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Annex to the

REPORT FROM THE COMMISSION TO THE BUDGETARY AUTHORITY

**On guarantees covered by the general budget
situation at 31 December 2005**

{COM(2006) 452 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 would have to pay out in each financial year assuming that all guaranteed loans are in default.

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 or Euratom operations.

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.

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 31 December 2005.

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

Figures concerning future Member States are reported under "Third Countries". After accession, they will be considered as Member States. This implies, in accordance with the amended Guarantee Fund regulation n° 2273/2004 of 22 December 2004, that the risk related to loans to these countries will be born directly by the budget and not by the Guarantee Fund.

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.
- as the loans are disbursed in national currencies, the loan ceiling may be exceeded when the amount disbursed up to the date of the report are converted into EUR.

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.

1.2.2. 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.

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 balance of payments support and Euratom loans for Member States.

TABLE A1: CAPITAL OUTSTANDING IN RESPECT OF OPERATIONS DISBURSED at 31.12.2005 (in EUR million)

Operations	Authorised ceiling	Capital outstanding at 30.06.2005	Capital outstanding at 31.12.2005	Remainder to be disbursed 31.12.2005
MEMBER STATES				
EIB Portugal	1.500	2		
EIB (new Member States)		3.212	2.966	98
MEMBER STATES - TOTAL	1.500	3.214	2.966	98
THIRD COUNTRIES				
A. Macro-Financial Assistance				
Albania	9			9
Armenia	28	2	0	
Belarus	55	6	0	
Bosnia-Herzegovina	40	30	30	10
Bulgaria	750	319	288	
FYROM	90	90	90	
Georgia	142	86	86	
Moldova	60	10	3	
Romania	780	150	150	
Serbia and Montenegro	305	280	280	25
Tajikistan	75	44	36	
Ukraine	395	175	118	
Sub total MFA	2.729	1.191	1.080	44
B. EURATOM ¹		385	385	121
C. Other				
EIB South-eastern Neighbours (2000-2007)	10.235	2.480	2.844	5.161
EIB Mediterranean	15.442	5.234	5.542	3.855
EIB Central & Eastern Europe	8.220	1.427	1.219	192
EIB Asia, Latin America	4.405	1.658	1.657	507
EIB South Africa	1.500	728	809	299
EIB The Baltic Sea basin of Russia	100	16	19	66
EIB Russia + WNIS	500			
Sub total EIB²	41.902	14.757	15.056	10.179
THIRD COUNTRIES - TOTAL	43.131	13.119	13.554	10.247
GRAND TOTAL	44.631	16.333	16.521	10.344

(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 31.12.2005 (in EUR million)

Operations	Credit line authorised	Loans made available minus cancellations	Amounts disbursed	Amounts outstanding at 31.12.2005
General Mandate 2000/2007:				
South-eastern Neighbours	10.235	8.070	2.907	2.844
New Member States ⁴		521	467	424
Mediterranean	6.520	6.050	2.548	2.508
Asia, Latin America	2.480	1.771	1.078	885
South Africa	825	742	439	438
sub-total 65 %³	20.060	17.154	7.439	7.098
Central and Eastern Europe (29.01.97)	3.520	1.311	1.161	948
Mediterranean (29.01.97)	2.310	1.834	1.592	1.120
New Member States ⁴		1.963	1.929	1.227
Asia, Latin America ALA II (29.01.97)	900	687	621	428
Asia, Latin America (ALA INTERIM.)	122	122	110	52
South Africa (29.01.97)	375	375	317	241
BOSNIA-HERZEGOVINA (99/2001)	100	100	63	63
FYROM (98-2000)	150	150	113	102
sub-total 70 %³	7.477	6.542	5.907	4.182
EU-countries	1.350	1.323	1.397	0
Mediterranean and Balkan countries ⁴	6.362	5.271	5.248	1.750
New Member States ⁴		568	601	199
sub-total 75 %³	7.712	7.162	7.247	1.949
EU-countries	150	142	170	
Central and Eastern Europe	4.700	714	729	271
New Member States ⁴		3.155	3.260	1.117
Baltic Sea Basin of Russia	100	85	19	19
Russia + WNIS	500			
South Africa	300	285	233	130
Asia, Latin America	903	724	743	291
sub-total 100 %³	6.653	5.105	5.153	1.827
Total	41.902	35.962	25.745	15.056

(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 31.12.2005 in million EUR based on the amounts due of all operations disbursed at 31.12.2005)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	TOTAL
MEMBER STATES										
CAPITAL										
EIB	484	309	303	335	271	261	226	194	141	2.523
Capital - subtotal	484	309	303	335	271	261	226	194	141	2.523
INTEREST										
EIB ¹	134	109	95	83	70	57	46	34	25	653
Interest - subtotal	134	109	95	83	70	57	46	34	25	653
MEMBER STATES - TOTAL	617	418	398	417	341	318	272	228	166	3.175
NON-MEMBER STATES										
CAPITAL										
A. Macro-Financial Assistance										
Bosnia and Herzegovina					2	2	4	4	4	16
Bulgaria	73	88	88	25	15					288
FYROM			5	8	8	8	10	7	10	56
Georgia				22	22	22	20			86
Moldova	3									3
Romania		25	25	25	38	13	13	13		150
Serbia and Montenegro							45	45	53	143
Tajikistan							12	12	12	36
Ukraine	55	35	15	15						118
Sub total MFA	130	147	132	95	85	45	103	81	79	895
B. Euratom										
Euratom ²		1	3	6	10	13	17	29	30	108
Sub total Euratom	0	1	3	6	10	13	17	29	30	108
C. EIB Guarantees										
EIB South-eastern Neighbours ³	156	144	199	202	203	259	210	200	189	1.762
EIB Mediterranean	382	415	485	490	468	455	408	374	325	3.802
EIB Central & Eastern Europe ⁴	131	121	111	110	98	89	83	77	77	897
EIB Asia, Latin America	187	244	219	191	156	136	130	114	72	1.450
EIB South Africa	35	73	69	128	83	61	76	43	46	613
EIB Russia + WNIS				2	2	2	2	2	2	11
Sub total EIB	891	998	1.083	1.122	1.009	1.002	909	809	710	8.534
Capital - subtotal	1.021	1.145	1.218	1.222	1.104	1.060	1.029	919	819	9.537
INTEREST										
A. Macro-Financial Assistance										
Bosnia and Herzegovina	1	1	1	1	1	1	1	0	0	6
Bulgaria	6	5	3	1	0					15
FYROM	2	2	2	2	2	2	1	1	1	15
Georgia	2	2	2	2	1	1	0			10
Moldova	0									0
Romania	4	3	3	2	1	1	1	0		15
Serbia and Montenegro	7	7	7	7	7	7	7	6	5	63
Tajikistan	1	1	1	1	1	1	1	0	0	6
Ukraine	3	1	1	0						5
Sub total MFA	25	22	19	16	14	12	11	9	7	134
B. Euratom										
Euratom ²	11	11	11	11	10	10	10	9	8	90
Sub total Euratom	11	11	11	11	10	10	10	9	8	90
C. EIB Guarantees¹										
EIB South-eastern Neighbours ³	89	78	81	77	74	70	65	61	57	651
EIB Mediterranean	225	198	179	159	139	120	102	86	71	1.277
EIB Central & Eastern Europe ⁴	60	53	47	41	35	31	26	22	18	333
EIB Asia, Latin America	57	48	42	37	30	25	21	16	15	290
EIB South Africa	33	21	16	13	4	1	1	1	1	89
EIB Russia + WNIS	0			0	0	0	0	0	0	3
Sub total EIB	465	398	364	327	282	246	215	186	161	2.644
Interest - subtotal	500	430	393	353	306	269	236	203	176	2.867
NON-MEMBER STATES - TOTAL	1.522	1.576	1.611	1.575	1.410	1.328	1.265	1.122	996	12.405
GRAND TOTAL	2.139	1.993	2.009	1.992	1.751	1.646	1.536	1.350	1.162	15.580

