

Procedure file

Basic information	
CNS - Consultation procedure Decision	2001/0112(CNS) Procedure completed
Macro-financial assistance to Yugoslavia Repealed by 2001/0258(CNS) See also 2008/0086(CNS) Subject 6.20.07 Macro-financial assistance to third countries 6.40.03 Relations with South-East Europe and the Balkans Geographical area Yugoslavia, Federal Republic - 01/2003	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	AFET Foreign Affairs, Human Rights, Common Security, Defense	PPE-DE BROK Elmar	19/06/2001
	Committee for opinion	Rapporteur for opinion	Appointed
	BUDG Budgets	PSE FÄRM Göran	07/06/2001
	CONT Budgetary Control	The committee decided not to give an opinion.	
	ITRE Industry, External Trade, Research, Energy		20/06/2001
		PPE-DE FOLIAS Christos	
Council of the European Union	Council configuration	Meeting	Date
	General Affairs	2367	16/07/2001
	Economic and Financial Affairs ECOFIN	2353	05/06/2001

Key events			
23/05/2001	Legislative proposal published	COM(2001)0277	Summary
11/06/2001	Committee referral announced in Parliament		
26/06/2001	Vote in committee		Summary
26/06/2001	Committee report tabled for plenary, 1st reading/single reading	A5-0244/2001	
04/07/2001	Debate in Parliament		
05/07/2001	Decision by Parliament	T5-0397/2001	Summary

16/07/2001	Act adopted by Council after consultation of Parliament		Summary
16/07/2001	End of procedure in Parliament		
21/07/2001	Final act published in Official Journal		

Technical information

Procedure reference	2001/0112(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Decision
	Repealed by 2001/0258(CNS) See also 2008/0086(CNS)
Legal basis	Rules of Procedure EP 163; EC Treaty (after Amsterdam) EC 308
Stage reached in procedure	Procedure completed
Committee dossier	AFET/5/14804

Documentation gateway

Legislative proposal	COM(2001)0277 OJ C 240 28.08.2001, p. 0130 E	23/05/2001	EC	Summary
Committee report tabled for plenary, 1st reading/single reading	A5-0244/2001	26/06/2001	EP	
Text adopted by Parliament, 1st reading/single reading	T5-0397/2001 OJ C 065 14.03.2002, p. 0176-0330 E	05/07/2001	EP	Summary

Additional information

European Commission	EUR-Lex
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Final act

Decision 2001/549 OJ L 197 21.07.2001, p. 0038 Summary

Macro-financial assistance to Yugoslavia

PURPOSE: to present a proposal for a Council Decision on providing macro-financial assistance to the Federal Republic of Yugoslavia.

CONTENT: the Commission is proposing that the Community make available to the Federal Republic of Yugoslavia (FYL) a macro-financial assistance in the amount of EUR 300 million. This proposed amount appears to be consistent with the IMF projections of the financing gap and the funding requirements. The proposed assistance would cover the whole one-year IMF stand-by programme period (tentatively 1 April - 31 March 2002). The implementation of this assistance would be conditional upon agreement between the FRY and the IMF on a macro-economic programme that is supported by an upper credit tranche stand-by arrangement and upon up-front clearance of FRY's outstanding arrears towards the EC and the EIB. The assistance would be disbursed in at least two tranches and would be subject to appropriate macro-economic and structural conditionality in line with the main elements of the IMF stand-by arrangement. Given the overall level of indebtedness of the FRY and its limited borrowing capacity, the proposed Community macro-financial assistance foresees a substantial grant element of up to EUR 120 million. As the macro-financial assistance operation would cover the period until end-March 2002, the grant element would thus partly be financed from the 2001 budget and partly from the 2002 budget. The loan element of up to EUR 180 million of this assistance would have a maturity of up to 15 years, comparable to recent macro-financial assistance packages to other Western Balkan countries. The Community would provide the funds through market borrowing with a guarantee by the general budget. The FRY would

subsequently borrow from the Community. The borrowing and lending operations would be perfectly matched and would be without any commercial to the Community. In accordance with the Guarantee Fund mechanism, the budgetary implications of a decision to make available a loan of up to EUR 180 million to the FRY would imply a EUR 16.2 million provisioning of the Guarantee Fund.?

Macro-financial assistance to Yugoslavia

The committee adopted the report by its chairman Elmar BROK (EPP-ED, D) broadly approving the proposal under the consultation procedure, subject to a number of amendments. It stressed that financial support for the Federal Republic of Yugoslavia (FRY) could be provided "as far as it proceeds towards a well-functioning legal state, including cooperation with the International Criminal Court in the Hague". The committee wanted it to be made clear that the amount of EUR 120m, foreseen as the grant component of this macro-financial assistance, was part of the global multiannual financial envelope for FRY. It also said that the loan component should not affect other priorities covered by the Guarantee Fund. Moreover, donors other than the EU must be involved in the same way in the provision of assistance. Other amendments stressed the exceptional and temporary nature of the aid and the need to ensure that there was a politically coherent policy in the implementation of this assistance.?

Macro-financial assistance to Yugoslavia

The European Parliament approved the resolution by Mr Elmar BROK (EPP-ED, D) on providing macro-financial assistance to the Federal Republic of Yugoslavia. (Please refer to the previous document).?

Macro-financial assistance to Yugoslavia

On 31 May 2001, the Commission transmitted to the Council a proposal for a decision to grant macrofinancial aid to the Federal Republic of Yugoslavia (FRY) of EUR 300 million. The Council consulted the European Parliament on this proposal by letter dated 7 June. However, at its meeting of 18 June 2001, the Group of Financial Counsellors of the Permanent Representations decided unanimously to amend this proposal. The amendments relate in particular to the balance between the loan and grant components of the aid. Thus, the loan component would rise to EUR 225 million from the EUR 180 million initially planned and would be paid as from the first tranche of the aid. On the other hand, the non-reimbursable component of this aid will be reduced to EUR 75 million instead of the initially proposed EUR 120 million. The overall amount of the aid will not be affected. Given the important amendments to this proposal, the Parliament is required to take a position on this amended version of the text.

Macro-financial assistance to Yugoslavia

PURPOSE : to provide macro-financial assistance to the Federal Republic of Yugoslavia. COMMUNITY MEASURE : Council Decision 2001/549/EC. CONTENT : this Decision shall enable the Community to make available to the Federal Republic of Yugoslavia 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 of EUR 225 million with a maximum maturity of 15 years to be released in the first instalment. The grant component of this assistance shall amount to a maximum of EUR 75 million. ENTRY INTO FORCE : 21/07/2001.?