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COMMISSION STAFF WORKING PAPER

Annex to the

REPORT FROM THE COMMISSION TO THE BUDGETARY AUTHORITY

**On guarantees covered by the general budget
situation at 30 June 2005**

{COM(2005)699 final}

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1. EXPLANATORY NOTES ON THE SITUATION OF RISKS COVERED BY THE UNION BUDGET

1.1. Methodological remarks

There are two methods for evaluating the risks borne by the Union budget:

- The method, often used by bankers, of calculating the total amount of capital outstanding for the operations concerned on a given date (situation described in Table A1);
- The more budgetary approach of calculating the maximum amount which the Community could have to pay out in each financial year.

The second approach itself has been applied in two different ways:

- By reference only to actual disbursements at the date of the report, assuming that there are no early repayments (see Table A2 showing the lower limit of this maximum risk to the Union budget);
- On a more forward-looking basis, by reference to all the operations decided by the Council or proposed by the Commission in order to estimate the impact on future budgets, assuming that pending and planned Commission proposals are accepted (see Table A3 showing the upper limit of this maximum risk borne by the Union budget).

The latter exercise gives some idea of the future level of risks connected with the proposals made. However, a number of assumptions have to be made about dates of disbursement and terms of repayment (details are given below) as well as interest¹ and exchange rates².

The results are shown in Tables A1 to A3, which make separate assessments of the risks relating to countries inside the Community and countries outside the Community.

The overall figures quoted cover risks of different types; loans to one country in the case of macro-financial assistance and loans for projects in the case of EIB operations, for example.

1.2. Tables A1 to A3

The purpose of Tables A1 to A3 is to show the outstanding amount of guarantees and annual repayments of capital and interest in respect of borrowing and lending operations for which the risk is covered by the Union budget. The figures show the maximum possible risk for the Community in respect of these operations and must not be read as meaning that these amounts will actually be drawn from the budget. In the case of Table A3, in particular, it is not certain that all the operations described will actually be disbursed.

In these tables, figures related to “New Member States” refer to the Member States which acceded the European Union on 1st May 2004.

¹ An interest rate of 5.49% (provided by the EIB) has been applied for its new operations in Table A3.

² The exchange rates used for loans in currencies other than the euro are those of 30 June 2005.

1.2.1. *Authorised ceiling (Table A1)*³

This is the aggregate of the maximum amounts of capital authorised (ceilings) for each operation decided by the Council.

In order to relate it to the risk which the budget might have to cover, account should be taken of the following factors which could affect it:

Factor increasing the risk:

- the interest on the loans must be added to the authorised ceiling.

Factors reducing the risk:

- limitation of the guarantee given to the EIB:

75% of the total amounts of loans signed in the Mediterranean countries based on the Mediterranean protocols of 1977 and the Council Regulations 1762/92/EEC and 1763/92/EEC.

70% of the total amounts of loans signed as part of lending operations with certain non-Member States authorised by the Council Decisions 96/723/EC, 97/256/EC, 98/348/EC and 98/729/EC and a sharing of risk between the Community and the EIB as the budget guarantee covers only political risks in some cases;

65% of the total amounts of loans signed as part of lending operations with certain non-Member States authorised by the Council Decisions 99/786/EC and 2000/24/EC as amended, and a sharing of risk between the Community and the EIB as the budget guarantee covers only political risks in some cases;

- operations already repaid, since the amounts concerned are the maximum amount of loans granted and not outstanding amounts authorised;
- the amounts authorised are not necessarily taken up in full.

1.2.2. *Capital outstanding (Table A1)*

This is the amount of capital still to be repaid on a given date in respect of operations disbursed.

Compared with the previous aggregate, the amount outstanding does not include loans which have not yet been disbursed nor the proportion of disbursed loans which have already been repaid. It may be described as the amount of loans which exist on a given date.

³ Since 1 May 2004, accession countries have been reclassified from non-member States in Member States but the authorised ceiling remains linked to the Mandate and the geographical area.

1.2.3. Annual risk (Tables A2 and A3)

Estimated amount of principal and interest due each financial year.

This amount is calculated for:

- a) disbursements only (Table A2) in which case the capital to be repaid corresponds to the amount outstanding;
- b) disbursements, decisions still awaiting disbursement and Commission proposals still awaiting decisions (Table A3); in which case the capital to be repaid corresponds to the ceiling on loans authorised by a decision plus, where applicable, the amounts in respect of operations proposed by the Commission and not yet decided;
- c) regarding the Member States section in Table A3, no future disbursements have been recorded as no new Council Decision or Commission proposal have been adopted in the framework of EIB loans, balance of payments support and Euratom loans for Member States.

TABLE A1: CAPITAL OUTSTANDING IN RESPECT OF OPERATIONS DISBURSED at 30.06.2005 (in EUR million)

Operations	Authorised ceiling	Capital outstanding at 31.12.2004	Capital outstanding at 30.06.2005	Remainder to be disbursed 30.06.2005
MEMBER STATES				
EIB Portugal	1,500	3	2	
EIB (new Member States)		3,357	3,212	113
MEMBER STATES - TOTAL	1,500	3,360	3,214	113
THIRD COUNTRIES				
A. Macro-Financial Assistance				
Albania	9			9
Armenia	28	2	2	
Belarus	55	6	6	
Bosnia-Herzegovina	40	30	30	10
Bulgaria	750	350	319	
FYROM	90	90	90	
Georgia	142	92	86	
Moldova	60	10	10	
Romania	780	150	150	
Serbia and Montenegro	305	265	280	25
Tajikistan	75	44	44	
Ukraine	395	175	175	
Sub total MFA	2,729	1,214	1,191	44
B. EURATOM ¹		170	385	91
C. Other				
EIB South-eastern Neighbours (2000-2007)	10,235	2,205	2,480	3,725
EIB Mediterranean	15,442	4,371	5,234	3,945
EIB Central & Eastern Europe	8,220	1,819	1,427	264
EIB Asia, Latin America	4,405	1,447	1,658	547
EIB South Africa	1,500	686	728	242
EIB The Baltic Sea basin of Russia	100	11	16	69
EIB Russia + WNIS	500			
Sub total EIB²	41,902	13,900	14,757	8,905
THIRD COUNTRIES - TOTAL	43,131	11,924	13,119	8,927
GRAND TOTAL	44,631	15,284	16,333	9,040

(1) The overall ceiling is EUR 4 000 million for loans to Member States and non-member States. By Decision 94/179/Euratom of 21 March 1994, the Council decided to extend Euratom loans to the financing of projects of certain non-member States.

(2) The subtotal EIB includes the EIB loans to Member States.

ANNEX TO TABLE A1: SITUATION IN RESPECT OF EIB OPERATIONS at 30.06.2005 (in EUR million)

Operations	Credit line authorised	Loans made available minus cancellations	Amounts disbursed	Amounts outstanding at 30.06.2005
General Mandate 2000/2007:				
South-eastern Neighbours	10,235	6,245	2,513	2,480
New Member States ⁴		521	465	458
Mediterranean	6,520	5,239	1,753	1,745
Asia, Latin America	2,480	1,692	985	839
South Africa	825	627	362	361
sub-total 65 %³	20,060	14,324	6,078	5,883
Central and Eastern Europe (29.01.97)	3,520	1,516	1,323	1,127
Mediterranean (29.01.97)	2,310	1,699	1,371	1,144
New Member States ⁴		1,963	1,925	1,287
Asia, Latin America ALA II (29.01.97)	900	719	605	453
Asia, Latin America (ALA INTERIM.)	122	122	108	57
South Africa (29.01.97)	375	375	309	239
BOSNIA-HERZEGOVINA (99/2001)	100	100	36	36
FYROM (98-2000)	150	150	101	92
sub-total 70 %³	7,477	6,644	5,778	4,435
EU-countries	1,350	1,323	1,397	2
Mediterranean and Balkan countries ⁴	6,362	5,280	5,217	2,217
New Member States ⁴		568	602	216
sub-total 75 %³	7,712	7,171	7,216	2,435
EU-countries	150	142	170	
Central and Eastern Europe	4,700	714	726	300
New Member States ⁴		3,167	3,256	1,251
Baltic Sea Basin of Russia	100	85	16	16
Russia + WNIS	500			
South Africa	300	285	226	128
Asia, Latin America	903	724	737	309
sub-total 100 %³	6,653	5,117	5,131	2,004
Total	41,902	33,256	24,203	14,757

(3) Percentage figures relate to the Guarantee rate

(4) Loans to New Member States were drawn from 'South-eastern Neighbours' or from 'Central and Eastern Europe' or from 'Mediterranean' ceilings.

