Algeria: further macro-financial Community assistance

1994/0218(CNS) - 22/12/1994 - Final act

This proposal for a decision was adopted by the Council of Ministers. A medium-term loan facility of a maximum amount of ECU 200 million was thus granted to Algeria with a maximum maturity of seven years, with a view to ensuring a sustainable balance of payments situation and strengthening the reserve position. The Commission would be empowered to find the necessary resources on the financial markets and to manage the loan in close consultation with the Monetary Committee and in a manner consistent with any agreement reached between the IMF and Algeria. The Commission would also negotiate with the Algerian authorities the economic policy conditions attached to the loan and would verify at regular intervals that this policy was in accordance with any agreement between the IMF and Algeria. The loan would be made available to Algeria in two instalments: the first would be released when Algeria's application of the standby arrangement agreed with the IMF was approved; the second would be released at least one quarter after the release of the first instalment and subject to Algeria applying the standby agreement satisfactorily.