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 31.12.2005 in million EUR based on the amounts due of all operations disbursed, adopted and proposed by the Commission)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	TOTAL
MEMBER STATES										
CAPITAL										
EIB	484	309	303	336	274	266	233	202	149	2,555
Capital - subtotal	484	309	303	336	274	266	233	202	149	2,555
INTEREST										
EIB ¹	135	111	98	88	75	62	51	39	29	688
Interest - subtotal	135	111	98	88	75	62	51	39	29	688
MEMBER STATES - TOTAL	618	420	401	423	349	328	284	241	178	3,242
NON-MEMBER STATES										
CAPITAL										
A. Macro-Financial Assistance										
Albania										
Bosnia and Herzegovina					2		4		4	16
Bulgaria	73	88	88	25	15					288
FYROM			5	8	8	8	10	7	10	56
Georgia				22	22	22	20			86
Moldova	3									3
Romania		25	25	25	38	13	13	13		150
Serbia and Montenegro							45	45	53	143
Tajikistan							12	12	12	36
Ukraine	55	35	15	15						118
Sub total MFA	130	147	132	95	85	45	103	81	79	895
B. Euratom										
Euratom ²		1	3	6	10	13	17	30	33	112
Sub total Euratom	0	1	3	6	10	13	17	30	33	112
C. EIB Guarantees										
EIB South-eastern Neighbours ³	156	144	199	256	393	585	672	744	733	3,882
EIB Mediterranean	382	415	485	524	588	660	699	716	667	5,136
EIB Central & Eastern Europe ⁴	131	121	111	112	104	99	97	93	93	961
EIB Asia, Latin America	187	244	219	200	186	188	204	201	159	1,789
EIB South Africa	35	73	69	131	94	79	102	74	77	733
EIB Russia + WNIS				7	19	30	42	49	49	195
Sub total EIB	891	998	1,083	1,229	1,383	1,641	1,816	1,876	1,777	12,695
Capital - subtotal	1,021	1,145	1,218	1,329	1,478	1,699	1,936	1,987	1,889	13,702
INTEREST										
A. Macro-Financial Assistance										
Albania	0	0	0	0	0	0	0	0	0	2
Bosnia and Herzegovina	1	1	1	1	1	1	1	1	1	8
Bulgaria	6	5	3	1	0					15
FYROM	2	2	2	2	2	2	1	1	1	15
Georgia	2	2	2	2	1	1	0			10
Moldova	0									0
Romania	4	3	3	2	1	1	1	0		15
Serbia and Montenegro	7	7	7	7	7	7	7	6	5	63
Tajikistan	1	1	1	1	1	1	1	0	0	6
Ukraine	3	1	1	0						5
Sub total MFA	26	23	19	16	14	13	11	9	7	138
B. Euratom										
Euratom ²	12	14	14	14	14	13	13	13	12	118
Sub total Euratom	12	14	14	14	14	13	13	13	12	118
C. EIB Guarantees¹										
EIB South-eastern Neighbours ³	125	203	296	382	429	415	392	363	329	2,933
EIB Mediterranean	248	277	314	350	362	337	308	276	242	2,712
EIB Central & Eastern Europe ⁴	61	57	53	50	45	41	36	31	26	400
EIB Asia, Latin America	63	68	76	86	87	80	73	64	59	655
EIB South Africa	35	28	28	30	24	20	19	18	16	216
EIB Russia + WNIS	3	11	19	26	31	30	28	26	24	201
Sub total EIB	536	644	785	924	978	922	856	778	695	7,118
Interest - subtotal	573	680	818	954	1,006	948	880	799	715	7,374
NON-MEMBER STATES - TOTAL	1,594	1,825	2,036	2,283	2,484	2,647	2,816	2,787	2,604	21,076
GRAND TOTAL	2,213	2,245	2,437	2,706	2,833	2,975	3,100	3,027	2,782	24,318

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 30.06.2005 to 31.12.2005

The outstanding amount under these Decisions was zero as of 30.06.2005 and remained at this level as of 31.12.2005.

Instrument	Decision	Date of decision	Loan term (years)	Loan situation	Amount decided
				- 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 30.06.2005 to 31.12.2005, 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 30.06.2005	Operations in six-month period		Amount outstanding at 31.12.2005
								Amounts disbursed	Amounts repaid	
BULGARIA III	97/472/EC	22.07.97				250.00				
1st tranche			10	10.02.2008	(c)	125.00	93.75			93.75
2nd tranche			10	22.12.2008	(c)	125.00	125.00		31.25	93.75
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			15	16.01.2019	(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	(a)	20.00	4.00		4.00	0.00
MOLDOVA II	96/242/EC	25.03.96				15.00				
1st tranche	97/471/EC	22.07.97	10	30.10.2006	(c)	15.00	6.00		3.00	3.00
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 30.06.2005 to 31.12.2005, 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 30.06.2005	Operations in six-month period		Amount outstanding at 31.12.2005
								Amounts disbursed	Amounts repaid	
								in EUR million		
UKRAINE I	94/940/EC	22.12.94	10	28.12.2005	(a)	85.00	17.00		17.00	0.00
UKRAINE II	95/442/EC	23.10.95				200.00				
1/2 tranche			10	29.08.2006	(c)	50.00	20.00		10.00	10.00
1/2 tranche			10	30.10.2006	(c)	50.00	20.00		10.00	10.00
2nd tranche			10	25.09.2007	(c)	100.00	60.00		20.00	40.00
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				
BELARUS	95/132/EC	10.04.95				55.00				
1st tranche			10	28.12.2005	(a)	30.00	6.00		6.00	0.00
2nd tranche			-	-	(d)	25.00				
ALGERIA II	94/938/EC	22.12.94				200.00				
1st tranche			7	27.11.2002	(a)	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	85.50			85.50
ARMENIA	97/787/EC	17.11.97	15	30.12.2013	(a)	28.00	2.00		2.00	0.00
REPS FORMER USSR	91/658/EEC	16.12.91	3	28.09.1997	(a)	1,250.00				
TAJIKISTAN	2000/244/EC	20.03.00	15	30.03.2016	(b)	75.00	44.00		8.00	36.00
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				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 (EURATOM)			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							1,576.25	0.00	111.25	1,465.00