TABLE A2

MAXIMUM ANNUAL RISK BORNE BY THE COMMUNITY BUDGET

(Estimate as per 30.06.2005 in million EUR based on the amounts due of all operations disbursed at 30.06.2005)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	TOTAL
MEMBER STATES										
CAPITAL										
EIB Portugal	2									2
EIB New Member States	183	503	328	317	343	274	260	226	194	2,628
Capital - subtotal	185	503	328	317	343	274	260	226	194	2,630
INTEREST										
EIB Portugal	0									0
EIB New Member States ¹	80	136	111	96	83	70	57	45	34	711
Interest - subtotal	80	136	111	96	83	70	57	45	34	711
MEMBER STATES - TOTAL	265	639	439	413	426	344	317	271	228	3,341
NON-MEMBER STATES										
CAPITAL										
A. Macro-Financial Assistance										
Armenia					2					2
Belarus	6									6
Bosnia and Herzegovina						2	2	4	4	12
Bulgaria	31	73	88	88	25	15				319
FYROM				5	8	8	8	10	7	46
Georgia					22	22	22	20		86
Moldova	7	3								10
Romania			25	25	25	38	13	13	13	150
Serbia and Montenegro								45	45	90
Tajikistan	8							12	12	32
Ukraine	57	55	35	15	15					175
Sub total MFA	109	130	147	132	97	85	45	103	81	928
B. Euratom										
Euratom ²			1	3	6	10	13	17	29	78
Sub total Euratom	0	0	1	3	6	10	13	17	29	78
C. EIB Guarantees										
EIB South-eastern Neighbours ³	30	85	142	192	192	189	239	183	171	1,423
EIB Mediterranean	209	430	470	516	519	499	460	390	351	3,846
EIB Central & Eastern Europe ⁴	61	132	122	108	107	95	86	81	74	867
EIB Asia, Latin America	89	193	241	212	179	145	125	118	100	1,402
EIB South Africa	14	33	68	65	118	75	55	70	37	535
EIB Russia + WNIS					2	2	2	2	2	9
Sub total EIB	403	874	1,043	1,094	1,117	1,005	967	844	735	8,081
Capital - subtotal	512	1,004	1,191	1,228	1,219	1,099	1,024	964	845	9,087
INTEREST										
A. Macro-Financial Assistance										
Armenia	0	0	0	0	0					0
Belarus	0									0
Bosnia and Herzegovina	0	1	1	1	1	1	1	1	0	5
Bulgaria	3	6	4	2	1	0				17
FYROM	1	2	2	2	2	2	1	1	1	14
Georgia	1	2	2	2	2	1	1	0		11
Moldova	0	0								0
Romania	2	3	3	2	2	1	1	1	0	15
Serbia and Montenegro	4	7	7	7	7	7	7	7	6	60
Tajikistan	0	1	1	1	1	1	1	1	0	6
Ukraine	2	3	1	1	0					7
Sub total MFA	14	24	21	18	15	13	12	11	8	135
B. Euratom										
Euratom ²	4	8	8	8	8	8	7	7	7	64
Sub total Euratom	4	8	8	8	8	8	7	7	7	64
C. EIB Guarantees¹										
EIB South-eastern Neighbours ³	44	71	69	66	63	59	55	51	47	524
EIB Mediterranean	130	231	210	187	163	139	115	95	78	1,347
EIB Central & Eastern Europe ⁴	32	59	52	46	40	34	29	26	22	339
EIB Asia, Latin America	33	52	47	40	35	28	24	19	20	298
EIB South Africa	20	20	19	15	12	4	1	1	1	92
EIB Russia + WNIS	0	0	0	0	0	0	0	0	0	2
Sub total EIB	259	433	397	354	313	264	224	191	167	2,603
Interest - subtotal	277	464	426	380	336	285	243	209	182	2,801
NON-MEMBER STATES - TOTAL	789	1,468	1,617	1,608	1,555	1,384	1,268	1,173	1,027	11,888
GRAND TOTAL	1,053	2,107	2,055	2,021	1,981	1,729	1,585	1,444	1,254	15,229

¹ As variable interest rates are not known for EIB loans, it is assumed that the variable interest amount follows the same percentage as for fixed; this equals 4% of the estimated total future interest payments.

² The overall ceiling is EUR 4 000 million for loans to Member States and non-member States.

By Decision 94/179/Euratom of 21 March 1994 the Council decided to extend Euratom loans to the financing of projects in certain non-member States.

³ New Mandate (2000 - 2007)

⁴ Old mandates

TABLE A3 **MAXIMUM THEORITICAL ANNUAL RISK BORNE BY THE COMMUNITY BUDGET**
(Estimate as per 30.06.2005 in million EUR based on the amounts due of all operations disbursed at 30.06.2005)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	TOTAL
MEMBER STATES										
CAPITAL										
EIB Portugal	2									2
EIB New Member States	183	503	328	317	343	274	260	226	194	2,628
Capital - subtotal	185	503	328	317	343	274	260	226	194	2,630
INTEREST										
EIB Portugal	0									0
EIB New Member States ¹	80	136	111	96	83	70	57	45	34	711
Interest - subtotal	80	136	111	96	83	70	57	45	34	711
MEMBER STATES - TOTAL	265	639	439	413	426	344	317	271	228	3,341
NON-MEMBER STATES										
CAPITAL										
A. Macro-Financial Assistance										
Armenia					2					2
Belarus	6									6
Bosnia and Herzegovina						2	2	4	4	12
Bulgaria	31	73	88	88	25	15				319
FYROM				5	8	8	8	10	7	46
Georgia					22	22	22	20		86
Moldova	7	3								10
Romania			25	25	25	38	13	13	13	150
Serbia and Montenegro								45	45	90
Tajikistan	8							12	12	32
Ukraine	57	55	35	15	15					175
Sub total MFA	109	130	147	132	97	85	45	103	81	928
B. Euratom										
Euratom ²			1	3	6	10	13	17	29	78
Sub total Euratom	0	0	1	3	6	10	13	17	29	78
C. EIB Guarantees										
EIB South-eastern Neighbours ³	30	85	142	192	252	399	599	693	771	3,163
EIB Mediterranean	209	430	470	516	556	628	682	704	720	4,917
EIB Central & Eastern Europe ⁴	61	132	122	108	132	183	236	294	324	1,593
EIB Asia, Latin America	89	193	241	212	195	202	224	258	264	1,878
EIB South Africa	14	33	68	65	123	93	85	113	87	681
EIB Russia + WNIS					7	19	31	43	51	150
Sub total EIB	403	874	1,043	1,094	1,265	1,524	1,857	2,105	2,217	12,381
Capital - subtotal	512	1,004	1,191	1,228	1,367	1,618	1,914	2,225	2,327	13,387
INTEREST										
A. Macro-Financial Assistance										
Albania		0	0	0	0	0	0	0	0	2
Armenia	0	0	0	0	0					0
Belarus	0									0
Bosnia and Herzegovina	0	1	1	1	1	1	1	1	1	7
Bulgaria	3	6	4	2	1	0				17
FYROM	1	2	2	2	2	2	1	1	1	14
Georgia	1	2	2	2	2	1	1	0		11
Moldova	0	0								0
Romania	2	3	3	2	2	1	1	1	0	15
Serbia and Montenegro	4	8	8	8	8	8	8	8	7	64
Tajikistan	0	1	1	1	1	1	1	1	0	6
Ukraine	2	3	1	1	0					7
Sub total MFA	14	25	22	19	16	14	13	11	9	142
B. Euratom										
Euratom ²	4	9	10	10	10	10	9	9	8	78
Sub total Euratom	4	9	10	10	10	10	9	9	8	78
C. EIB Guarantees¹										
EIB South-eastern Neighbours ³	64	209	306	402	455	440	416	384	347	3,022
EIB Mediterranean	142	316	356	394	404	373	337	300	263	2,884
EIB Central & Eastern Europe ⁴	40	117	151	186	204	193	179	165	147	1,381
EIB Asia, Latin America	38	90	112	132	142	132	123	110	102	981
EIB South Africa	22	32	39	43	45	36	31	29	26	302
EIB Russia + WNIS	3	11	19	27	32	31	31	27	24	207
Sub total EIB	309	775	983	1,184	1,282	1,205	1,117	1,014	908	8,778
Interest - subtotal	327	808	1,015	1,213	1,308	1,229	1,139	1,035	926	8,998
NON-MEMBER STATES - TOTAL	839	1,812	2,206	2,441	2,675	2,847	3,053	3,259	3,253	22,385
GRAND TOTAL	1,103	2,451	2,644	2,854	3,101	3,191	3,371	3,531	3,480	25,726

¹ As variable interest rates are not known for EIB loans, it is assumed that the variable interest amount follows the same percentage as for fixed; this equals 4% of the estimated total future interest payments.

² The overall ceiling is EUR 4 000 million for loans to Member States and non-member States.
By Decision 94/179/Euratom of 21 March 1994 the Council decided to extend Euratom loans to the financing of projects in certain non-member States.

³ New Mandate (2000 - 2007)

⁴ Old mandates

1.2. Loan operations covered by a budget guarantee

Tables A5a, A5b(1), A5b(2) and A6

TABLE A 5a
Borrowing and lending operations: Member States
Period 31.12.2004 to 30.06.2005

The outstanding amount under these Decisions was zero as of 31.12.2004 and remained at this level as of 30.06.2005.

Instrument	Decision	Date of decision	Loan term (years)	Loan situation			
				- closed (a)	- partially disbursed (b)	- disbursed in full (c)	- not yet disbursed (d)
BOP	2002/332/EC	18.02.02			(d)		12,000.00
EURATOM			(3)				4,000.00
	77/270-271/Euratom	29.03.77			(c)		500.00
	80/29/Euratom	20.12.79			(c)		500.00
	82/170/Euratom	15.03.82			(c)		1,000.00
	85/537/Euratom	05.12.85			(c)(4)		1,000.00
	90/212/Euratom	23.04.90			(b)(4)		1,000.00
NCI			(3)				6,830.00
	78/870/EEC	16.10.78			(c)		1,000.00
	81/19/EEC(1)	20.01.81			(c)		1,000.00
	81/1013/EEC(2)	14.12.81			(c)		80.00
	82/169/EEC	15.03.82			(c)		1,000.00
	83/200/EEC	19.04.83			(c)		3,000.00
	87/182/EEC	09.03.87			(c)		750.00
TOTAL							22,830.00

(1) Exceptional aid for the reconstruction of areas hit by the earthquake in Italy in 1980.

(2) Exceptional aid for the reconstruction of areas hit by the earthquake in Greece in 1981.

(3) Long-term loans for which the schedule of repayments depend on the dates of disbursement.

(4) By Decision 94/179/Euratom of 21 March 1994 the Council decided to extend Euratom loans to the financing of projects in certain non-member States.

TABLE A 5b (1)
European Community loans to non-member States
Changes in amounts outstanding during six-month period 31.12.2004 to 30.06.2005, broken down by countries and tranche

in EUR million

COUNTRY	Decision	Date of decision	Loan term (years)	Expiry date	Loan situation - closed (a) - partially disbursed (b) - disbursed in full (c) - not yet disbursed (d)	Amount decided	Amount outstanding at 31.12.2004	Operations in six-month period		Amount outstanding at 30.06.2005
								Amounts disbursed	Amounts repaid	
BULGARIA III	97/472/EC	22.07.97				250.00				
1st tranche			10	10.02.2008	(c)	125.00	125.00		31.25	93.75
2nd tranche			10	22.12.2008	(c)	125.00	125.00			125.00
BULGARIA IV	99/731/EC	08.11.99				100.00				
1st tranche			10	21.12.2009	(c)	40.00	40.00			40.00
2nd tranche			-	-	(c)	60.00	60.00			60.00
ROMANIA III	94/369/EC	20.06.94				125.00				
1st tranche			7	20.11.2002	(a)	55.00	0.00			0.00
2nd tranche			7	20.11.2004	(a)	40.00	0.00			0.00
3rd tranche			7	23.12.2004	(a)	30.00	0.00			0.00
ROMANIA IV	99/732/EC	08.11.99				200.00				
1st tranche			10	29.06.2010	(c)	100.00	100.00			100.00
2nd tranche			10	17.07.2013	(c)	50.00	50.00			50.00
3rd tranche			-	-	(d)	50.00				
BOSNIA AND HERZEGOVINA I	99/325/EC	10.05.99				20.00				
1st tranche			15	22.12.2014	(c)	10.00	10.00			10.00
2nd tranche			-	-	(c)	10.00	10.00			10.00
BOSNIA AND HERZEGOVINA II	02/883/EC	09.11.02				20.00				
1st tranche					(c)	10.00	10.00			10.00
MOLDOVA I	94/346/EC	13.06.94				45.00				
1st tranche			10	07.12.2004	(a)	25.00	0.00			0.00
2nd tranche			10	08.08.2005	(c)	20.00	4.00			4.00
MOLDOVA II	96/242/EC	25.03.96				15.00				
1st tranche			10	30.10.2006	(c)	15.00	6.00			6.00
FYROM I	97/471/EC	22.07.97				40.00				
1st tranche			15	27.09.2012	(c)	25.00	25.00			25.00
2nd tranche			15	13.02.2008	(c)	15.00	15.00			15.00
FYROM II	99/733/EC	8/11/1999				50.00				
1st tranche			15	15.01.2016	(c)	10.00	10.00			10.00
2nd tranche			15	30.01.2017	(c)	12.00	12.00			12.00
3rd tranche			15	04.06.2018	(c)	10.00	10.00			10.00
4th tranche			15	23.12.2018	(c)	18.00	18.00			18.00

