Ukraine: further Community macro-financial assistance

1997/0312(CNS) - 12/11/1997 - Legislative proposal

OBJECTIVE: to provide macro-financial assistance amounting to ECU 150 million for Ukraine, in the form of a long-term loan. SUBSTANCE: the Community is granting macro-financial assistance to Ukraine amounting to a maximum of ECU 150 million, in the form of a long-term loan with a maximum duration of 10 years. The loan will help ensure a sustainable balance of payments, strengthen the country's reserve position and facilitate the implementation of structural reforms. The Commission will be authorized to find the necessary resources on the financial markets and to manage the loan in consultation with the Monetary Committee, in a manner consistent with any agreement reached between the International Monetary Fund (IMF) and Ukraine. Having consulted the Monetary Committee, it is negotiating with the Ukrainian authorities concerning the economic policy conditions attached to the loan and will verify at regular intervals that this policy is in accordance with the objectives and conditions of the loan. The loan will be made available to Ukraine in at least two instalments: - the first instalment will be subject to satisfactory progress in implementing the macroeconomic programme agreed between the IMF and Ukraine, - the second (and any subsequent) instalments will be released no earlier than three months after the release of the previous instalment, subject to continuing satisfactory progress in the implementation of the IMF-Ukraine agreements. One a year, the Commission will provide the European Parliament and Council with a report including an evaluation of implementation of the proposal.