

EIB loans for Europe, Asia and Latin America countries: EC guarantee to the EIB against losses

1996/0278(CNS) - 14/03/1997 - Text adopted by Parliament, 1st reading/single reading

In adopting the report by Mr John TOMLINSON (PSE, UK) Parliament approved this proposal for a decision with the following amendments: - the Community should grant a total bank guarantee (100% instead of 65%) to cover political risk on loans granted by the EIB to the countries concerned, with an overall ceiling of ECU 7 105 million. By political risk Parliament understands currency non-transfer, expropriation, war and civil disturbance. For each loan granted the Commission and the EIB should indicate whether political risks exist (the Bank may secure cover for its risks with third parties); - the break down of the bank guarantee is modified for the Mediterranean countries and the Latin American and Asian countries: Parliament calls for ECU 2 310 m for the Mediterranean countries (instead of ECU 2 100 m) and ECU 970 m for Latin America and Asia (instead of ECU 900 m); - the Commission should inform Parliament and the Council of the operation of the scheme established and its economic and social impact on the recipient countries. It should also ensure the high profile of the Union's financial operations. Parliament also called on the EIB to increase its involvement in the funding of model cross-border projects supporting cooperation between EU Member States and Mediterranean countries and the development of 'south-south' projects.