TABLE A 5b (2)
European Community loans to non-member States
Changes in amounts outstanding during six-month period 31.12.2004 to 30.06.2005, broken down by countries and tranche

COUNTRY	Decision	Date of decision	Loan term (years)	Expiry date	Loan situation - closed (a) - partially disbursed (b) - disbursed in full (c) - not yet disbursed (d)	Amount decided	Amount outstanding at 31.12.2004	Operations in six-month period		Amount outstanding at 30.06.2005
								Amounts disbursed	Amounts repaid	
UKRAINE I	94/940/EC	22.12.94	10	28.12.2005	(c)	85.00	17.00			17.00
UKRAINE II	95/442/EC	23.10.95				200.00				
1/2 tranche			10	29.08.2006	(c)	50.00	20.00			20.00
1/2 tranche			10	30.10.2006	(c)	50.00	20.00			20.00
2nd tranche			10	30.10.2008	(c)	100.00	60.00			60.00
UKRAINE III	98/592/EC	15.10.98				150.00				
1st tranche			10	30.07.2009	(c)	58.00	58.00			58.00
2nd tranche			-	-	(d)	92.00	0.00			0.00
BELARUS	95/132/EC	10.04.95				55.00				
1st tranche			10	28.12.2005	(c)	30.00	6.00			6.00
2nd tranche			-	-	(d)	25.00				
ALGERIA II	94/938/EC	22.12.94				200.00				
1st tranche			7	27.11.2002	(c)	100.00	0.00			0.00
2nd tranche			-	-	(d)	100.00				
GEORGIA	97/787/EC	17.11.97	15	24.07.2013	(c)	110.00	92.00		6.50	85.50
ARMENIA	97/787/EC	17.11.97	15	30.12.2013	(c)	28.00	2.00			2.00
REPS FORMER USSR	91/658/EEC	16.12.91	3	28.09.1997	-	1,250.00	0.00			0.00
TAJIKISTAN	2000/244/EC	20.03.00	15	30.03.2016	(b)	75.00	44.00			44.00
SERBIA AND MONTENEGRO	2001/549/EC	16.07.01	15	17.10.2016	(c)	225.00	225.00			225.00
SERBIA AND MONTENEGRO	2002/882/EC	9/11/2002				55.00				
1st tranche			15	28.02.2018	(c)	10.00	10.00			10.00
2nd tranche			15	01.09.2018	(c)	30.00	30.00			30.00
3rd tranche			15	04.05.2020	(c)	15.00		15.00		15.00
SERBIA AND MONTENEGRO	2003/825/EC	25/11/2003	-	-	(d)	25.00				
ALBANIA	2004/580/EC	29/04/2004			(d)	9.00				
BULGARIA (EURATOM)	94/179/EC	21/03/1994				212.50				
1st tranche			20	10.05.2021	(c)	40.00	40.00			40.00
2nd tranche			15	15.01.2017	(c)	15.00	15.00			15.00
3rd tranche			17	19.08.2019	(c)	25.00	25.00			25.00
4th tranche			15	18.06.2018	(c)	25.00	25.00			25.00
5th tranche			15	16.01.2019	(c)	35.00	35.00			35.00
6th tranche			16	10.09.2020	(c)		30.00			30.00
7th tranche			16	04.04.2021	(c)			25.00		25.00
ROMANIA (EURATOM)	94/179/EC	21/03/1994				223.50				
1st tranche			17	21.07.2022	(c)	100.00		100.00		100.00
2nd tranche			19	26.11.2024	(c)	90.00		90.00		90.00
TOTAL							1,384.00	230.00	37.75	1,576.25

TABLE A 6

LOAN GUARANTEES TO EIB

in EUR million

Geographical Area	Decision	Date of decision	Rate of guarantee	Date of guarantee contract	Amount decided	Loans signed (minus cancellations)		Amount outstanding	
						at 31.12.04	at 30.06.05	at 31.12.04	at 30.06.05
MED. Financial protocols(1)		8.03.77	75% (2)	30.10.78/10.11.78	6,062	5,648	5,647	1,449	1,445
MED. Horizontal cooperation	R/1762/92/EEC	29.06.92	75% (2)	09.11.92/18.11.92	1,800	1,691	1,665	996	990
TOTAL MED. (3)					7,862	7,339	7,312	2,445	2,435
C and E Europe I	90/62/EEC(4)	12.02.90	100%	24.04.90/14.05.90	1,000	912	912	265	258
	91/252/EEC(5)	14.05.91	100%	19.01.93/04.02.93	700	493	493	117	105
C and E Europe II	93/696/EC(6)	13.12.93	100%	22.07.94/12.08.94	3,000	2,493	2,476	1,268	1,188
Asia, Latin America I	93/115/EEC	15.02.93	100%	04.11.93/17.11.93	750	572	571	252	259
Asia, Latin America Interim	96/723/EC	12.12.96	100%	18.03.97/26.03.97	153	153	153	47	49
Asia, Latin America Interim	96/723/EC	12.12.96	70%	21.10.97	122	122	122	57	57
South Africa	95/207/EC	01.06.95	100%	04.10.95/16.10.95	300	285	285	130	128
New mandates	97/256/EC(7)	14.04.97	70%	25.07.97/29.07.97	7,105	6,314	6,272	4,212	4,250
FYROM	98/348/EC	19.05.98	70%	29.07.98/07.08.98	150	150	150	90	92
Bosnia and Herzegovina	98/729/CE	14.12.98	70%	16.06.99/22.06.99	100	100	100	25	36
Turkey	99/786/EC	29.11.99	65%	18.04.00/23.05.00	600	600	600	471	475
Mandates 2000-2007	2000/24/EC(8)	22.12.99	65%	19.07.00/24.07.00	19,460	13,256	13,724	4,509	5,408
The Baltic Sea basin of Russia	2001/777/EC(9)	06.11.01	100%	06.05.02/07.05.02	100	25	85	11	16
Russia, Belarus, Moldova and Ukraine	2005/48/EC(10)	22.12.04	100%		500				
TOTAL					41,902	32,814	33,256	13,900	14,757

(1) Including EUR 1 500 million for Spain, Greece and Portugal.

(2) General guarantee of 75% for all credits made available under lending operations under a guarantee contract signed between the Community and the EIB on 30.10.78 and 10.11.78.

By way of exception, a 100% guarantee applies to the emergency aid granted to Portugal in accordance with the Council Decision of 7 October 1975.

(3) The Community has guaranteed EUR 5 497 million, of which EUR 141.5 million is covered by a 100% guarantee for Portugal.

(4) Non-member States: Poland, Hungary.

(5) Non-member States: Czech Republic and Slovak Republic, Bulgaria, Romania.

(6) Non-member States: Poland, Hungary, Czech Republic and Slovak Republic, Bulgaria, Romania, Baltic States and Albania.

(7) Non-member States: Central and Eastern Europe, Mediterranean, Asia and Latin America, South Africa.

(8) Non-member States: South-eastern Neighbours, Mediterranean countries, Latin America and Asia, Republic of South Africa, Special action Turkey, as amended (2005/47/EC).

(9) A special lending action for selected environmental projects in the Baltic Sea basin of Russia under the Northern Dimension.

(10) A special lending action for certain types of projects in Russia, Belarus, Moldova and Ukraine.

1.3. Expected signature and disbursement of EIB loans

The EIB has supplied the figures used for the calculation of the assumptions made for drawing up Table A3 (EIB loans with a Community guarantee to non-member States from its own resources).

Expected signatures:

- At 30 June 2005 a total of EUR 7,932 million was still to be signed under the EUR 20,060 million General Mandate 2000 - 2007:

Table A 7: Disbursement forecast for EIB loans

		EUR million	
	Ceiling	Loans made available (minus cancellations) at 30.06.2005*	to be disbursed under signatures**
Mediterranean	6,520	5,239	3,475
South-eastern Neighbours	10,235	6,245	3,725
Asia, Latin America	2,480	1,692	490
South Africa	825	627	242
	20,060	13,804	7,932

* EUR 521 million for new Member States are not included.

** EUR 68 million for new Member States are not included.

Disbursement forecasts:

As regards disbursement of the loans still awaiting signature, it is assumed that nothing will be paid in the year of signature, 10% in the second year, 25% a year between the third and fifth years and 15% in the sixth year.

1.4. Payment of the budget guarantee

1.4.1. Borrowing/lending operations

In this type of operation, the Community borrows on the financial market and on-lends the proceeds (back-to-back) to Member States (balance of payments), non-Member States (medium-term financial assistance) or firms (Euratom).

The loan repayments are scheduled to match the repayments of the borrowings due from the Community. If the recipient of the loan is late in making a repayment, the Commission must draw on its resources to repay the borrowing on the due date.

The funds needed to pay the budget guarantee in the event of late payment by the recipient of a loan granted by the Community are raised as follows:

- a) the amount required may be taken provisionally from cash resources in accordance with Article 12 of Council Regulation (EC, Euratom) No 1150/2000 of 22 May 2000, as amended, implementing Decision 94/728/EC, Euratom, on the system of the Communities' own resources. This method is used so that the Community can immediately repay the borrowing on the date scheduled in the event of late payment by the recipient of the loan;

- b) if the delay reaches to three months after the due date, the Commission draws on the Guarantee Fund to cover the default. The funds obtained are used to replenish the Commission's cash resources;
- c) the transfer procedure can be used to provide the budget heading with the appropriations needed to cover the default; any margin available in the guarantee reserve is drawn on first. This method is used when there are insufficient appropriations in the Guarantee Fund and must be authorised in advance by the budgetary authority;
- d) the re-use of amounts repaid by debtors who have defaulted, leading to activation of the Community guarantee, allows payments to be made within a short period of time always providing, of course, that there are recovered funds available.