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 30.06.05	at 31.12.05	at 30.06.05	at 31.12.05
MED. Financial protocols(1)		8.03.77	75% (2)	30.10.78/10.11.78	6,062	5,647	5,647	1,445	1,178
MED. Horizontal cooperation	R/1762/92/EEC	29.06.92	75% (2)	09.11.92/18.11.92	1,800	1,665	1,656	990	771
TOTAL MED. (3)					7,862	7,312	7,303	2,435	1,949
C and E Europe I	90/62/EEC(4)	12.02.90	100%	24.04.90/14.05.90	1,000	912	912	258	226
	91/252/EEC(5)	14.05.91	100%	19.01.93/04.02.93	700	493	493	105	69
C and E Europe II	93/696/EC(6)	13.12.93	100%	22.07.94/12.08.94	3,000	2,476	2,464	1,188	1,092
Asia, Latin America I	93/115/EEC	15.02.93	100%	04.11.93/17.11.93	750	571	571	259	244
Asia, Latin America Interim	96/723/EC	12.12.96	100%	18.03.97/26.03.97	153	153	153	49	47
Asia, Latin America Interim	96/723/EC	12.12.96	70%	21.10.97	122	122	122	57	52
South Africa	95/207/EC	01.06.95	100%	04.10.95/16.10.95	300	285	285	128	130
New mandates	97/256/EC(7)	14.04.97	70%	25.07.97/29.07.97	7,105	6,272	6,170	4,250	3,965
FYROM	98/348/EC	19.05.98	70%	29.07.98/07.08.98	150	150	150	92	102
Bosnia and Herzegovina	98/729/CE	14.12.98	70%	16.06.99/22.06.99	100	100	100	36	63
Turkey	99/786/EC	29.11.99	65%	18.04.00/23.05.00	600	600	600	475	496
Mandates 2000-2007	2000/24/EC(8)	22.12.99	65%	19.07.00/24.07.00 (11)	19,460	13,724	16,554	5,408	6,602
The Baltic Sea basin of Russia	2001/777/EC(9)	06.11.01	100%	06.05.02/07.05.02	100	85	85	16	19
Russia, Belarus, Moldova and Ukraine	2005/48/EC(10)	22.12.04	100%	21.12.05/09.12.05	500				
TOTAL					41,902	33,256	35,962	14,757	15,056

(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.

(11) Restated and amended in 2005.

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 31 December 2005 a total of EUR 9,460 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 31.12.2005*	to be disbursed under signatures**
Mediterranean	6,520	6,050	3,511
South-Eastern Neighbours	10,235	8,071	5,161
Asia, Latin America	2,480	1,771	489
South Africa	825	742	299
	20,060	16,633	9,460

* 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 was EUR 223 million in 2005 and will be 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 provisioning for the current year.

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 127.64 million is expected to be used from the Guarantee Reserve in 2006, leaving EUR 101.36 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 2006 the annual capacity available for loans is as follows:

- EUR 1,126.27 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 1,732.72 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	
	Loan amounts	Provisioning	Expected loan amounts	Expected Provisioning
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 (65%) ¹	2,805.50	164.12	2,222.00	129.99
correction forecasted/realized ²	5.00	0.29	-132.50	-7.75
<i>Subtotal 2000 - 2007</i>	2,810.50	164.41	2,089.50	122.24
<i>Baltic Sea under the Northern Dimension (100%)</i>	75.00	6.75		
<i>correction forecasted/realized²</i>	-75.00	-6.75	-15.00	-1.35
<i>Russia / WNIS³ (100%)</i>	150.00	13.50	225.00	20.25
<i>correction forecasted/realized²</i>			-150.00	-13.50
<i>Subtotal EIB</i>	2,960.50	177.91	2,149.50	127.64
2. MACROFINANCIAL ASSISTANCE LOANS				
Planned operations				
Western Balkans				
<i>Subtotal MFA</i>	0.00	0.00	0.00	0.00
3. EURATOM LOANS⁴				
Provisional estimates				
Ukraine ⁵	-420.00	-37.80		
<i>Subtotal Euratom</i>	-420.00	-37.80	0.00	0.00
Total of loans (1+2+3)	2,540.50		2,149.50	
Use of the reserve (1+2+3)		140.11		127.64
Margin within the reserve (after provisioning of above-indicated loans)				101.36
Residual lending and guarantee capacity 100%⁶				1,126.27
Residual lending and guarantee capacity 65%⁷				1,732.72

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

2 Correction for difference between forecasts and realizations in previous year.

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 45.5% 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

The Islamic insurgency in **Algeria** has ended and the economy of the country was characterised by a buoyant oil sector and a weak non-oil sector hampered by red tape, inflexible trade unions, corruption and a chronic lack of financial intermediation. Strong economic growth of 5.3% in 2005 was primarily caused by increasing oil prices. The trade and current account surplus also widened to about 22.9% and 18.3% of GDP, respectively. Official reserves have risen to 21 months of import cover. Due to strong export earnings and debt repayments, the foreign debt/GDP ratio fell markedly to 16.4% of GDP, and the foreign debt service ratio to 34.8%.

Jordan's overall political situation remained broadly stable. The economy continued to grow strongly in 2005, with an estimated real GDP growth of 6.3% compared to 7.7% the previous year. High levels of remittances and growth in the services sector boosted private consumption. Yet, the budget deficit (incl. grants) for 2005 is estimated at over 6% of GDP (compared to 1.7% in 2004) as external grants dropped sharply and oil prices continued to rise. The 2006 budget targets a deficit of 5.1% of GDP. External current account deficit (including grants) for 2005 is estimated at over 14% of GDP compared to a surplus of 12% in 2003.

Real GDP growth of **Argentina** was very strong in 2004 and is estimated to have surpassed 8% for the second consecutive year. The strong recovery has led to a significant improvement in public finances, with the consolidated public sector primary surplus likely to have exceeded 5% of GDP for the year as a whole. Despite very strong import growth, the current account remains in surplus and official foreign exchange reserves have continued to rise, reaching about US\$20 billion in early 2005. In December 2004, Argentina settled its arrears to the European Investment Bank, although it has yet to pay penalty interest on the arrears, which fell due in June 2005. Despite the improvement in the macroeconomic situation, therefore, the risk associated with lending to, or investing in, Argentina remains high.

