Ukraine: further Community macro-financial assistance

1995/0118(CNS) - 16/05/1995 - Legislative proposal

This proposal for a decision aimed to grant further macro-financial assistance to Ukraine amounting to ECU 220 million in the form of a long-term loan for a period not exceeding 10 years in order to ensure the viability of the country's balance of payments, to strengthen its reserves and to facilitate the implementation of the structural reforms undertaken by Ukraine. The Commission would be responsible for finding the necessary resources on the financial markets and for managing the loan in conjunction with the Committee on Monetary Affairs; this was to be done in a manner which was compatible with all agreements concluded between the IMF and Ukraine. The Commission would negotiate with the Ukrainian authorities the economic policy conditions associated with the loan and would verify periodically that this policy complied with all IMF-Ukraine agreements. The loan would be made available to Ukraine in two instalments. The first would be paid out at the earliest three months after the release of the first loan of ECU 85 m, which was granted by the Community on 22 December 1994 by Decision 94/940/EC, and on the condition that all the criteria associated with the granting of the present loan were respected. The second instalment would be provided at the earliest three months after the payment of the first and after it had been established that the IMF-Ukraine confirmation agreement was being applied in a satisfactory manner.