

# **Economic Union: medium-term financial assistance for Member States' balances of payment (repeal. Regulation (EEC) No 1969/88)**

2001/0062(CNS) - 07/03/2001 - Legislative proposal

**PURPOSE** : to establish a facility providing medium-term financial assistance for Member States' balances of payments. **CONTENT** : the present facility providing medium-term financial assistance for Member States' balances of payments was established by Council Regulation 1969/88/EEC of 24 June 1998. The Council has on several occasions since 1988 examined the financial assistance facility in light of the Commission's report and the opinions delivered by Economic Financial Committee and Parliament. on whether the facility still met, in its principle, arrangements and ceiling, the need which led to its creation. The Council was in favour of retaining the facility and adapting the legal reference framework. It also felt that the present Regulation, which provides for exclusive recourse to the capital market for financial loans granted under the facility, should be amended and the ceiling reduced from EUR 16 billion to EUR 12 billion. Lastly, it called on the Commission to present in due course a proposal amending Regulation 1969/88/EEC accordingly.