Armenia, Georgia: exceptional Community financial assistance

1997/0028(CNS) - 03/02/1997 - Legislative proposal

OBJECTIVE: the provision of exceptional financial assistance to Armenia, Georgia and Tajikistan in the form of loans and grants. SUBSTANCE: The assistance granted by the Community to Armenia, Georgia and Tajikistan is in the form of long-term loans and grants, with stricter conditions for Tajikistan than for Armenia and Georgia. Tajikistan can be eligible only on the proviso that the Tajik authorities formally undertake to fully service their outstanding debt obligations towards the Community and that the IMF Board negotiates with these authorities for an adjustment programme in the context of upper-credit tranches. - for loans, the assistance is for a maximum of ECU 170 million with a maximum maturity of fifteen years; - for grants, assistance involves a maximum annual amount of ECU 10 million from 1997 to 2001. The Commission is instructed to find the necessary resources and to manage this assistance in consultation with the Monetary Committee and in a manner which is compatible with any agreement reached between the IMF and the beneficiary countries. It will negotiate with the authorities of these countries the amounts and terms and the conditions attached to this assistance. The assistance shall be made available to these countries in successive instalments. At least once a year the Commission shall address to the European Parliament and to the Council a report which will include an evaluation on the implementation of this assistance.