The economy of **Brazil** expanded at its fastest pace in a decade in 2004, with real GDP growth estimated to have reached about 5% on the back of strong export and investment growth. Fiscal performance also improved substantially, with the consolidated primary surplus having reached 4.6% of GDP in 2004, up from 4.25% of GDP in 2003 and above the target of 4.5% of GDP agreed with the IMF. The Stand-By Arrangement approved by

the IMF in December 2003 remained on track, but the Brazilian authorities continued to treat it as precautionary, as part of a strategy to exit from IMF financial support.

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
p.	provisional

3.3. Country-risk indicators (tables)

Country risk indicators					
Country: Bulgaria					
		footnotes	2003	2004	2005 p.
Real GDP growth rate	(%)		4.5	5.7	5.5
Industrial production	(% change)		14.0	17.1	6.7
Unemployment (end of period)	(% of labour force)		13.7	12.0	10.1
Inflation rate (CPI) (Dec/Dec)	(% change)		5.6	4.0	6.5
Exchange rate (end of period)	(Leva per EUR)		1.956	1.956	1.956
General government balance	(% of GDP)		0.3	1.9	3.1
Balance of payments					
Exports of goods and services	(m EUR)		18500	22191	25506
Current account balance	(% of GDP)		-9.2	-5.8	-11.8
Net inflow of foreign direct investment	(m EUR)		1851	2728	1789
Official reserves, including gold (end of period)					
m EUR			5309	6770	7370
months' imports of goods and services			5.7	6.0	5.3
External debt					
Convertible currency external debt (end of period)	(m EUR)		10641	12572	14530
Convertible currency debt service	(m EUR)		1333	2611	5709
principal	(m EUR)		967	2258	5298
interest	(m EUR)		367	353	411
External debt/GDP	(%)		60.2	64.2	67.7
External debt/exports of goods and services	(%)		112.5	110.8	111.4
Debt service/exports of goods and services	(%)		14.1	23.0	43.8
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	7.3
EU exposure/external debt	(%)		7.1	6.5	5.6
EU exposure/exports of goods and services	(%)		4.1	3.7	3.2
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	03/05 09/05
Position in the ranking (number of countries)	(b)		71 66	63 61	63 65
The Institutional Investor			(185) (185)	(185) (185)	(185) (185)
Position in the ranking (number of countries)	(b)		03/03 09/03	03/04 09/04	03/05 09/05
Credit rating	(c)		67 60	60 60	60 60
			(151) (172)	(172) (173)	(173) (173)
			39,6 47	48,5 51,6	52 55

Footnotes

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

Country-risk indicators					
Country: ROMANIA					
		footnotes	2003	2004	2005 p.
Real GDP growth rate	(%)		5.2	8.4	4.1
Industrial production	(% change)		3.1	5.3	2.0
Unemployment (average)	(% of labour force)	(1)	6.8	7.6	7.7
Inflation rate (CPI) (Dec/Dec)	(% change)		14.1	9.3	8.6
Exchange rate (euro, end of period)	(Lei)		41117	39663	36771
General government balance	(% of GDP)	(2)	-1.7	-1.3	-0.4
Balance of payments					
Exports of goods and services	(m EUR)		18285	21838	26186
Current account balance	(% of GDP)		-4.8	-8.4	-8.7
Net inflow of foreign direct investment	(m EUR)		1910	5127	5208
Official reserves, excluding gold (end of period)					
m EUR			6374	10848	16796
months' imports of goods and services			4.4	5.8	6.4
External debt					
Convertible currency external debt (end of period)	(m EUR)		16924	19796	27385
Convertible currency debt service	(m EUR)	(3)	3225	4017	4755
principal	(m EUR)	(3)	-	-	-
interest	(m EUR)	(3)	-	-	-
External debt/GDP	(%)		32.1	32.5	34.6
External debt/exports of goods and services	(%)		92.6	90.6	104.6
Debt service/exports of goods and services	(%)	(3)	17.6	18.4	18.2
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	8.5	7.3
EU exposure/exports of goods and services	(%)		9.0	7.7	7.6
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/Positive/B	BB+/Stable/B	BBB-/Stable/A-3
Euromoney			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking	(b)		71 66	68 66	65 66
(number of countries)			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking	(b)		79 68	69 67	65 62
(number of countries)			(151) (151)	(172) (173)	(173) (173)
Credit rating	(c)		33,9 41,3	42,5 45,7	48,4 52

Footnotes

- (1) Harmonized rate, yearly average
(2) Estimated ESA 95 net lending. For 2005, planned.
(3) In 2002, IMF data
(a) (b) (c) See explanatory notes at beginning of the tables

Country-risk indicators					
Country: Turkey					
		footnotes	2003	2004	2005 p.
Real GDP growth rate	(%)		5.8	8.9	7.4
Industrial production	(% change)		8.5	9.7	3.9
Unemployment (end of period)	(% of labour force)		10.5	10.2	10.3
Inflation rate (CPI) (Dec/Dec)	(% change)		18.4	9.3	7.7
Exchange rate (end of period)	(TL per EUR)		1.77	1.84	1.68
General government balance	(% of GDP)		-9.7	-5.7	-1.3
Balance of payments					
Exports of goods and services	(m EUR)		62082	73122	82500
Current account balance	(% of GDP)		-3.3	-5.2	-6.3
Net inflow of foreign direct investment	(m EUR)		934	1107	1200
Official reserves, including gold (end of period)	m EUR		39750	43144	48300
months' imports of goods and services			6.5	6.3	6.5
External debt					
Convertible currency external debt (end of period)	(m EUR)		128886	123174	115689
Convertible currency debt service	(m EUR)		24549	24052	22154
principal	(m EUR)		18372	18400	18654
interest	(m EUR)		6177	5652	3500
External debt/GDP	(%)		54.1	43.2	38.7
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	15.9
EU exposure/external debt	(%)		0.9	1.2	1.5
EU exposure/exports of goods and services	(%)		1.9	2.1	2.1
IMF arrangements					
Type			SBA	SBA	SBA
(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	B1
S&P long-term foreign currency rating (end of period)			B+	BB-	BB-
Euromoney			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking (number of countries)	(b)		81 80	75 69	73 72
			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking (number of countries)	(b)		76 83	77 76	73 74
			(151) (172)	(172) (173)	(173) (173)
Credit rating	(c)		34,9 32,4	37,4 40	44,3 45,3

