

Procedure file

Basic information		
CNS - Consultation procedure Decision	1998/0175(CNS)	Procedure completed
European Investment Bank (EIB) loans for projects in Bosnia and Herzegovina: Community guarantee to the EIB		
Amending Decision 97/256/EC 1996/0278(CNS)		
Subject 6.30.04 Loans to third-countries, Guarantee Fund		
Geographical area Bosnia and Herzegovina		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	BUDG Budgets		25/06/1998
		PSE TOMLINSON The Lord John E.	
	Committee for opinion	Rapporteur for opinion	Appointed
	RELA External Economic Relations		25/06/1998
		UPE VAN BLADEL Leonie G.L.	
Council of the European Union	CONT Budgetary Control		29/06/1998
		PSE BLAK Freddy	
	Council configuration	Meeting	Date
	Agriculture and Fisheries	2151	14/12/1998

Key events			
18/05/1998	Legislative proposal published	COM(1998)0315	Summary
19/06/1998	Committee referral announced in Parliament		
22/09/1998	Vote in committee		
22/09/1998	Committee report tabled for plenary, 1st reading/single reading	A4-0318/1998	
20/10/1998	Decision by Parliament	T4-0602/1998	Summary
14/12/1998	Act adopted by Council after consultation of Parliament		
14/12/1998	End of procedure in Parliament		

22/12/1998	Final act published in Official Journal		
------------	---	--	--

Technical information	
Procedure reference	1998/0175(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Decision
	Amending Decision 97/256/EC 1996/0278(CNS)
Legal basis	EC before Amsterdam E 235
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/4/10220

Documentation gateway					
Legislative proposal		COM(1998)0315 OJ C 192 19.06.1998, p. 0012	18/05/1998	EC	Summary
Committee report tabled for plenary, 1st reading/single reading		A4-0318/1998 OJ C 328 26.10.1998, p. 0003	22/09/1998	EP	
Text adopted by Parliament, 1st reading/single reading		T4-0602/1998 OJ C 341 09.11.1998, p. 0010-0017	20/10/1998	EP	Summary

Additional information	
European Commission	EUR-Lex

Final act
Decision 1998/729 OJ L 346 22.12.1998, p. 0054 Summary

European Investment Bank (EIB) loans for projects in Bosnia and Herzegovina: Community guarantee to the EIB

OBJECTIVE: to extend the Community guarantee granted to the European Investment Bank (EIB) to cover loans for reconstruction projects in Bosnia-Herzegovina. SUBSTANCE: the proposal follows the guidelines outlined in the report to the Council addressing the possibility of a special and exceptional Community action in Bosnia-Herzegovina (COM(98)95). The Commission proposes to extend to this country the Community guarantee (70%) with the EIB to cover loans for projects in Bosnia for a two year period from the date of entry into force of the provisions. The loans will be granted out of the EIB's own resources and according to the bank's lending criteria. The guarantee will amount to a total of ECU 100 m. In order to do this, the Commission requests that Council Decision 97/256/EC (CNS96278) seeking to provide a Community guarantee on EIB loans for projects outside the Community be amended. In addition to extending the bank guarantee the proposal also seeks a 2% interest rate subsidy for EIB loans. Given the low GDP of Bosnia, EIB bank loans would need to be combined with other measures such as interest rate subsidies (2%) and/or project co-financing (the Commission and the EIB would decide on one or other solution on a case-by-case basis). The procedures for the granting of interest rate subsidies for loans for outright grants would be the same as those laid down under Regulation (EC) no 1628/96 relating to financial assistance for former Yugoslavia (CNS96096) ensuring that the committee referred to in Article 12 of the Regulation is duly consulted. The projects benefiting from bank financing would include the traditional sectors for bank intervention, that is to say general infrastructure including transport energy and the environment (water, waste water and sanitation projects).?

European Investment Bank (EIB) loans for projects in Bosnia and Herzegovina: Community guarantee to the EIB

Adopting without the debate the report by Mr John Tomlinson (PES, UK) on the guarantee to cover loans for projects in Bosnia and

Herzegovina, Parliament stresses that the Council's and Parliament's priorities with regard to Community policy towards Bosnia-Herzegovina be taken into account. These priorities are funding for projects to achieve the five main objectives of the 1998 reconstruction programme: - implementation of policy reforms, - Community support to facilitate the reintegration of refugees and displaced persons, - employment recovery and private sector development, - rehabilitation of the education and health systems, - improvement of infrastructure networks throughout the country. Parliament also calls for greater visibility of projects sponsored by the Union and for an evaluation report on implementation of projects in Bosnia including an analysis of operational strengths and weaknesses and a new strategy proposal. ?

European Investment Bank (EIB) loans for projects in Bosnia and Herzegovina: Community guarantee to the EIB

OBJECTIVE: to extend the Community guarantee granted to the European Investment Bank (EIB) to cover loans for reconstruction projects in Bosnia-Herzegovina. COMMUNITY MEASURE: Council Decision 98/729/EC amending Decision 97/256/EC so as to extend the Community guarantee granted to the EIB to cover loans for projects in Bosnia and Herzegovina. CONTENTS: the decision seeks to extend the 70% Community guarantee agreed with the EIB to cover loans for projects in Bosnia and Herzegovina for a two year period from 22 December 1998. This guarantee will not constitute a precedent for any future guarantees. The loans will be granted out of the EIB's own resources and according to the bank's lending criteria. The guarantee will amount to a total of ECU 100 m. It is specifically stipulated that the Community will only grant the guarantee if Bosnia meets all its overdue financial obligations to the EIB and the Community and if it agrees to guarantee those obligations not yet due. EIB lending in Bosnia will be consistent with the policy of the Community in this country. The EIB will operate within the framework of the reconstruction programme agreed at the various donors' conferences and will finance projects of mutual interest concerning infrastructure networks, particularly transport, energy and the environment (water, waste water and sanitation). Apart from the Community guarantee, the decision also provides for EIB loans to include Community interest rate subsidies (2%). Financial decisions will be taken in accordance with the procedures laid down in Regulation (EC) no. 1628/96 on aid to the former Yugoslavia. The Commission will be required to submit a report on the implementation of this decision, including an assessment of its success, to the European Parliament and the Council at the end of 1999. ENTRY INTO FORCE: 22 December 1998.?