1.4.2. Guarantees given to third parties

The loan guarantee is in respect of loans granted by a financial institution such as the EIB. When the recipient of a guaranteed loan fails to make a payment on the due date, the EIB asks the Community to pay the amounts owed by the defaulter in accordance with the contract of guarantee. The guarantee call must be paid within three months of receiving the EIB's request. The EIB administers the loan with all the care required by banking practice and is obliged to demand the payments due after the guarantee has been activated.

Since the entry into force of the Regulation establishing a Guarantee Fund for external actions, the provisions of the Agreement between the Community and the EIB on management of the Fund state that, after the EIB calls in the guarantee in the event of a default, the Commission must authorise the Bank to withdraw the corresponding amounts from the Guarantee Fund within three months.

If there are insufficient resources in the Fund, the procedure used for activating the guarantee is the same as for borrowing/lending operations.

An implementation agreement was concluded between the Community and the EIB on 20 and 22 January 1999 to determine payment and repayment procedures in connection with Community guarantees to the EIB.

2. METHODOLOGICAL NOTE ON THE ANALYSIS OF THE COMMUNITY'S ESTIMATED LENDING CAPACITY IN RESPECT OF NON-MEMBER STATES OVER THE PERIOD 2005-2006 UNDER THE GUARANTEE FUND MECHANISM (TABLE A4)

2.1. Reserve for loan guarantees to non-member States

The Interinstitutional Agreement of 6 May 1999 on budgetary discipline and improvement of the budgetary procedure provides for the entry of a reserve for loan guarantees to non-Member States as a provision in the general budget of the European Communities. This reserve is intended to cover the requirements of the Guarantee Fund and, where necessary, activated guarantees exceeding the amount available in the Fund, so that these amounts may be charged to the budget.

The amount of the guarantee reserve is the same as in the financial perspective for 2000-2006, i.e. EUR 200 million per year at 1999 prices. The amount in the reserve will be EUR 223 million in 2005 and EUR 229 million in 2006.

The conditions for the entry, use and financing of the guarantee reserve are laid down in the following decisions:

- Council Decision 2000/597/EC of 29 September 2000 on the system of the Communities' own resources.
- Council Decision 2040/2000/EC on budgetary discipline.
- Council Regulation (ECSC, EC, Euratom) N°1605/2002 on the Financial Regulation of 25 June 2002 applicable to the general budget of the European Communities.
- Council Regulation (EC, Euratom) No 2728/94 of 31 October 1994, establishing a Guarantee Fund for external actions, amended by Council Regulation (EC, Euratom) No 1149/99 of 25 May 1999 and by Council Regulation (EC, Euratom) No 2273/2004 of 22 December 2004.

2.2. Bases for the calculation of the provisioning of the Guarantee Fund

The bases for the provisioning of the Fund are calculated by applying the appropriate rate of guarantee (65% for the General Mandate 2000 - 2007, 70%, 75% or 100% for previous or specific mandates):

- to the loan guarantees authorised by the Council and to the loan guarantees proposed or being prepared by the Commission on the basis of the estimates of loan signatures contained in the financial statements (EIB and Euratom loans);
- to the loans (for financial assistance) authorised by the Council and to the loans proposed or being prepared by the Commission.

The annex to Council Regulation (EC, Euratom) No 2728/94 of 31 October 1994 establishing a Guarantee Fund for external actions, which relates to the arrangements for

payments into the Guarantee Fund, states that, in the case of borrowing/lending operations or guarantees to financial bodies under a framework facility spread over a number of years and with a microeconomic and structural purpose, payments into the Fund will be made in annual instalments calculated on the basis of the annual amounts indicated in the financial statement attached to the Commission proposal, adapted where appropriate in the light of the Council decision (Commission decision in the case of Euratom loans).

For other Community borrowing/lending operations, such as loans for the balance of payments of third countries, whether made in one or several instalments, payments into the Fund are calculated on the basis of the total amount for the operation decided on by the Council.

The annex to the Regulation establishing the Guarantee Fund states that, as from the second year (in the case of operations spread over a number of years), the amounts to be paid into the Fund will be corrected by the difference recorded on 31 December of the previous year between the estimates that were taken as a basis for the previous payment and the actual figure for the loans signed during that year. Any difference relating to the previous year will give rise to a payment in the following year.

The annex states that, when it starts a payment procedure, the Commission will check the situation with regard to the performance of the operations which were the subject of previous payments and, where the commitment deadlines originally laid down have not been met, will propose that this will be taken into account in calculating the first payment to be made at the start of the following financial year for operations already under way.

2.3. Basis for the provisioning of the Fund in the case of a partial guarantee

For EIB loans covered by an aggregate 75% guarantee, the Fund was provisioned on the basis of 75% of the total amount of operations authorised.

The guarantee on the EIB loans authorised by the Council on 14 April 1997, 19 May 1998 and 14 December 1998 is limited to 70% of the total amount of credits opened. The basis for provisioning was 70% of the annual forecast of signatures.

The guarantee on the EIB loans authorised by the Council on 29 November 1999 and 22 December 1999 is limited to 65% of the total amount of credits opened. The basis for provisioning is 65% of the annual forecast of signatures.

The guarantee on the EIB loans authorised by the Council on 6 November 2001 and 22 December 2004 is 100% of the total amount of credits opened. The basis for provisioning is 100% of the annual forecast of signatures.

Macro-financial assistance loans are provisioned in full at the moment of the decision. Euratom loans are provisioned in full at the latest at the time of signing of the loan agreement.

2.4. Provisioning of the Guarantee Fund

Historically the amounts paid into the Fund were obtained by applying the rate of provisioning (14%) to the calculation base set out above. Pursuant to Articles 2 and 4 of

the Regulation establishing the Guarantee Fund, the Fund is endowed by payments from the general budget equivalent to 14% of the capital value of the operations until it reaches the target amount. As the target amount was reached at 31 December 1997, the Commission, in accordance with the Regulation, submitted proposals to review the rate of provisioning. These proposals appear in the comprehensive report on the functioning of the Fund which the Commission drew up in accordance with Article 3 of the Regulation⁴. Regulation No 2728/94 establishing a Guarantee Fund for external actions has been amended by Council Regulation (EC, Euratom) No 1149/1999 of 25 May 1999 under which the provisioning rate for the Fund and the target amount are set at 9% from 1 January 2000. A further comprehensive report on the functioning of the Fund was adopted by the Commission⁵ in October 2003. In line with the needs identified in the last Comprehensive Report, the Commission presented an amendment to the Regulation of the Guarantee Fund to improve the rules of the provisioning mechanism, i.e. the rules that determine how the Fund's assets are brought in line with the target amount of the Fund⁶.

2.5. Activation of budget guarantees

If a borrower defaults on an EIB loan guaranteed by the Union budget, the Community guarantee is called upon at the earliest three months after the date on which payment has fallen due. The Community will act within three months of receiving such a letter from the EIB calling for the guarantee to be activated, authorising the EIB to take the corresponding amounts from the Guarantee Fund.

Default interest owed by loan beneficiaries for the time between the date on which cash resources are made available by the Union budget and the date of activation of the Fund is drawn from the Fund and repaid to the Union budget. For EIB loans, default interest is calculated during the period between the due date of a defaulted loan instalment and the date of receipt of the cash resources by the EIB from the Commission.

2.6. Margin remaining in the guarantee reserve

The margin remaining in the guarantee reserve is equivalent to the difference between the reserve and the heading for the provisioning of the Guarantee Fund.

On the basis of the decisions adopted by the Council or the Commission and decisions proposed and forecasted (see Table A4), an amount of EUR 158.11 million is expected to be used from the Guarantee Reserve in 2005, leaving EUR 64.89 million available for further guaranteed lending operations.

If account is taken of the effect on the Guarantee Reserve of the provisioning of the Fund in respect of loans already decided and loans proposed and forecasted for 2005, the annual capacity available for loans is as follows:

- EUR 720.95 million for loans with a 100% guarantee under the Union budget,
or

⁴ COM(1998)168 of 18.03.1998

⁵ COM(2003)604 of 13.10.2003

⁶ COM(2005)130 of 05.04.2005

- EUR 1,109.16 million for loans with a 65% guarantee (in accordance with Council Decision 2000/24/EC of 22 December 1999).

2.7. Residual lending capacity

The residual lending capacity is the loan equivalent of the margin left in the reserve, allowing for the guarantee rates in force.

TABLE A4: Amounts of loans and loan guarantees to be provisioned under the Reserve for guarantees (EUR million)

	2005		2006	
	Expected loan amounts	Expected provision.	Expected loan amounts	Expected provision.
Amount of the reserve	223		229	
Total lending and guarantee capacity 100%		2478		2544
Total lending and guarantee capacity 65%		3812		3915
1. GUARANTEES OF EIB LOANS				
Decided operations				
2000-2007 general lending mandate ¹	2,805.50	164.12	2,712.50	158.68
correction forecasted/realized ²	5.00	0.29		
<i>Subtotal 2000 - 2007</i>	2,810.50	164.41		
<i>Baltic Sea under the Northern Dimension</i>	75.00	6.75		
<i>correction forecasted/realized²</i>	-75.00	-6.75		
<i>Russia / WNIS³ (100%)</i>	150.00	13.50	200.00	18.00
Additional EIB Operations (at 65% gr)	0.00	0.00	0.00	0.00
<i>Subtotal EIB</i>	2,960.50	177.91	2,912.50	176.68
2. MACROFINANCIAL ASSISTANCE LOANS				
Planned operations	200.00	18.00	200.00	18.00
Western Balkans				
<i>Subtotal MFA</i>	200.00	18.00	200.00	18.00
3. EURATOM LOANS⁴				
Provisional estimates				
Ukraine ⁵	-420.00	-37.80		
<i>Subtotal Euratom</i>	-420.00	-37.80	0.00	0.00
Use of the reserve (1+2+3)	2,740.50	158.11	3,112.50	194.68
Margin within the reserve (after provisioning of above-indicated loans)		64.89		34.32
Residual lending and guarantee capacity 100%⁶		720.95		381.32
Residual lending and guarantee capacity 65%⁷		1,109.16		586.65

1 The figures mentioned under the 2000-2007 general lending mandate include the amounts of amended Decision 2000/24/EC, as amended.