Country-risk indicators					
Country: Albania					
		footnotes	2003	2004	2005 p.
Real GDP growth rate	(%)		5.7	6.7	5.5
Industrial production	(% change)		--	--	--
Unemployment (end of period)	(% of labour force)		15.2	14.7	14.3
Inflation rate (CPI) (Dec/Dec)	(% change)		2.4	2.9	2.4
Exchange rate (end of period)	(LEK per EUR)		136.8	127.2	123.7
General government balance	(% of GDP)		-4.5	-5.1	-3.8
Balance of payments					
Exports of goods and services	(m EUR)	(1)	937	1,293	1,470
Current account balance	(% of GDP)		-6.0	-4.3	-6.9
Net inflow of foreign direct investment	(m EUR)		0.1	0.3	0.2
Official reserves, including gold (end of period)	m EUR		758	1,025	1,147
months' imports of goods and services		(1)	3.9	4.1	4.1
External debt					
Convertible currency external debt (end of period)	(m EUR)		1,071	1,206	1,090
Convertible currency debt service principal	(m EUR)		39.9	46.8	56.7
interest	(m EUR)				
External debt/GDP	(%)		22.2	20.4	19.7
External debt/exports of goods and services	(%)		114.2	93.3	74.2
Debt service/exports of goods and services	(%)		5.3	4.5	4.8
Arrears (on both interest and principal)	(m EUR)		81	63	66
Debt relief agreements and rescheduling					
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	0.4	0.6	0.6
EU exposure/external debt	(%)		5.3	5.3	6.2
EU exposure/exports of goods and services	(%)		6.2	5.0	4.6
IMF arrangements					
Type		(2)	PRGF	PRGF	PRGF
(Date)			21/06/2002	21/06/2002	21/06/2002
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	03/05 09/05
Position in the ranking (number of countries)	(b)		127 117 (185) (185)	122 127 (185) (185)	103 122 (185) (185)
The Institutional Investor			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking (number of countries)	(b)		133 141 (151) (172)	133 126 (172) (173)	117 127 (173) (173)
Credit rating	(c)		133 141	133 126	117 127

Footnotes (1) projected data for 2005

(2) The sixth and final review under the extended arrangement under the Poverty Reduction and Growth Facility took place in August 2005.

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

Country-risk indicators					
Country: Bosnia & Herzegovina (1)					
		footnotes	2003	2004	2005 p.
Real GDP growth rate	(%)		3.50	5.00	5.50
Industrial production Federation Republika Srpska	(% change)		4.80 5.70	13.20 9.70	- 19.8
Unemployment (end of period)	(% of labour force)	(1)	42.00	43.10	44.10
Inflation rate (CPI) (12 month average)	(% change)		0.10	0.40	2.80
Exchange rate (end of period)	KM per EUR KM per USD		1.96 1.73	1.96 1.44	1.96
General government balance (after grants)	(% of BiH GDP)	(2)	2.20	2.80	2.00
Balance of payments					
Exports of goods and services	(m EUR)		1904.00	2329.00	3316.00
Current account balance	(% of GDP)		24.50	23.30	23.90
Net inflow of foreign direct investment	(m EUR)	(3)	337.60	487.70	363.00
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)	(4)	2054.20	2036.30	2184.00
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	(%)	(4)	32.70	30.70	-
Debt service/exports of goods and services	(%)		107.89	87.43	83.90
Arrears (on both interest and principal)	(m EUR)		8.70	5.60	-
Debt relief agreements and rescheduling			none yes	none yes	-
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	0.6	1.2	1.5
EU exposure/external debt	(%)		3.6	5.6	7.9
EU exposure/exports of goods and services	(%)		3.9	4.9	5.2
IMF arrangements					
Type (Date) On track			SBA II (8/02-02/04) Yes	No new programme	
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 Position in the ranking (number of countries)		(b)	03/03 09/03 152 110 (185) (185)	03/04 09/04 107 113 (185) (185)	03/05 09/05 123 124 (185) (185)
The Institutional Investor Position in the ranking (number of countries)		(b)	03/03 09/03 none 97 (151) (172)	03/04 09/04 122 101 (172) (173)	03/05 09/05 107 112 (173) (173)
Credit rating		(c)	none 25	22,2 28,2	26,9 28

Footnotes

- (1) World Bank and IMF estimates are one half the official estimate (ie 20%)
(2) Excl. some lower levels of gov. If estimates for these are incl., 2004 and 2005 gov. balance is estimated at around 0
(3) 2005: First 3 quarters
(4) 2005: September figure
(a) (b) (c) See explanatory notes at beginning of the tables.

Country-risk indicators					
Country: Former Yugoslav Republic of Macedonia					
		footnotes	2003	2004	2005 p.
Real GDP growth rate	(%)	(1)	2.80	4.10	4.00
Industrial production	(% change)		4.70	-2.20	7.20
Unemployment (end of period)	(% of labour force)		36.70	37.20	37.30
Inflation rate (CPI)	(% change)	(2)	1.20	-0.40	0.50
Exchange rate (end of period)	(Denar per EUR)		61.26	61.32	61.34
General government balance	(% of GDP)		-1.10	0.00	0.30
Balance of payments					
Exports of goods and services	(m EUR)	(1)	1204.6	1347.5	1639.5
Current account balance	(% of GDP)	(1)	-3.5	-7.7	-1.4
Net inflow of foreign direct investment	(m EUR)	(1)	99.7	132.7	78.0
Official reserves, including gold (end of period)					
m EUR		(1)	710.0	717.0	1123.0
months' imports of goods and services		(1)	3.20	2.80	4.00
External debt					
Convertible currency external debt (end of period)	(m EUR)		1946.4	1838.2	1828.8
Convertible currency debt service	(m EUR)	(3)	264.1	218.2	188.4
principal	(m EUR)	(3)	210.0	176.4	144.2
interest	(m EUR)	(3)	54.0	41.9	44.2
External debt/GDP	(%)		42.4	44.8	45.6
External debt/exports of goods and services	(%)		161.58	136.41	111.55
Debt service/exports of goods and services	(%)		18.70	13.90	15.20
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)	1.4	2.0	1.9
EU exposure/external debt	(%)		9.4	10.8	11.4
EU exposure/exports of goods and services	(%)		15.2	14.8	12.7
IMF arrangements					
Type			SBA		SBA
(Date)			04/03 - 06/04		08/05-08/08
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	03/05 09/05
Position in the ranking		(b)	103 109	107 113	92 95
(number of countries)			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking		(b)	106 101	107 109	91 93
(number of countries)			(151) (172)	(172) (173)	(173) (173)
Credit rating		(c)	22 25,3	26,3 26,9	30,2 31,8

