

Medium-term financial assistance for Member States' balances of payment

2008/0208(CNS) - 02/12/2008 - Final act

PURPOSE: to raise the ceiling on mediumterm financial assistance available under the EU support mechanism for the balances of payments of non-euro area Member States in financial difficulties.

LEGISLATIVE ACT: Council Regulation (EC) No 1360/2008 amending Regulation (EC) No 332/2002 establishing a facility providing mediumterm financial assistance for Member States' balances of payments.

CONTENT: the Council adopted a Regulation raising the ceiling on mediumterm financial assistance for the balances of payments of non-euro area Member States in financial difficulties.

The text amends Regulation No 332/2002/EC on which the facility is based, to increase the total amount of loans available from EUR 12 billion at present to **EUR 25 billion**. The support facility applies only to Member States whose currency is not the euro.

The number of Member States outside the euro area - 11 in 2009, compared to three when the facility was set up in 2002 - affects potential demand for mediumterm support. This facility was used on 4 November to grant Hungary a loan amounting to EUR 6.5 billion.

ENTRY INTO FORCE: 01/01/2009.