Macro-financial assistance to Albania

1998/0273(CNS) - 03/09/1998 - Legislative proposal

OBJECTIVE: to grant ECU 20 m in macrofinancial assistance to Albania in the form of a long-term loan. SUBSTANCE: the purpose of the proposal is to provide a maximum of ECU 20 m in macrofinancial assistance to Albania in the form of a long-term loan, with a maturity not exceeding 15 years. The loan will help to ensure the viability of Albania's balance of payments and to consolidate its reserves. The Commission will be instructed to find the necessary resources on the financial markets and to manage the loan in collaboration with the Monetary Committee and in a manner compatible with any agreement reached between the International Monetary Fund (IMF) and Albania. After consulting the Monetary Committee, the Commission is to negotiate with the Albanian authorities concerning the economic policy conditions to be attached to the loan, and will periodically check, together with the Monetary Committee and the IMF, whether the policy pursued accords with the objectives set for the granting of the loan. The loan will be divided into at least two instalments: -the first to be released once the mid-term review of the first year of the structural adjustment programme concluded between the IMF and Albania has been completed, -the second to be released only on the basis of a satisfactory track record in implementing the agreements between the IMF and Albania. The Commission will report to the European Parliament and the Council at least once a year, providing an evaluation of the implementation of the proposal.