Bosnia and Herzegovina: Community macro-financial assistance

1998/0311(CNS) - 10/05/1999 - Final act

PURPOSE: the provision of macro-financial assistance to Bosnia-Herzegovina in the form of a long-term loan and a straight grant. COMMUNITY MEASURE: Council Decision 1999/325/EC providing macro-financial assistance to Bosnia and Herzogovina. CONTENT: The Community shall make available to Bosnia and Herzogovina an exceptional macro-financial assistance in the form of a long-term loan and a straight grant with a view to ensuring a sustainable balance of payments situation and strengthening the country's reserve position. The loan component of this assistance shall amount to a maximum principal of EUR 20 million with a grace period of 10 years and a maximum maturity of 15 years. To this end, the Commission is empowered to borrow, on behalf of the Community, the necessary resources that will be placed at the disposal of Bosnia and Herzegovina in the form of a loan. The grant component of this assistance shall amount to a maximum of EUR 40 million over the 1999 to 2000 period. The Community financial assistance shall be managed by the Commission in close consultation with the Economic and Financial Committee and in a manner consistent with any agreement reached between the IMF and Bosnia and Herzegovina. The implementation of this assistance is conditional upon clearance in full by Bosnia and Herzogovina of outstanding due financial obligations of all public entities towards the Community and the EIB, and upon the acceptance by Bosnia and Herzegovina of responsibility by way of guarantee of those obligations that are not yet due. The loan and grant components of this assistance shall be made available to Bosnia and Herzegovina in at least two successive tranches. At least once a year, the Commission will address to the European Parliament and the Council a report which will include an evaluation of the implementation of this Decision. ENTRY INTO FORCE: 10.05.1999.