Footnotes

- (1) Provisional
(2) annual average
(3) long-term debt only

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

Country-risk indicators					
Country: Serbia and Montenegro					
		footnotes	2003	2004	2005 p.
Real GDP growth rate	(%)		2.4	9.3	6.3
Industrial production	(% change)		-3.0	7.1	1.3
Unemployment (end of period)	(% of labour force)		31.9	32.4	32.6
Inflation rate (CPI) (Dec/Dec)	(% change)		7.6	13.8	17.5
Exchange rate (end of period)	(CSD per EUR)		68.3	78.9	86.5
General government balance	(% of GDP)		-2.8	0.0	1.6
Balance of payments					
Exports of goods and services	(m EUR)		2,843	4,241	5,138
Current account balance	(% of GDP)		-10.1	-12.8	-8.3
Net inflow of foreign direct investment	(m EUR)		1,082	789	1,210
Official reserves, including gold (end of period)	m EUR		2,900	3,468	4,773
months' imports of goods and services			3.4	4.0	5.9
External debt					
Convertible currency external debt (end of period)	(m EUR)		11,685	12,153	13,088
Convertible currency debt service	(m EUR)		368	794	1,404
principal	(m EUR)		178	551	972
interest	(m EUR)		190	243	432
External debt/GDP	(%)		69.2	61.1	61.1
External debt/exports of goods and services	(%)		411	287	255
Debt service/exports of goods and services	(%)		13.0	18.7	27.3
Arrears (on both interest and principal)	(m EUR)		4,194	1,965	1,855
Debt relief agreements and rescheduling		(1)	yes	yes	yes
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	3.4	5.2	5.6
EU exposure/external debt	(%)		3.7	4.2	4.7
EU exposure/exports of goods and services	(%)		15.3	11.9	12.1
IMF arrangements					
Type			Extended Arrangement	Extended Arrangement	Extended Arrangement
(Date)			05/02 - 05/05	05/02 - 12/05	05/02 - 02/06
On track			yes	yes	completed
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	03/05 09/05
Position in the ranking (number of countries)	(b)		137 136 (185) (185)	166 166 (185) (185)	158 96 (185) (185)
The Institutional Investor			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking (number of countries)	(b)		122 144 (151) (172)	138 119 (172) (173)	121 105 (173) (173)
Credit rating	(c)		17,5 16,1	18,9 24,9	24,1 28,9

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 of the EA.
- 2 Serbia B+, Montenegro BB.
- (a) (b) (c) See explanatory notes at beginning of the tables.

Country-risk indicators					
Country: Georgia					
		footnotes	2003	2004	2005 p.
Real GDP growth rate	(%)		11.1	6.2	8.5
Industrial production	(% change)		14.0	17.0	16.5
Unemployment (end of period)	(% of labour force)		11.5	12.6	13.5
Inflation rate (CPI) (Dec/Dec)	(% change)		7.0	7.5	6.2
Exchange rate (end of period)	(Lari per EUR)		1.5	1.5	1.4
General government balance	(% of GDP) (commitments)		-2.5	2.3	-3.5
Balance of payments					
Exports of goods and services	(m EUR)		1022.4	1310.2	1511.1
Current account balance	(% of GDP)		-7.2	-7.6	-11.8
Net inflow of foreign direct investment	(m EUR)		269.3	404.3	586.8
Official reserves, including gold (end of period)	m EUR		153.5	307.9	381.8
months' imports of goods and services			1.3	1.7	1.8
External debt					
Convertible currency external debt (end of period)	(m EUR)		1486	1493	1489
Convertible currency debt service	(m EUR)		104	150	162
principal	(m EUR)		n.a.	n.a.	n.a.
interest	(m EUR)		n.a.	n.a.	n.a.
External debt/GDP	(%)		46.4	35.8	29.4
External debt/exports of goods and services	(%)		145	114	99
Debt service/exports of goods and services	(%)		10.1	11.4	10.7
Arrears (on both interest and principal)	(m EUR)		51	51	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	(%)		6.2	6.2	5.7
EU exposure/exports of goods and services	(%)		9.0	7.0	5.7
IMF arrangements					
Type (Date)			PRGF (01/01-01/04)	PRGF (06/04-06/07)	PRGF (06/04-06/07)
On track			no	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	B+
Euromoney			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking	(b)		141 157	136 143	149 145
(number of countries)			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking	(b)		127 132	141 131	141 134
(number of countries)			(151) (172)	(172) (173)	(173) (173)
Credit rating	(c)		16,9 18,4	18,3 21,4	18,7 22,6

Footnotes

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

Country-risk indicators					
Country: Ukraine					
		footnotes	2003	2004	2005 p.
Real GDP growth rate	(%)		9.6	12.1	2.4
Industrial production	(% change)		15.8	12.5	3.2
Unemployment (ILO definition)	(% of labour force)		9.1	6.1	na
Inflation rate (CPI) (Dec/Dec)	(% change)		8.2	12.3	10.3
Exchange rate (end of period)	(Hryvnia per EUR)		4.3	4.3	4.0
General government balance	(% of GDP)	(d)	-0.7	-3.4	-2.5
Balance of payments					
Exports of goods and services	(m EUR)		23272	31926	33197
Current account balance	(% of GDP)		5.8	10.5	4.8
Net inflow of foreign direct investment	(m EUR)		1120	1381	5884
Official reserves, (end of period)					
m EUR			5577.5	7636.0	15585.6
months' imports of goods and services			2.4	2.8	4.7
External debt					
Public external debt (end of period)	(m EUR)		8714	10044	10182
Public external debt service	(m EUR)		1466	1495	1672
principal	(m EUR)		1071	1093	1190
interest	(m EUR)		395	402	482
External debt/GDP	(%)		22.0	19.2	15.7
External debt/exports of goods and services	(%)		37.4	31.5	30.7
Debt service/exports of goods and services	(%)		6.3	4.7	5.0
Arrears (on both interest and principal)	(m EUR)		no	no	no
Debt relief agreements and rescheduling	(m EUR)		no	no	no
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	1.8	1.8	1.1
EU exposure/external debt	(%)		2.7	1.7	1.2
EU exposure/exports of goods and services	(%)		1.0	0.5	0.4
IMF arrangements					
Type (Date)			no	Stand-by* (03/04-03/05)	Stand-by* (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	03/05 09/05
Position in the ranking (number of countries)	(b)		113 94 (185) (185)	93 85 (185) (185)	83 78 (185) (185)
The Institutional Investor			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking (number of countries)	(b)		96 82 (151) (172)	86 80 (172) (173)	82 76 (173) (173)
Credit rating	(c)		25,5 32,5	32,8 37	37,5 42,4

Footnotes

(a) (b) (c) See explanatory notes.

(d) On a cash basis.