2 Correction of estimated levels of implementation for the 2005 provisioning.

3 Russia / WNIS was adopted by the Council (2005/48).

4 For 2006, figures are subject to receipt of applications.

5 For Ukraine, under the envisaged EUR 657 million loan for the K2R4 project, EUR 503 million are already provisioned from previous years. A review of the decision was amended by the Commission and resulted to a decrease of EUR 420 million in the loan amount.

6 For macro-financial assistance, Euratom loans and EIB loans for Baltic Sea and Russia/WNIS.

7 For guarantees of other EIB loans.

3. COUNTRY-RISK EVALUATION

The country risk evaluation presented below comprises a table of risk indicators for each non-member State that has received EC macro-financial assistance and still has outstanding debts to the EC. Moreover, other third countries each representing more than 2% of the total outstanding debt to the EC (notably through guarantees of EIB project related lending) and either categorised as “severely indebted” according to criteria set by the World Bank or facing significant imbalances in their external or debt situation are also included in the risk evaluation.

Altogether, the country analysis covers 47% of the total outstanding debt owned by the EC or guaranteed through its budget, thus providing a meaningful assessment of the risk.

3.1. Other non-member countries

Since the Islamic insurgency in **Algeria** seems to have ended and reconciliation with the Berber population is under way, broad political stability is expected during the next two years. In 2004 the buoyant performance of the hydrocarbon sector (accounting for more than 30% of GDP, 96% of export earnings and about 60% of budget revenues) helped to secure strong output growth (7.1%), a large budget surplus (5.8% of GDP) and huge trade and current account surpluses (21.1% and 15.9% respectively). Official reserves have risen to almost 24 months of imports. In 2005, owing to increasing oil prices and production, this trend will continue. In particular, the budget surplus is expected to further widen to 11.6% of GDP. Due to strong export earnings and debt repayments, the foreign debt/GDP ratio fell markedly to 29.7% of GDP, and the foreign debt service ratio to 59.8%.

Jordan's economy grew strongly in 2004, with a real GDP growth of 6.6% up from 4% the previous year. Growth is supported by a rebound in domestic demand, an impressive export growth and continuous high inflows of foreign grants. Fiscal performance in 2004 was better than expected due to buoyant tax receipts, better revenue administration and ongoing spending restraint. Including foreign grants, the budget was almost balanced (deficit excluding grants: 10.1% of GDP). Nevertheless, the authorities were slightly off-track with respect to their debt reduction strategy which calls for a reduction of the public debt ratio to 80% by 2006; this situation is due to valuation losses and delays in privatization.

For the year as a whole, real GDP growth in **Argentina** is expected to reach about 7.5% in 2005, following two consecutive years of growth around 9%. The strong recovery has led to a significant improvement in public finances, with the primary surplus reaching 5.1% of GDP in 2004. Very strong import growth has led to a narrowing of the current account surplus, but thanks to an improving capital balance, official foreign exchange reserves have continued to rise, exceeding USD 25 billion in September 2005. Argentina achieved a participation rate of 76% in the global exchange offer regarding its huge

defaulted debt stock. Moreover, progress has been slow regarding fiscal and banking sector reform and in resolving outstanding issues in the utilities sector. Argentina's Stand-by-Arrangement (SBA) with the IMF is currently suspended and negotiations have just resumed on a possible reactivation or renewal of the SBA. No agreement is expected to be reached, however, before the October elections. Argentina is again in arrears to the European Investment Bank, after failing to pay the penalty interest on previous arrears by the due date. Despite the improvement in the macroeconomic situation, therefore, the risk associated with lending to, or investing in Argentina remains high.

The **Brazilian** economy continues to expand at a solid pace. Real GDP growth is expected to exceed 3% in 2005. Fiscal performance also remains strong, with the consolidated primary surplus expected to reach about 4½% of GDP in 2005, slightly exceeding the government's target. This has succeeded in bringing down both current inflation and inflation expectations. Continued strong export growth this year makes it likely that the current account surplus will remain at about last year's level of almost 2% of GDP. Brazil's strong economic performance allowed the authorities not to seek a replacement of the Stand-by Arrangement that lapsed in March 2005, meaning that, for the first time since 1998, Brazil is not covered by an IMF programme. The public debt remains high at around 50% of GDP. Although the rise in foreign exchange reserves, the comfortable current account position and the authorities' efforts to improve the composition of public debt have increased the country's resilience, Brazil remains vulnerable to a change in investor sentiment towards emerging markets.

3.2. Explanatory notes for country-risk indicators

Standard footnotes

- a) Includes only EC and EIB loans (outstanding disbursements) to CEEC, NIS and MED.
The major changes in these figures are due to the transfer of accession countries from the "third countries" section in the "Member States" section as of 1 May 2004.
- b) The higher the ranking number indicated by Euromoney, the lower the creditworthiness of the country.
- c) Countries are rated on a scale of zero to 100 by The Institutional Investor; 100 represents the least chance of default. A given country may improve its rating and still fall in the ranking if the average global rating for all rated countries improves.

Abbreviations and English words used in tables

S&P	Standard and Poor's
CCFF	Compensatory and Contingency Financing Facility
EFF	Extended Fund Facility
FDI	Foreign Direct Investment

GDP	Gross Domestic Product
SBA	Stand-By Arrangement
STF	Systemic Transformation Facility
est.	estimates
m EUR	EUR million
bn USD	USD billion
n.a.	not available
prelim.	preliminary

3.3. Country-risk indicators (tables)

Country risk indicators					
Country: Bulgaria					
		footnotes	2003	2004	2005
Real GDP growth rate	(%)		4.5	5.6	6.0
Industrial production	(% change)		14.0	17.7	6.9
Unemployment (end of period)	(% of labour force)		12.7	11.8	10.0
Inflation rate (CPI) (Dec/Dec)	(% change)		5.6	4.0	3.9
Exchange rate (end of period)	(Leva per EUR)		1.956	1.956	1.956
General government balance	(% of GDP)		0.6	1.3	
Balance of payments					
Exports of goods and services	(m EUR)		18500	22210	7254
Current account balance	(% of GDP)		-9.2	-7.4	-9.5
Net inflow of foreign direct investment	(m EUR)		3574	3207	1069
Official reserves, including gold (end of period)					
m EUR			5309	6770	6945
months' imports of goods and services			5.7	6.1	5.4
External debt					
Convertible currency external debt (end of period)	(m EUR)		10639	12134	12968
Convertible currency debt service	(m EUR)		1333	2522	2452
principal	(m EUR)		967	2176	2222
interest	(m EUR)		367	346	230
External debt/GDP	(%)		60.5	63.0	61.2
External debt/exports of goods and services	(%)		112.5	107.8	
Debt service/exports of goods and services	(%)		14.1	22.2	42.1
Arrears (on both interest and principal)	(m EUR)		none	none	none
Debt relief agreements and rescheduling			none	none	none
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	5.8	8.4	7.9
EU exposure/external debt	(%)		7.1	6.7	6.5
EU exposure/exports of goods and services	(%)		4.1	3.7	11.7
IMF arrangements					
Type			SBA	SBA	SBA
(Date)			(02/02-02/04)	(08/04-09/06)	(08/04-09/06)
On track			yes	yes	yes
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			Ba2	Ba1	Ba1
S&P long-term foreign currency rating (end of period)			BB+	BBB-	BBB-
Euromoney			03/03 09/03	03/04 09/04	09/04 03/05
Position in the ranking (number of countries)		(b)	71 66 (185) (185)	63 61 (185) (185)	61 63 (185) (185)

Footnotes

(a)-(b) See explanatory notes at beginning of tables.

Country-risk indicators					
Country: ROMANIA					
		footnotes	2003	2004	2005
Real GDP growth rate	(%)		5.2	8.3	4.9
Industrial production	(% change)		4.6	6.0	3.6
Unemployment (average)	(% of labour force)	(1)	6.8	7.1	5.0
Inflation rate (CPI) (Dec/Dec)	(% change)		14.1	9.3	8.9
Exchange rate (euro, end of period)	(Lei)		40193	39663	35111
General government balance	(% of GDP)	(2)	-2.0	-1.4	0.5
Balance of payments					
Exports of goods and services	(m EUR)		18285	21838	15330
Current account balance	(% of GDP)		-6.0	-7.5	-8.4
Net inflow of foreign direct investment	(m EUR)		1910	4042	1479
Official reserves, excluding gold (end of period)					
m EUR			8503	10712	13770
months' imports of goods and services			3.7	4.5	5.2
External debt					
Convertible currency external debt (end of period)	(m EUR)		16924	20201	24856
Convertible currency debt service	(m EUR)	(3)	3225	4017	1927
principal	(m EUR)	(3)	-	-	-
interest	(m EUR)	(3)	-	-	-
External debt/GDP	(%)		37.2	37.7	29.3
External debt/exports of goods and services	(%)		92.6	92.5	NA
Debt service/exports of goods and services	(%)	(3)	17.6	18.4	12.6
Arrears (on both interest and principal)	(m EUR)		none	none	none
Debt relief agreements and rescheduling	(m EUR)		none	none	none
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	12.7	17.3	17.9
EU exposure/external debt	(%)		9.7	8.4	7.7
EU exposure/exports of goods and services	(%)		9.0	7.7	12.6
IMF arrangements					
Type			SBA	precautionary	precautionary
(Date)			(9/01-10/03)	(7/04-7/06)	(7/04-7/06)
On track			yes (8)	partly (9)	no (10)
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			B2	B1	Ba2
S&P long-term foreign currency rating (end of period)			BB	BB+	BBB-
Euromoney			03/03 09/03	03/04 09/04	09/04 03/05
Position in the ranking		(b)	71 66	68 66	66 65
(number of countries)			(185) (185)	(185) (185)	(185) (185)

Footnotes

(a), (b) See explanatory notes at beginning of tables

(1) harmonized rate, yearly average

(2) Estimated ESA 95 net lending. For 2005, planned.

