Basic information	
2008/2672(RSP) RSP - Resolutions on topical subjects	Procedure completed
Resolution on establishing a facility providing medium-term financial assistance for Member States' balances of payments **Subject** 5.10.01 Convergence of economic policies, public deficit, interest rates	

Key events			
Date	Event	Reference	Summary
18/11/2008	Debate in Parliament		Summary
20/11/2008	Decision by Parliament	T6-0562/2008	Summary
20/11/2008	Results of vote in Parliament		
20/11/2008	End of procedure in Parliament		

Technical information	
Procedure reference	2008/2672(RSP)
Procedure type	RSP - Resolutions on topical subjects
Procedure subtype	Resolution on statement
Legal basis	Rules of Procedure EP 136-p2
Stage reached in procedure	Procedure completed

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Motion for a resolution		B6-0614/2008	20/11/2008	
Text adopted by Parliament, single reading		T6-0562/2008	20/11/2008	Summary

Resolution on establishing a facility providing medium-term financial assistance for Member States' balances of payments

2008/2672(RSP) - 20/11/2008 - Text adopted by Parliament, single reading

Following the debate which took place during the sitting of 18 November 2008, the European Parliament adopted by 491 votes to 13, with 25 abstentions, a resolution tabled by the Committee on Economic and Monetary Affairs on establishing a facility providing medium-term financial assistance for Member States" balances of payments.

The resolution recalls that the Commission recommends granting medium-term financial assistance to Hungary of up to EUR 6 500 000 000 on the basis of Article 119 of the Treaty, in conjunction with an International Monetary Fund arrangement. It underlines that a comprehensive approach to medium-term financial assistance for all Member States is preferable, bearing in mind the impact of the current global financial and economic crisis.

In this context, Parliament believes that Member States outside the euro area should be encouraged to look for potential medium-term financial assistance in respect of their balance of payments deficits within the Community before seeking assistance at international level. MEPs consider the current situation to be further proof of the relevance of the euro in protecting the Member States in the euro area and invite the Member States outside the euro area to join it as soon as they fulfil the Maastricht criteria.

The Commission is invited to:

- analyse in detail in what way the behaviour of individual banks that moved their assets from Hungary after adoption of rescue plans by other Member States has impacted on Hungary's balance of payments;
- examine carefully the speculative action (short-selling) on the currencies of the more recently acceded Member States and what might be done to prevent a drastic erosion of confidence in their currencies and the local banking systems;
- communicate the results of those analyses to the de Larosière group and to Parliament's responsible committee

The resolution recognises that it is **necessary to increase significantly the ceiling for the outstanding amount in loans** to be granted to Member States laid down in Regulation (EC) No 332/2002, given that, since its adoption, the number of Member States outside the euro area has increased substantially. It underlines that such an increase would also enhance the Community's flexibility in responding to further requests for medium-term financial assistance such as in the context of the current global financial crisis.

Parliament recalls that it requested that the Council examine, every two years, on the basis of a report from the Commission, after consulting Parliament and after the delivery of the Economic and Financial Committee's opinion, whether the facility established still meets the needs which led to its creation; asks whether such reports have been drawn up since the adoption of Regulation (EC) No 332/2002.