EIB loans to PECOs, Western Balkans, Mediterranean countries, Latin America, Asia and South Africa: EC guarantee

1999/0080(CNS) - 26/04/1999 - Legislative proposal

PURPOSE: granting a Community guarantee to the EIB against losses under loans for projects in third countries. CONTENT: In accordance with the Council's guidelines concerning EIB loans, as well as the Agenda 2000 conclusions, the Commission proposes to: 1) invite the EIB to continue its lending operations out of its own resources in accordance with its criteria for investment projects in Central and Eastern Europe and Western Balkans, in the Mediterranean countries, in Latin American and Asian countries with which the Community has concluded cooperation agreements and in the Republic of South Africa. 2) grant a budget guarantee to the EIB for a period of three and a half years starting on 31.01.2000 (except for South Africa, where a period from 01.07.2000 until 31.07.2003 is suggested so as to align mandates) in respect of 60% of all the loans signed within a ceiling of 9,475 million euros, broken down as follows: - Central and Eastern Europe/Western Balkans: 4,725 million euros; - Mediterranean: 3,100 million euros; - Asia/Latin America: 1,225 million euros; - South Africa: 425 million euros. 3) at the end of the period of three and a half years, automatically extend the guarantee to cover the same overall amount until the end of the next Financial Perspective unless the Council were to decide otherwise on the basis of a proposal from the Commission. 4) invite the Bank to cover the commercial risk on 30% of the lending under the regional mandates defined by this proposal from non-sovereign guarantees to be expanded whenever possible.