Bosnia and Herzegovina: Community macro-financial assistance

1998/0311(CNS) - 23/02/1999

The Committee endorsed the Commission proposal to provide Bosnia and Herzegovina with financial support of up to ·60m which will cover approximately 50% of the funding gap estimated for 1998. The financial assistance is made up of a loan of up to ·30m with a term of 15 years and an additional grant of ·30m. Both components are to be made available in two tranches, subject to satisfactory progress in the macro-economic programme agreed with the International Monetary Fund. Rapporteur Konrad Schwaiger (EPP, D) wants this aid to underpin Bosnia's economic reform programme. The Committee accepted his amendments, a number of which sought to ensure that there were strict budgetary controls over the assistance and requiring regular checks that the Bosnian government and administration are functioning regularly. A further amendment calls on the Commission to report to Parliament before the release of the second tranche of financial assistance.