Further macro-financial assistance for Georgia

2010/0390(COD) - 13/01/2011 - Document attached to the procedure

The Commission presents a Staff Working Document which contains an ex-ante evaluation statement on further macro-financial assistance 9MFA) to Georgia. It accompanies the Commission's proposal for a decision providing further MFA to Georgia, in the amount of EUR 46 million. The document gives detailed consideration to Georgia's macro-economic situation and describes the 2008 IMF Stand By Arrangement (SBA) and other donor support.

Based on the estimates provided by the IMF, total financing needs for the three years (2009-11) amount to around USD 2.4 billion. Out of this amount, the Breton Woods institutions are expected to provide around USD 1.5 billion, including some USD 900 million for the period 2010-11. The proposed new MFA would amount to EUR 46 million and, together with the last MFA operation, would cover around 14% of the residual financing needs for the period 2009-11 (around USD 850 million).

The paper goes on to give an account of the risk assessment and the added value of EU involvement.