7	0.3	-3.5
EUR 12	7.0	-1.6	-3.0	11.5	-3.3	1.4	-0.8	-7.4	-0.6	3.4	-2.3	-0.3	1.5	1.4	-0.5	2.7	2.2	-3.8
USA	-12.1	-6.1	4.9	-6.2	-0.7	-4.9	1.6	7.4	0.0	-4.7	2.5	-0.2	-1.5	-2.0	-1.0	-2.0	-1.7	3.0
JAP	8.2	10.4	-4.4	-10.2	8.6	8.6	-1.3	1.9	1.8	2.4	0.6	1.5	-0.3	0.4	2.8	-0.7	-0.1	3.5

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,

1991 Issues discussed in Supplement A

1. Inflation in the Community
- 2./3. Real convergence in the Community
4. Profitability of fixed capital in the Community
5. Economic forecasts for 1991 and 1992
6. Annual Economic Report 1990-91: The European Community in the 1990s: Towards Economic and Monetary Union
7. Recent developments and outlook of the world economy
- 8./9. Economic situation and economic reform in Eastern Europe
10. Recent trends in employment and unemployment
- 11./12. Economic forecasts for 1992 and 1993

Principal economic policy measures — November 1991

Community (EUR 12)

11.11 The Ecofin Council, in the context of the multilateral surveillance process, approves the Italian convergence programme for 1992/94.

Belgium (B)

None.

Denmark (DK)

27.11 Government proposes abolition of labour market tax (AMBI) and its replacement by a 3% VAT. The change is purely technical, in order to avoid EC legal proceedings.

Germany (D)

11.11 The Federal Cabinet unveils its plan for the reintroduction of a withholding tax on interest incomes for residents, which had been abolished in mid-1989, six months after its introduction. According to this plan a withholding tax of 25% will be introduced as from January 1993. The annual tax-free capital-income limit will be DM 6 000 for non-married income-tax payers and DM 12 000 for married income-tax payers.

Greece (GR)

23.11 The Treasury issues three series of bills with a maturity of three, six and twelve months, and an interest rate of 18,0%, 21,0% and 22,5% p.a. respectively.

29.11 The budget for 1992 together with an estimate for the execution of the 1991 budget was submitted to Parliament. The net borrowing requirement of the central government for 1991 is now estimated at DRS 1 640 billion and for 1992 it is projected at DRS 1 101 billion (corresponding to 13.1% and 7.6% of GDP respectively). In the 1992 budget, total revenue is expected to rise by 24.8%; revenue from direct taxes is projected to rise by 26% and from indirect taxes by 23%. From privatization the expected revenue in 1992 is DRS 150 billion. Total expenditure excluding debt service is set to rise by 15.9% on 1991 and amortization is projected at DRS 1 413 after DRS 941 billion in 1991. The wage bill will rise by 12.1% reflecting an increase of 14.1% for active civil servants and 7.1% for pensioners. These figures are based on an incomes policy providing for increases in per-capita incomes of 4.5% on average. Interest payments are set at DRS 1 344 billion, down from DRS 1 556 billion in 1991 but this partly reflects the effect of rescheduling of public debt held by domestic banks. Grants (mainly to social security and urban transport) are rising only marginally in nominal terms (4.6%). Other expenditure (goods and services) is set to rise sharply (37.4%).

Spain (E)

5.11 The Bank of Spain cuts the official intervention rate by 0.10 of a percentage point to 12.5%.

France (F)

13.11 Government decides to sell to the private sector 5.8 million shares (2% of share capital) of Elf Aquitaine, the State-owned oil company.

18.11 The Bank of France increases both official rates: the intervention rate by 0.5 points to 9.25%, the 5 to 10 day emergency funding rate by 0.25 points to 10%.

20.11 The updated target for the budget deficit in 1991 is adopted by the government: FF 99.9 billion compared to FF 80.7 billion the original target.

26.11 Reserve requirements on banks' current accounts deposits will be reduced by 1.4 percentage points to 4.1% from 1 December onwards.

Ireland (IRL)

None.

Italy (I)

25.11 The Bank of Italy raises by half percentage point to 12% the rate it charges on fixed-term advances effective as of 26 November.

Luxembourg (L)

None.

Netherlands (NL)

19.11 Reform of the health care finance system will begin on 1st January 1992, with measures designed to improve efficiency and competition. Uncertainty exists as far as the effects of the reform on total health care costs are concerned and particularly as to how the charges will be distributed among income categories. Further implementation will partly depend on the results obtained in the first stage.

Portugal (P)

4.11 The Government increases the retirement and invalidity pensions paid by the social security scheme. The increases, which come into force in December 1991 and which also affect the end-of-year allowance, average some 13%. The measure benefits 2.3 million people, or more than 20% of the population.

21.11 The Government presents a revised draft budget for 1991. Expenditure is Esc 101 billion (some 1% of GDP) higher, chiefly in the Ministries of Education and Health, than in the initial budget (due to an underestimation of the impact of wage reform on the wage and salary bill); conversely, savings of Esc 51 billion have been made in other Ministries. On the revenue side, direct tax and interest receipts have been revised upwards by Esc 92 billion. The projected deficit is reduced by Esc 42 billion.

United Kingdom (UK)

6.11 Government presents revised medium-term expenditure plans: general government spending (excluding privatisation proceeds) planned to rise by 3 1/2% in real terms in 1992-93, 2 3/4% in 1993-94 and 2% in 1994-95.

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