Former Yugoslav Republic of Macedonia FYROM: Community supplementary macro-financial assistance

1999/0166(CNS) - 08/11/1999 - Final act

PURPOSE : to make available to the former Yugoslav Republic of Macedonia (FYROM) a long-term loan facility of a maximum principal amount of EUR 50 million and a grant of EUR 30 million. COMMUNITY MEASURE : Council Decision 1999/733/EC concerning macro-financial assistance to the former Yugoslav Republic of MAcedonia. CONTENT : the decision aims to provide supplementary assistance to the former Yugoslav Republic of Macedonia under the form of: 1) a long-term loan of the amount of EUR 50 million; 2) a grant amounting to EUR 30 million; with a view to ensuring a sustainable balance of payments situation and to help ease the country's external financial constraints caused by the conflict in Kosovo. The loan is awarded for a maximum duration of 15 years with a delay of grace of 10 years and will be agreed in the current enlarged framework concluded with the IMF by complementing the resources placed at the disposition of the country by the international financial institutions and bilateral donors. The grant component of this assistance will be drawn from the Community budget and will cover the period 1999-2000. The inclusion of a grant component in this assistance is without prejudice to the powers of the budgetary authority. This assistance (loan and the grant) will be placed at the disposal of this country in two installments, on the condition of a satisfactory application of the economic programme agreed with the IMF and the accomplishment of progress in the field of structural reforms. The Economic and Financial Committee will be consulted before each payment. As regards the loan, the Commission will procure the funds by borrowing from the international capital markets with the guarantee of the general budget. It will then retrocede the amounts to the FYROM. The lending and borrowing operations will be perfectly synchronised and will not pose any commercial risk for the Community. At least once a year (in principle before 15 September), the Commission shall forward to the European Parliament and the Council a report, which will include an evaluation of the implementation of this Decision. ENTRY INTO FORCE : 08.11.1999.