Country-risk indicators					
Country: Moldova					
		footnotes	2003	2004	2005 p.
Real GDP growth rate	(%)	IMF Staff notes	6.3	7.3	7.1
Industrial production	(% change)	CISSTAT	14.0	6.4	6.3
Unemployment (end of period)	(% of labour force)				
Inflation rate (CPI, end of period)	(% change)	IMF Staff notes	15.7	12.5	10.1
Exchange rate (end of period)	(Leu per EUR)	IMF Staff notes	10.6	10.0	10.3
General government balance	(% of GDP)	IMF Staff notes	0.7	0.7	1.5
Balance of payments					
Exports of goods and services	(m EUR)	IMF Staff notes	1009	1295	1448
Current account balance	(% of GDP)	IMF Staff notes	-6.8	-2.7	-7.0
Net inflow of foreign direct investment	(m EUR)	IMF Staff notes	62.9	62.1	146.4
Official reserves, including gold (end of period)	m EUR	IMF Staff notes	243.0	377.8	479.9
months' imports of goods and services		IMF Staff notes	1.7	2.1	2.2
External debt					
Convertible currency external debt (end of period)	(m EUR)	N.B of Moldova Moldova	810	707	621
Convertible currency debt service	(m EUR)		160.7	221.6	235.1
principal	(m EUR)		n.a.	n.a.	n.a.
interest	(m EUR)		n.a.	n.a.	n.a.
External debt/GDP (public and publicly guaranteed debt)	(%)	N.B of Moldova	51.0	34.0	26.0
External debt/exports of goods and services (public and pu	(%)		80.3	54.6	42.9
Debt service/exports of goods and services	(%)	IMF Staff notes	19.8	21.3	20.2
Arrears (on both interest and principal)	(m USD)	IMF Staff notes	69.2	40.7	45.3
Debt relief agreements and rescheduling	(m USD)		-	55.9	n.a.
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	0.2	0.1	0.0
EU exposure/external debt	(%)		2.7	1.4	0.5
EU exposure/exports of goods and services	(%)		2.2	0.8	0.2
IMF arrangements					
Type			PRGF		
(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	Caa2
S&P long-term foreign currency rating (end of period)			none	none	none
Euromoney			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking	(b)		134 137	130 134	119 130
(number of countries)			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking	(b)		124 127	135 136	155 143
(number of countries)			(151) (172)	(172) (173)	(173) (173)
Credit rating	(c)		17,4 18,7	19,3 20,6	20,4 22,9

Footnotes

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

Country-risk indicators					
Country: Tajikistan					
		footnotes	2003	2004	2005
Real GDP growth rate	(%)		10.2	10.6	7.5
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 EUR)		2.38	2.44	2.44
General government balance	(% of GDP)	(1)	0.9	0.7	0.1
Balance of payments					
Exports of goods and services	(m EUR)		792	973	1,024
Current account balance	(% of GDP)		-1.3	-4.0	-3.6
Net inflow of foreign direct investment	(m EUR)	(2)	26	219	29
Official reserves, including gold (end of period)					
m EUR			109	152	176
months' imports of goods and services			1.9	1.8	1.9
External debt					
Convertible currency external debt (end of period)	(m EUR)		829	658	708
Convertible currency debt service principal	(m EUR)		47	31	51
interest	(m EUR)				
External debt/GDP	(%)		66.3	41.1	38.4
External debt/exports of goods and services	(%)		104.7	67.6	69.2
Debt service/exports of goods and services	(%)		6.0	3.2	5.0
Arrears (on both interest and principal)	(m EUR)				
Debt relief agreements and rescheduling			yes	yes	yes
			Russia	Russia, Pakistan	Russia, Pakistan
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	0.3	0.4	0.3
EU exposure/external debt	(%)		5.3	6.7	5.1
EU exposure/exports of goods and services	(%)		5.6	4.5	3.5
IMF arrangements					
Type			PRGF	PRGF	PRGF
(Date)			(09/02-09/05)	(09/02-09/05)	(09/02-02/06)
On track		(3)	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	03/05 09/05
Position in the ranking (number of countries)	(a)		166 174	174 180	169 170
The Institutional Investor			(185) (185)	(185) (185)	(185) (185)
Position in the ranking (number of countries)	(b)		03/03 09/03	03/04 09/04	03/05 09/05
The Institutional Investor			141 152	159 162	162 146
Position in the ranking (number of countries)	(b)		(151) (172)	(172) (173)	(173) (173)
Credit rating	(c)		13,1 14,3	14,2 14,1	13,3 18,1

Footnotes

(1) excluding the Public Investment Programme

(2) the 2004 figure includes a debt-for-equity swap with Russia

(3) in 2005, the IMF decided to extend the PRGF to Feb. 2006

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

Country-risk indicators					
Country: Algeria					
		footnotes	2003	2004	2005 p.
Real GDP growth rate	(%)		6.9	5.2	5.3
Industrial production	(% change)	
Unemployment (average)	(% of labour force)	(1)	23.7	17.7	15.3
Inflation rate (CPI) (average)	(% change)		2.6	3.6	2.7
Exchange rate (end of period)	(Dinars per EUR)		58.36	58.36	59.32
General government balance	(% of GDP)		7.8	6.9	12.6
Balance of payments					
Exports of goods and services	(bn EUR)		19.69	25.88	36.81
Current account balance	(% of GDP)		13.0	13.1	18.3
Net inflow of foreign direct investment	(bn EUR)		0.5	0.5	0.7
Official reserves, including gold (end of period)					
bn EUR			26.4	34.6	44.7
in months of next years imports of goods and services			18	19	21
External debt					
Convertible currency external debt (end of period)	(bn EUR)		18.8	17.5	13.5
Convertible currency debt service	(bn EUR)		3.8	4.8	4.7
principal	(bn EUR)		3.1	4.0	4.0
interest	(bn USD)		0.7	0.8	0.7
External debt/GDP	(%)		34.3	25.7	16.4
External debt/exports of goods and services	(%)		89.7	64.0	34.8
Debt service/exports of goods and services	(%)		15.7	17.6	12.1
Arrears (on both interest and principal)	(m EUR)		-	-	-
Debt relief agreements and rescheduling	(m EUR)		-	-	-
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	7.8	9.7	5.0
EU exposure/external debt	(%)		5.3	5.4	4.1
EU exposure/exports of goods and services	(%)		5.1	3.7	1.5
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	03/05 09/05
Position in the ranking (number of countries)	(b)		89 88 (185) (185)	85 81 (185) (185)	79 85 (185) (185)
The Institutional Investor			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking (number of countries)	(b)		81 66 (151) (172)	79 75 (172) (173)	72 69 (173) (173)
Credit rating	(c)		30,9 31,5	37,2 40,2	44,7 47,5

Sources: International Monetary Fund.

Footnotes

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

(1) Officially registered unemployed.