(3) In 2002, IMF data

Country-risk indicators					
Country: Turkey					
		footnotes	2003	2004	2005e
Real GDP growth rate	(%)		5.8	8.9	4.5
Industrial production	(% change)		8.5	9.7	3.9
Unemployment (end of period)	(% of labour force)		10.5	10.0	10.0
Inflation rate (CPI) (Dec/Dec)	(% change)		18.4	9.3	7.9
Exchange rate (end of period)	(TL per EUR)		1.77	1.84	1.67
General government balance	(% of GDP)	(1)	-9.7	-3.9	-4.0
Balance of payments					
Exports of goods and services	(m EUR)		62082	73122	29692
Current account balance	(% of GDP)		-3.3	-5.3	-5.5
Net inflow of foreign direct investment	(m EUR)		934	1107	1200
Official reserves, including gold (end of period)					
m EUR			39750	43144	44300
months' imports of goods and services			6.5	6.3	5.8
External debt					
Convertible currency external debt (end of period)	(m EUR)		128886	123174	115689
Convertible currency debt service	(m EUR)		24549	24052	10563
principal	(m EUR)		18372	18400	8563
interest	(m EUR)		6177	5652	2000
External debt/GDP	(%)		54.1	43.2	4.1
External debt/exports of goods and services	(%)		207.6	175.3	145.8
Debt service/exports of goods and services	(%)		39.5	37.1	35.6
Arrears (on both interest and principal)	(m EUR)		none	none	none
Debt relief agreements and rescheduling			none	none	none
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	9.3	15.4	15.4
EU exposure/external debt	(%)		0.9	1.2	1.4
EU exposure/exports of goods and services	(%)		1.9	2.1	5.6
IMF arrangements					
Type			<i>SBA</i>	<i>SBA</i>	<i>SBA</i>
(Date)			(02/05)	(02/05)	(05/07)
On track			yes	yes	yes
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			B3	B3	B2
S&P long-term foreign currency rating (end of period)			B+	BB-	BB-
Euromoney			03/03 09/03	03/04 09/04	09/04 03/05
Position in the ranking		(b)	81 80	75 69	69 73
(number of countries)			(185) (185)	(185) (185)	(185) (185)

Footnotes

(a)-(b) See explanatory notes at beginning of tables.

(1) ESA95 methodology

Country-risk indicators					
Country: Bosnia & Herzegovina					
		footnotes	2003	2004	2005 estimation
Real GDP growth rate	(%)		3.50	5.00	5.00
Industrial production Federation	(% change)		4.80	13.20	
Republika Srpska			5.70	9.70	
Unemployment (end of period)	(% of labour force)	(1)	42.00	48.00	
Inflation rate (CPI) (12 month average) Federation	(% change)		0.10	0.40	2.00
Republika Srpska			-0.50	-0.30	
Exchange rate (end of period)	KM per EUR		1.96	1.96	1.96
	KM per USD		1.73	1.44	
General government balance (after grants)	(% of BiH GDP)		-1.30	-1.10	
Balance of payments					
Exports of goods and services	(m EUR)		1904.00	2329.00	
Current account balance	(% of GDP)	(2)	24.50	23.30	
Net inflow of foreign direct investment	(m EUR)		337.60	487.70	
Official reserves, including gold (end of period)					
m EUR			1418.70	1764.00	
months' imports of goods and services			3.40	4.25	
External debt					
Convertible currency external debt (end of period)	(m EUR)		2054.20	2036.30	
Convertible currency debt service principal	(m EUR)		157.60	130.80	
interest	(m EUR)		96.70	84.80	
External debt/GDP	(%)		60.80	46.00	
External debt/exports of goods and services	(%)		32.70	30.70	
Debt service/exports of goods and services	(%)		107.89	87.43	
Arrears (on both interest and principal)	(m USD)		8.70	5.60	
Debt relief agreements and rescheduling		(3)	none	none	
			yes	yes	
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	0.6	1.2	1.2
EU exposure/external debt	(%)		3.6	5.6	
EU exposure/exports of goods and services	(%)		3.9	4.9	
IMF arrangements					
Type			SBA II		
(Date)			(8/02-02/04)		
On track			Yes		
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			none	Caa1	Caa1
S&P long-term foreign currency rating (end of period)			none	none	none
Euromoney			03/03 09/03	03/04 09/04	09/04 03/05
Position in the ranking (number of countries)		(b)	152 110 (185 185)	107 113 (185 185)	113 123 (185 185)

Footnotes

(1) World Bank and IMF estimates are one half the official estimate (ie 20%)

(2) Including official transfers.

(3) Paris Club in 1998 USD 588m, in 2000 USD 9m

(a) (b) See explanatory notes at beginning of tables.

Country-risk indicators					
Country: Former Yugoslav Republic of Macedonia					
		footnotes	2003	2004	2005e
Real GDP growth rate	(%)	1	3.00	2.20	3.70
Industrial production	(% change)	2	4.70	-12.70	8.60
Unemployment (end of period)	(% of labour force)	1	36.70	37.00	38.60
Inflation rate (CPI) (Dec/Dec)	(% change)	3	2.60	-0.40	0.50
Exchange rate (end of period)	(Denar per EUR)		61.26	61.32	61.25
General government balance	(% of GDP)		-1.50	1.20	-1.00
Balance of payments					
Exports of goods and services	(m EUR)	1	1170.4	1165.7	439.0
Current account balance	(% of GDP)	1	-6.20	-9.40	-2.00
Net inflow of foreign direct investment	(m EUR)	1	46.9	112.5	36.1
Official reserves, including gold (end of period)					
m EUR		1	676.3	725.1	822.5
months' imports of goods and services		1	3.90	3.00	3.00
External debt					
Convertible currency external debt (end of period)	(m EUR)	2	1565.3	1573.8	1654.8
Convertible currency debt service	(m EUR)	2	209.3	193.7	124.1
principal	(m EUR)	2	164.8	157.8	n.a.
interest	(m EUR)	2	44.5	35.9	n.a.
External debt/GDP	(%)	2	37.72	37.21	38.04
External debt/exports of goods and services	(%)	2	133.73	135.01	94.24
Debt service/exports of goods and services	(%)	2	17.88	16.61	28.26
Arrears (on both interest and principal)	(m EUR)		none	n.a.	
Debt relief agreements and rescheduling	(m EUR)		none	n.a.	
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	1.4	2.0	1.9
EU exposure/external debt	(%)		11.7	12.6	12.0
EU exposure/exports of goods and services	(%)		15.6	17.1	45.3
IMF arrangements					
Type			SBA		SBA
(Date)			04/03 - 06/04		08/05-08/08
On track			yes		
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			none	none	none
S&P long-term foreign currency rating (end of period)			none	none	none
Euromoney			03/03 09/03	03/04 09/04	09/04 03/05
Position in the ranking		(b)	103 109	107 113	111 92
(number of countries)			(185) (185)	(185) (185)	(185) (185)

Footnotes

- (a) (b) See explanatory notes at beginning of tables
(1) First Quarter of 2005
(2) January-July
(3) August 2005/ August 2004

Country-risk indicators					
Country: Serbia and Montenegro					
		footnotes	2003	2004	2005e
Real GDP growth rate	(%)		2.7	7.2	4.6
Industrial production	(% change)		-2.7	7.5	5.0
Unemployment (end of period)	(% of labour force)		30.0	34.0	
Inflation rate (CPI) (Dec/Dec)	(% change)		7.6	13.4	12.3
Exchange rate (end of period)	(YuD per EUR)		65.1	72.6	...
General government balance	(% of GDP)		-3.3	-0.3	1.2
Balance of payments					
Exports of goods and services	(m USD)		2,540	3,534	
Current account balance	(% of GDP)		-7.3	-13.1	-9.5
Net inflow of foreign direct investment	(m USD)		1,405	1,028	1,698
Official reserves, including gold (end of period)					
m USD			3,557	4,302	5,602
months' imports of goods and services			3.3	3.7	1.3
External debt					
Convertible currency external debt (end of period)	(m USD)		14,303	14,876	15,173
Convertible currency debt service	(m USD)		451	972	1,732
principal	(m USD)		218	675	1,076
interest	(m USD)		233	297	656
External debt/GDP	(%)		69.2	62.0	57.1
External debt/exports of goods and services	(%)		342.0	252.0	198.0
Debt service/exports of goods and services	(%)		10.4	16.5	22.5
Arrears (on both interest and principal)	(m USD)		5134.0	2405.0	
Debt relief agreements and rescheduling		(1)	yes	yes	
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	3.4	5.2	5.1
EU exposure/external debt	(%)		3.8	4.6	4.4
EU exposure/exports of goods and services	(%)		21.6	19.5	
IMF arrangements					
Type			Extended Arrangement	Extended Arrangement	
(Date)			05/02-05/05	05/02-12/05	
On track			yes	yes	
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			none	none	none
S&P long-term foreign currency rating (end of period)		(2)	none	B+/BB	BB-
Euromoney			03/03 09/03	03/04 09/04	09/04 03/05
Position in the ranking		(b)	137 136	166 166	166 158
(number of countries)			(185) (185)	(185) (185)	(185) (185)

Footnotes

- (1) In November 2001, the Paris Club creditors agreed on a highly concessional two-phased debt restructuring of 66% in NPV terms. The first phase (51%) became effective in May 2002 when the IMF adopted the new three-year Extended Arrangement (EA); the second phase (15%) will become effective upon successful completion on the EA.
- (2) Serbia B+, Montenegro BB.
- (a) (b) See explanatory notes at beginning of tables.

Country-risk indicators					
Country: Armenia					
		footnotes	2003	2004	2005 (forecast)
Real GDP growth rate	(%)		13.9	10.1	8.0
Industrial production	(% change)		15.4	2.1	5.5
Unemployment (end of period)	(% of labour force)		10.1	9.4	8.5
Inflation rate (CPI) (Dec/Dec)	(% change)		8.6	2.0	3.0
Exchange rate (end of period)	(Dram per USD)		566	486	460
General government balance	(% of GDP)		-1.1	-1.7	-2.9
Balance of payments					
Exports of goods and services	(m USD)		903	970	1040
Current account balance	(% of GDP)		-6.8	-4.7	-5.1
Net inflow of foreign direct investment	(m USD)		121	216	198
Official reserves, including gold (end of period)					
m USD			502	541	582
months' imports of goods and services			4.0	3.9	3.9
External debt					
Convertible currency external debt (end of period)	(m USD)		1098	1183	1229
Convertible currency debt service principal	(m USD)		140	96	63
interest	(m USD)				
External debt/GDP	(%)		39.0	33.0	29.0
External debt/exports of goods and services	(%)		122	122	118
Debt service/exports of goods and services	(%)		15.6	9.9	6.1
Arrears (on both interest and principal)	(m USD)		0	0	0
Debt relief agreements and rescheduling					
				Debt to equity swap (Russia)	-
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	0.1	0.0	0.0
EU exposure/external debt	(%)		1.0	0.2	0.2
EU exposure/exports of goods and services	(%)		1.3	0.3	0.2
IMF arrangements					
Type			PRGF	PRGF	PRGF
(Date)			(05/01-12/04)	(05/01-12/04)	(05/05-05/08)
On track			yes	yes	yes
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			none	none	none
S&P long-term foreign currency rating (end of period)			none	none	none
Euromoney			03/03 09/03	03/04 09/04	09/04 03/05
Position in the ranking		(b)	130 121	125 122	122 100
(number of countries)			(185) (185)	(185) (185)	(185) (185)

Footnotes

(a) b) See explanatory notes at beginning of tables.

