Exceptional Community aid for reconstruction of the areas stricken by the cyclone in Madeira, Portugal

1994/0258(CNS) - 29/06/1995 - Final act

OBJECTIVE: to provide Portugal with an interest rate subsidy of 3%, chargeable to the budget of the European Communities, on some loans granted by the European Investment Bank (EIB) out of its own resources for the financing of projects in the regions devastated by the cyclone that hit Madeira in October 1993. COMMUNITY MEASURE: Council Decision 95/250/EC relating to exceptional Community aid for the reconstruction of the areas stricken by the cyclone that hit Madeira in October 1993. SUBSTANCE: The Community provides Portugal with an interest rate subsidy of 3% per year, chargeable to the EC budget, on the loans granted by the EIB out of its own resources for the financing of projects in the regions devastated by the cyclone that hit Madeira in October 1993. The total amount of subsidised loans comes to ECU 15.85 million for a maximum period of twelve years. The loans are intended for the financing of projects undertaken between 1993 and 1997 for the reconstruction and redevelopment of cyclone-stricken areas (infrastructure works and, secondarily, housing). They are granted by the EIB on the basis of projects put forward by the Portuguese authorities. The detailed arrangements for implementing this Decision are laid down in a cooperation agreement between the Commission and the EIB, setting out, in particular, the detailed rules for the payment of the interest rate subsidies. The Commission will present to the European Parliament and the Council - in close cooperation with the EIB and before 31 December 1998 - a report on the implementation and results of this financing (in particular on the additional effects produced by the interest subsidies). ENTRY INTO FORCE: 29 June 1995.