

# **EIB loans for Europe, Asia and Latin America countries: EC guarantee to the EIB against losses**

1996/0278(CNS) - 13/11/1996 - Legislative proposal

**OBJECTIVE:** the proposal aims, first, to enable the EIB to continue its lending operations to assist investment projects carried out in certain third countries and, second, to grant a Community guarantee to the EIB against partial losses under such loans. **SUBSTANCE :** The Community will grant the EIB (European Investment Bank) a 65% guarantee in respect of any payments not received by it but due under loans granted, in accordance with its usual criteria, for investment projects carried out in Central and Eastern Europe, in Mediterranean non-member countries, in Latin American and Asian (LAA) countries, and in South Africa, up to the end of 1999, with an overall loan ceiling of ECU 6 825 million. The guarantee is broken down as follows: Central and Eastern Europe ECU 3 450 million, - Mediterranean non-member countries ECU 2 100 million, - Latin America and Asia ECU 900 million, - South Africa ECU 375 million. If, on expiry of the above period, the loans granted by the Bank have not attained the overall amounts referred to above, the period will be automatically extended by six months. The Commission and the EIB will ensure appropriate coordination between EIB operations in the eligible third countries and the implementation of the Community's other financial instruments. The Commission will regularly inform the EP and the Council of the situation regarding loans signed.