Country-risk indicators					
Country: Georgia					
		footnotes	2003	2004	2005 (forecast)
Real GDP growth rate	(%)		11.1	6.2	8.5
Industrial production	(% change)		14.0	17.0	7.0
Unemployment (end of period)	(% of labour force)		11.5	13.0	n.a.
Inflation rate (CPI) (Dec/Dec)	(% change)		7.0	7.5	7.0
Exchange rate (end of period)	(Lari per USD)		2.1	1.83	1.8
General government balance	(% of GDP) (commitments)		-2.5	2.3	-3.5
Balance of payments					
Exports of goods and services	(m USD)		1272	1630	1880
Current account balance	(% of GDP)		-7.2	-7.6	-11.8
Net inflow of foreign direct investment	(m USD)		335	503	730
Official reserves, including gold (end of period)					
m USD			191	383	493
months' imports of goods and services			1.3	1.7	1.8
External debt					
Convertible currency external debt (end of period)	(m USD)		1849	1858	1850
Convertible currency debt service	(m USD)		129	186	202
principal	(m USD)		n.a.	n.a.	n.a.
interest	(m USD)		n.a.	n.a.	n.a.
External debt/GDP	(%)		46.4	35.8	29.4
External debt/exports of goods and services	(%)		145	114	98
Debt service/exports of goods and services	(%)		10.1	11.4	10.7
Arrears (on both interest and principal)	(m USD)		63	63	n.a.
Debt relief agreements and rescheduling				Paris Club (July)	
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	0.7	0.9	0.8
EU exposure/external debt	(%)		6.3	6.7	5.6
EU exposure/exports of goods and services	(%)		9.1	7.7	5.5
IMF arrangements					
Type			PRGF	PRGF	PRGF
(Date)			(01/01-01/04)	(06/04-06/07)	(06/04-06/07)
On track			no	no	yes
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			none	none	none
S&P long-term foreign currency rating (end of period)			none	none	none
Euromoney			03/03 09/03	03/04 09/04	09/04 03/05
Position in the ranking		(b)	141 157	136 143	143 149
(number of countries)			(185) (185)	(185) (185)	(185) (185)

Footnotes

(a) (b) See explanatory notes at beginning of tables

Country-risk indicators					
Country: Belarus					
		footnotes	2003	2004	2005 estimation
Real GDP growth rate	(%)		6.8	11.0	8.8 (Jan-Jul)
Industrial production	(% change)		7.0	15.6	9.6 (Jan-Jul)
Unemployment (end of period)	(% of labour force)		3.1	2.0	1.7(Jul)
Inflation rate (CPI) (Dec/Dec)	(% change)		28.0	13.7	9.9 (Jan-Jul)
Exchange rate (end of period)	(BRB per USD)		2156	2170	2150 (Jul)
General government balance	(% of GDP)		-1.3	1.8	2.7 (Jan-Jul)
Balance of payments					
Exports of goods and services	(m USD)		11577	15549	7381.7 (Jan-Jun)
Current account balance	(% of GDP)		-3.0	-1.4	-1.2 (Jan-May)
Net inflow of foreign direct investment	(m USD)		584.0	560.7	
Official reserves, including gold (end of period)					
m USD			498.9	770.2	1129.9 (Jun)
months' imports of goods and services			0.5	0.5	0.9 (May)
External debt					
Convertible currency external debt (end of period)	(m USD)	Nat. Bank	3369	3770	4 661.7 (Jul)
Convertible currency debt service principal	(% of GDP)	IMF article	n.a.	n.a.	n.a.
interest	(m USD)				
External debt/GDP	(%)		19.4	18.9	19 (f)
External debt/exports of goods and services	(%)		29.1	24.2	63.16 (JanJun)
Debt service/exports of goods and services	(%)	IMF article	4.6	3.3	n.a.
Arrears (on both interest and principal)	(m USD)		n.a.	n.a.	n.a.
Debt relief agreements and rescheduling	(m USD)		none	none	none
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	0.1	0.1	0.1
EU exposure/external debt	(%)		0.4	0.2	0.2
EU exposure/exports of goods and services	(%)		0.1	0.1	0.0
IMF arrangements					
Type			none	none	none
(Date)					
On track					
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			none	none	none
S&P long-term foreign currency rating (end of period)			none	none	none
Euromoney			03/03 09/03	03/04 09/04	09/04 03/05
Position in the ranking (number of countries)		(b)	128 133 (185) (185)	134 139 (185) (185)	139 132 (185) (185)

Footnotes

(a) (b) See explanatory notes at beginning of tables

Country-risk indicators					
Country: Moldova					
		footnotes	2003	2004	2005 (forecast)
Real GDP growth rate	(%)	IMF Staff report	6.3	7.3	6.0
Industrial production	(% change)	CISSTAT	14.0	6.9	7.0
Unemployment (end of period)	(% of labour force)				
Inflation rate (CPI, end of period)	(% change)		15.7	12.5	11.7
Exchange rate (end of period)	(Leu per USD)	IMF Staff report	13.2	12.5	12.7
General government balance	(% of GDP)	IMF Staff report	0.7	-1.1	0.0
Balance of payments					
Exports of goods and services	(m USD)	IMF Staff report	1060	1350	1471
Current account balance	(% of GDP)	IMF Staff report	-6.8	-6.7	-5.0
Net inflow of foreign direct investment	(m USD)	IMF Staff report	80.0	185.0	200.0
Official reserves, including gold (end of period)					
m USD		IMF Staff report	302.3	421.3	533.0
months' imports of goods and services		IMF Staff report	1.7	2.0	2.3
External debt					
Convertible currency external debt (end of period)	(m USD)		1030	930	930
Convertible currency debt service	(m USD)		132.5	114.4	114.4
principal	(m USD)		n.a.	n.a.	n.a.
interest	(m USD)		n.a.	n.a.	n.a.
External debt/GDP (public and publicly guaranteed debt)	(%)	IMF Staff report	52.6	36.0	33.0
External debt/exports of goods and services (public and pu	(%)		97.1	68.9	63.2
Debt service/exports of goods and services	(%)		20.2	21.3	19.5
Arrears (on both interest and principal)	(m USD)		n.a.	n.a.	n.a.
Debt relief agreements and rescheduling	(m USD)		n.a.	n.a.	n.a.
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	0.2	0.1	0.1
EU exposure/external debt	(%)		2.7	1.5	1.3
EU exposure/exports of goods and services	(%)		2.6	1.0	0.8
IMF arrangements					
Type			PRGF	none	none
(Date)			(12/00-12/03)		
On track			no		
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			caa2	Caa2	none
S&P long-term foreign currency rating (end of period)			none	none	none
Euromoney			03/03 09/03	03/04 09/04	09/04 03/05
Position in the ranking		(b)	134 137	130 134	134 119
(number of countries)			(185) (185)	(185) (185)	(185) (185)

Footnotes

(a) (b) See explanatory notes at beginning of tables

Country-risk indicators					
Country: Ukraine					
		footnotes	2003	2004	2005 (estimation)
Real GDP growth rate	(%)		9.6	12.1	5.5
Industrial production	(% change)		15.8	12.5	5.0
Unemployment (ILO definition)	(% of labour force)		9.1	7.8	8.0
Inflation rate (CPI) (Dec/Dec)	(% change)		8.2	12.3	14.0
Exchange rate (end of period)	(Hryvnia per USD)		5.3	5.3	5.0
General government balance	(% of GDP)	1	-0.7	-3.4	-2.5
Balance of payments					
Exports of goods and services	(m USD)		28953	39719	43000
Current account balance	(% of GDP)		5.8	10.5	7.0
Net inflow of foreign direct investment	(m USD)		1400	1700	na
Official reserves, (end of period)					
m USD			6939	9500	14500
months' imports of goods and services			2.4	2.8	3.5
External debt					
Public external debt (end of period)	(m USD)		10841	11858	11800
Public external debt service	(m USD)	(2)	1824	1860	2080
principal	(m USD)	(2)	1332	1360	1480
interest	(m USD)	(2)	492	500	600
External debt/GDP	(%)		22.0	19.2	15.7
External debt/exports of goods and services	(%)		37.4	29.9	27.4
Debt service/exports of goods and services	(%)	(2)	6.3	4.7	4.8
Arrears (on both interest and principal)	(m USD)		no	no	no
Debt relief agreements and rescheduling	(m USD)		no	no	no
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	1.8	1.8	1.6
EU exposure/external debt	(%)		2.7	2.0	1.8
EU exposure/exports of goods and services	(%)		1.0	0.6	0.5
IMF arrangements					
Type			no	Stand-by*	Stand-by*
(Date)				(03/04-03/05)	(03/04-03/05)
On track				off-track	off-track
				*precautionary	*precautionary
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			B3*	B2	B2
S&P long-term foreign currency rating (end of period)			B	B+	BB-
Euromoney			03/03 09/03	03/04 09/04	09/04 03/05
Position in the ranking		(b)	113 94	93	85 83
(number of countries)			(185) (185)	(185) (185)	(185) (185)

Footnotes

- (a) (b) See explanatory notes at beginning of tables
(1) On a cash basis.
(2) Debt service after July 2001 Paris Club rescheduling

