Bulgaria: Community macrofinancial assistance

1997/0143(CNS) - 22/07/1997 - Final act

OBJECTIVE: to grant Bulgaria macrofinancial assistance amounting to ECU 250 million in the form of a long-term loan. COMMUNITY MEASURE: Council Decision 97/472/EC providing macro-financial assistance for Bulgaria. SUBSTANCE: the Community grants Bulgaria a maximum of ECU 250 million in the form of a long-term loan, with a maximum maturity of 10 years, to improve the country's balance-of-payments position and strengthen its reserves. The Commission will be empowered to borrow the necessary resources on the financial markets and manage the loan in consultation with the Monetary Committee and in a manner consistent with any agreement reached between the International Monetary Fund (IMF) and Bulgaria. It is to negotiate with the Bulgarian authorities, after consultation with the Monetary Committee, on the economic policy conditions attached to the loan, and verify at regular intervals, together with the Monetary Committee and IMF, that this policy is in accordance with the objectives of the loan. The loan will be made available in two instalments: -the first will be released after the first review of the 'stand-by' arrangement agreed with the IMF and on condition that all the conditions for the loan are respected; -the second will be released only on the basis of a satisfactory continuation of the 'stand-by' arrangement and not before 3 months after the release of the first instalment. At least once a year, the Commission is to address to the European Parliament and the Council a report, including an evaluation, on the implementation of the Decision. ENTRY INTO FORCE: 22/07/97.