Country-risk indicators					
Country: Jordan					
		footnotes	2003	2004	2005
					p.
Real GDP growth rate	(%)		4.1	7.7	6.3
Industrial production (period average)	(% change)		3.5	9.0	8.5
Unemployment rate (average)	(% of labour force)		14.5	12.5	12.8
Inflation rate (CPI, av)	(% change)		1.6	3.4	3.8
Exchange rate (av)	(Dinar per EUR)		0.570	0.570	0.570
General government overall balance	(% of GDP)				
before grants			-12.8	-12.5	-11.8
after grants			-1.0	-1.7	-6.4
Balance of payments					
Exports of goods and services	(m EUR)		2,492	3,135	3,456
Current account balance	(% of GDP)		11.6	-0.1	-15.1
Net inflow of foreign direct investment	(m EUR)		341	522	601
Official reserves, including gold (end of period)	(gross useable)				
m EUR			3778	3,778	3,537
months' imports of goods and services			6.5	5.3	4.5
External debt					
Convertible currency external debt (end of period)	(m EUR)	(1)	6,112	6,064	5,885
Convertible currency debt service	(m EUR)		691	725	701
principal	(m EUR)		435	522	458
interest	(m EUR)		256	203	244
External debt/GDP	(%)	(1)	74.8	65.5	57.1
External debt/exports of goods and services	(%)		166.2	133.6	123.0
Debt service/exports of goods and services	(%)		17.8	15.1	12.6
Arrears (on both interest and principal)	(m EUR)		-	-	-
Debt relief agreements and rescheduling	(m EUR)	(2)	296	219	211
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	2.1	2.3	2.9
EU exposure/external debt	(%)		4.4	3.8	5.5
EU exposure/exports of goods and services	(%)		10.7	7.3	9.3
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	03/05 09/05
Position in the ranking (number of countries)	(b)		80 84	81 73	80 80
The Institutional Investor			(185) (185)	(185) (185)	(185) (185)
Position in the ranking (number of countries)	(b)		03/03 09/03	03/04 09/04	03/05 09/05
The Institutional Investor			69 71	74 72	74 71
Position in the ranking (number of countries)	(b)		(151) (172)	(172) (173)	(173) (173)
Credit rating	(c)		38,6 38,5	41,2 43,1	44 46,4

Sources: IMF Post Program Monitoring, Economist Intelligence Unit.

Footnotes

(1) Of the government, including collateralised Brady bonds

(2) USD 1170 mio 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 2006; 70% of pre-cut off date maturities falling due in 2007.

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

Country-risk indicators					
Country: Argentina					
		footnotes	2003	2004	2005 p.
Real GDP growth rate	(%)		8.8	8.1	8.8
Industrial production	(% change)		16.2	10.7	9.0
Unemployment	(% of labour force)		15.6	13.0	9.1
Inflation rate (CPI) (Dec. / Dec.)	(% change)		3.7	6.1	12.3
Exchange rate	(Pesos per 1 EUR)		2.3	2.3	2.4
General government balance	(% of GDP)		1.1	3.7	2.0
Balance of payments					
Exports of goods	(m EUR)		23792	27731	32152
Current account balance	(% of GDP)		6.2	2.5	2.0
Net inflow of foreign direct investment	(m EUR)		820	3215	2411
Official reserves, including gold (end of period)					
bn USD			14.1	19.6	28.1
months' imports of goods and services			9.1	10.0	11.0
External debt					
Convertible currency external debt (end of period)	(m EUR)		132341	137541	94195
Convertible currency debt service	(m EUR)		9309	9244	n.a.
principal	(m EUR)		4957	2894	n.a.
interest	(m EUR)		4352	6350	n.a.
External debt/GDP	(%)		115.4	170.5	71.0
External debt/exports of goods and services	(%)		438	434	256
Debt service/exports of goods and services	(%)		39.1	33.3	n.a.
Arrears (on both interest and principal)	(m EUR)		yes	yes	yes
Debt relief agreements and rescheduling			no	no	yes
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	2.0	2.0	1.5
EU exposure/external debt	(%)		0.2	0.1	0.2
EU exposure/exports of goods and services	(%)		1.1	0.7	0.5
IMF arrangements					
Type			SBA	SBA	SBA
(Date)			24-Jan and Sep.	No	No
On track			yes (Jan SBA)		
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			Ca	Caa2	Caa1
S&P long-term foreign currency rating (end of period)			SD	SD	B
Euromoney			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking		(b)	155 162	140 118	141 120
(number of countries)			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking		(b)	138 130	125 128	137 115
(number of countries)			(151) (172)	(172) (173)	(173) (173)
Credit rating		(c)	14,5 18,4	21,5 22,2	20,1 26,4

(a) (b) (c) see explanatory notes at beginning of the tables

Country-risk indicators					
Country: BRAZIL					
		footnotes	2003	2004	2005 p.
Real GDP growth rate	(%)		0.5	4.9	3.1
Industrial production	(% change)		0.1	8.3	3,1 1/
Unemployment (end of period)	(% of labour force)		10.9	9.6	8.3
Inflation rate (CPI) (Dec. / Dec.)	(% change)		9.3	7.6	6,22 2/
Exchange rate (end of period)	(Reals per EUR)		2.3	2.1	1.9
General government balance	(% of GDP)		-5.1	-2.7	-3.3
Balance of payments					
Exports of goods	(m EUR)		58744	77546	94446
Current account balance	(% of GDP)		0.8	1.9	1.6
Net inflow of foreign direct investment	(m EUR)		7953	8695	8942
Official reserves, including gold (end of period)					
bn USD			39624	42549	51665
months' imports of goods			12.0	10.0	11.0
External debt					
Convertible currency external debt (end of period)	(m EUR)		157212	160759	135840
Convertible currency debt service	(m EUR)		42591	45012	46828
principal	(m EUR)		31194	33759	35121
interest	(m EUR)		11397	11253	11707
External debt/GDP	(%)		42	33	23
External debt/exports of goods and services	(%)		294	207	120
Debt service/exports of goods and services	(%)		91	67	57
Arrears (on both interest and principal)	(m EUR)		no	no	no
Debt relief agreements and rescheduling	(m EUR)		no	no	no
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	4.0	5.2	5.5
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	no	no
(Date)			15 déc		
On track			yes	no	no
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			B3	B2	B1
S&P long-term foreign currency rating (end of period)			B+	BB-	BB
Euromoney			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking	(b)		79 75	78 71	68 69
(number of countries)			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor			03/03 09/03	03/04 09/04	03/05 09/05
Position in the ranking	(b)		73 76	68 73	67 66
(number of countries)			(151) (172)	(172) (173)	(173) (173)
Credit rating	(c)		36,1 37,1	42,6	46,7 48,2

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