Former Yugoslav Republic of Macedonia FYROM: Community supplementary macro-financial assistance

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The committee recommended, in line with the rapporteur Mr Hans-Peter MARTIN (PES,A), the approval of a Commission proposal for a Council Decision providing supplementary macro-financial assistance to the former Yugoslav Republic of Macedonia (FYROM), with the purpose of redressing its balance-of-payments. The committee approved at the same time a series of amendments submitted mostly by the rapporteur and designed to: 1) underline the social aspects (job creation, improving living conditions) of the reform process which the financial assistance is supposed to support, 2) include striving for the proper functioning of the administration and the economy and meeting the basic social needs of the population among the aims of the balance-of-payments assistance, 3) ensure that the Commission will inform the European Parliament before the second instalment of the assistance is released, 4) ensure that the Commission's annual evaluation of the implementation of the present Decision will be submitted no later than 15 September, so that Parliament is able to draw the necessary conclusions at the first reading of the EU budget. According to the proposed Decision, the EU will provide FYROM with financial assistance in the form of a long-term loan and straight grants. The loan component of this assistance will amount to a maximum of 50 million euros, with a grace period of 10 years and a maximum maturity of 15 years. The grant component will amount to a maximum of 30 million euros for the 1999-2000 period. Both components will be made available to the country in at least two instalments. Concerning the grant component of the assistance, the committee wants to ensure that it will be made available in addition to the appropriations provided for in Category 4 of the financial perspective (external actions), in order to prevent an adverse effect on other budget lines.