Country-risk indicators					
Country: Tajikistan					
		footnotes	2003	2004	2005 (projection)
Real GDP growth rate	(%)		10.2	10.6	7.0
Industrial production	(% change)		11.7	16.0	10.5
Unemployment (end of period)	(% of labour force)		n.a.	n.a.	n.a.
Inflation rate (CPI) (Year-end)	(% change)		13.7	5.6	7.0
Exchange rate (end of period)	(Somoni per USD)		2.96	3.04	3.04
General government balance	(% of GDP)		0.9	0.7	-0.5
Balance of payments					
Exports of goods and services	(m USD)		985	1,211	1,253
Current account balance	(% of GDP)		-1.3	-4.0	-4.9
Net inflow of foreign direct investment	(m USD)		32	20	
Official reserves, including gold (end of period)					
m USD			135	189	205
months' imports of goods and services			1.9	1.8	1.9
External debt					
Convertible currency external debt (end of period)	(m USD)		1031	853	897
Convertible currency debt service	(m USD)		59	57	80
principal	(m USD)				
interest	(m USD)				
External debt/GDP	(%)		66.3	41.1	38.4
External debt/exports of goods and services	(%)		104.7	70.4	71.6
Debt service/exports of goods and services	(%)		6.0	4.7	6.4
Arrears (on both interest and principal)	(m USD)				
Debt relief agreements and rescheduling			yes Russia	yes Russia, Pakistan	yes Russia, Pakistan
Indicators of EU exposure					
EU exposure/total EU exposure	(%)		0.3	0.4	0.4
EU exposure/external debt	(%)		5.4	7.0	5.9
EU exposure/exports of goods and services	(%)		5.6	4.9	4.2
IMF arrangements					
Type			PRGF	PRGF	PRGF
(Date)			(09/02-09/05)	(09/02-09/05)	(09/02-09/05)
On track			yes	yes	yes
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			none	none	none
S&P long-term foreign currency rating (end of period)			none	none	none
Euromoney			03/03 09/04	03/03 09/04	09/04 03/05
Position in the ranking (number of countries)	(b)		166 174 (185) (185)	174 180 (185) (185)	180 169 (185) (185)

foot notes:

(a) (b) See explanatory notes at beginning of tables

Country-risk indicators					
Country: Algeria					
		footnotes	2003	2004	2005 (forecast)
Real GDP growth rate	(%)		6.8	7.1	7.2
Industrial production	(% change)	
Unemployment (average)	(% of labour force)	(1)	24.0	23.4	22.5
Inflation rate (CPI) (average)	(% change)		3.5	4.6	4.7
Exchange rate (end of period)	(Dinars per USD)		77.39	72.06	72.97
General government balance	(% of GDP)		3.5	5.8	11.6
Balance of payments					
Exports of goods and services	(bn USD)		26.03	36.06	49.22
Current account balance	(% of GDP)		11.7	15.9	21.4
Net inflow of foreign direct investment	(bn USD)		1.2	3.5	3.8
Official reserves, including gold (end of period)					
bn USD			33.4	43.6	57.9
months' imports of goods and services			24.7	23.9	25.8
External debt					
Convertible currency external debt (end of period)	(m USD)		23,346	22,915	21,333
Convertible currency debt service	(m USD)		4,308	4,328	4,716
principal	(m USD)		3,219	3,383	3,696
interest	(m USD)		1,089	945	1,020
External debt/GDP	(%)		35.3	29.7	23.4
External debt/exports of goods and services	(%)		84.9	59.8	41.0
Debt service/exports of goods and services	(%)		15.7	11.3	9.1
Arrears (on both interest and principal)	(m USD)		-	-	-
Debt relief agreements and rescheduling	(m USD)		-	-	-
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	7.8	9.7	9.0
EU exposure/external debt	(%)		5.4	5.6	5.5
EU exposure/exports of goods and services	(%)		4.9	3.6	2.4
IMF arrangements					
Type			CCFF	CCFF	
(Date)			5/07/1999	5/07/1999	
On track			yes	yes	
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			none	none	none
S&P long-term foreign currency rating (end of period)			none	none	none
Euromoney			03/03 09/03	03/04 09/04	09/04 03/05
Position in the ranking		(b)	89 88	85 81	80 79
(number of countries)			(185) (185)	(185) (185)	(185) (185)

Sources: International Monetary Fund, Economist Intelligence Unit.

Footnotes

(a) (b) See explanatory notes at beginning of tables.

(1) Officially registered unemployed.

Country-risk indicators					
Country: Jordan					
		footnotes	2003	2004 (preliminary)	2005 (forecast)
Real GDP growth rate	(%)		4.0	6.6	5.7
Industrial production (period average)	(% change)		3.5	9.0	8.5
Unemployment rate (average)	(% of labour force)		14.5	13.0	13.0
Inflation rate (CPI, av)	(% change)		1.6	3.4	3.9
Exchange rate (av)	(Dinar per USD)		0.709	0.709	0.709
General government overall balance	(% of GDP)				
before grants			-13.5	-10.1	-9.6
after grants			-1.5	-0.1	3.1
Balance of payments					
Exports of goods and services	(m USD)		4,575	5,768	6,519
Current account balance	(% of GDP)		9.6	-1.6	-7.9
Net inflow of foreign direct investment	(m USD)		376	575	855
Official reserves, including gold (end of period)	(gross useable)				
m USD			5,366	5,446	5,720
months' imports of goods and services			9.4	6.9	6.1
External debt					
Convertible currency external debt (end of period)	(m USD)	(1)	7,604	7,357	7,217
Convertible currency debt service principal	(m USD)		865	980	872
interest	(m USD)		544	680	570
External debt/GDP	(%)	(1)	321	300	303
External debt/exports of goods and services	(%)		76.4	67.4	61.1
Debt service/exports of goods and services	(%)		166.2	133.6	123.0
Arrears (on both interest and principal)	(m USD)		18.9	17.8	14.9
Debt relief agreements and rescheduling	(m USD)	(2)	-	-	-
			368	273	262
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	2.1	2.3	2.7
EU exposure/external debt	(%)		4.4	4.3	4.8
EU exposure/exports of goods and services	(%)		7.4	5.4	5.3
IMF arrangements					
Type			EFF	SBA	-
(Date)			4/99 to 5/02	7/02 to 7/04	-
On track			yes	completed	-
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			B1	Ba3	Ba3
S&P long-term foreign currency rating (end of period)			BB-	BB	BB
Euromoney			03/03 09/03	03/04 09/04	09/04 03/05
Position in the ranking (number of countries)		(b)	80 84	81 73	73 80
			(185) (185)	(185) (185)	(185) (185)

Sources: IMF Post Program Monitoring, Economist Intelligence Unit.

Footnotes

(1) Of the government, including collateralised Brady bonds

(2) USD 1170 treated in July 2002 on Houston Terms. 100% of pre-cut off date maturities falling due from July 2002 to June 2004; 90% of pre-cut off date maturities falling due from July 2004 to December 2005; 80% of pre-cut off date maturities falling due in

(a) (b) (c) See explanatory notes at beginning of tables.

Country-risk indicators					
Country: Argentina					
		footnotes	2003	2004	2005 (f)
Real GDP growth rate	(%)		8.8	9.0	7.5
Industrial production	(% change)		16.2	10.7	7.9
Unemployment (average)	(% of labour force)		14.5	12.1	10.5
Inflation rate (CPI) (average)	(% change)		3.7	6.1	11.0
Exchange rate (end of period)	(pesos per USD)		2.9	2.9	2.9
General government balance	(% of GDP)		1.1	3.7	3.0
Balance of payments					
Exports of goods and services	(m USD)		0	34500	36200
Current account balance	(% of GDP)		6.0	2.2	3.5
Net inflow of foreign direct investment	(m USD)		1020	4000	1300
Official reserves, including gold (end of period)					
bn USD			14.1	19.6	28.0
months' imports of goods and services			9.1	10.0	13.0
External debt					
Convertible currency external debt (end of period)	(m USD)		164900	170800	120000
Convertible currency debt service	(m USD)		11581	11500	5000
principal	(m USD)		6167	3600	1565
interest	(m USD)		5414	7900	3435
External debt/GDP	(%)		128.8	113.6	67.0
External debt/exports of goods and services	(%)		492	453	265
Debt service/exports of goods and services	(%)			33.3	14
Arrears (on both interest and principal)	(m USD)		yes	yes	yes
Debt relief agreements and rescheduling	(m USD)		no	no	yes
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	2.0	2.0	1.8
EU exposure/external debt	(%)		0.2	0.2	0.2
EU exposure/exports of goods and services	(%)			0.8	0.7
IMF arrangements					
Type			SBA	SBA	SBA
(Date)			24-Jan and Sep.		
On track			yes (Jan SBA)	No	No
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			Ca	Caa2	Aa
S&P long-term foreign currency rating (end of period)			SD	SD	B-
Euromoney			03/03 09/03	03/04 09/04	09/04 03/05
Position in the ranking (number of countries)		(b)	155 162 (185) (185)	140 118 (185) (185)	118 141 (185) (185)

(a) (b) See explanatory notes.

Country-risk indicators					
Country: Brazil					
		footnotes	2003	2004	2005 (f)
Real GDP growth rate	(%)		0.5	4.9	3.3
Industrial production	(% change)		0.1	8.3	4.4
Unemployment (average)	(% of labour force)		10.9	9.6	9.4
Inflation rate (CPI) (average)	(% change)		9.3	7.6	5.1
Exchange rate (end of period)	(Reals per USD)		2.9	2.7	2.4
General government balance	(% of GDP)		-3.7	-2.5	-2.7
Balance des paiements					
Exports of goods and services	(m USD)		73084	96475	116000
Current account balance	(% of GDP)		0.8	1.9	1.8
Net inflow of foreign direct investment	(m USD)		9894	8695	17000
Official reserves, including gold (end of period)					
m USD			49296	52935	62000
months' imports of goods and services			12.0	10.1	10.1
External debt					
Convertible currency external debt (end of period)	(m USD)		214930	201374	200000
Convertible currency debt service	(m USD)		52988	51905	50500
principal	(m USD)		38809	37623	36605
interest	(m USD)		14179	14282	13895
External debt/GDP	(%)		42	33	30
External debt/exports of goods and services	(%)		294	207	172
Debt service/exports of goods and services	(%)		73	54	50
Arrears (on both interest and principal)	(m USD)		no	no	no
Debt relief agreements and rescheduling	(m USD)		no	no	no
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	4.0	5.2	5.6
EU exposure/external debt	(%)		0.3	0.3	0.4
EU exposure/exports of goods and services	(%)		0.9	0.7	0.6
IMF arrangements					
Type			SBA	SBA	no
(Date)			15 déc		
On track			yes	yes	
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			B3	B2	B2
S&P long-term foreign currency rating (end of period)			B+	BB-	BB-
Euromoney			03/03 09/03	03/04 09/04	09/04 03/05
Position in the ranking (number of countries)		(b)	79 75 (185) (185)	78 71 (185) (185)	71 68 (185) (185)

Footnotes

(a) (b) See explanatory notes at beginning of tables.