



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 14.7.2008
SEC(2008) 2249

COMMISSION STAFF WORKING DOCUMENT

ANNEX TO THE

**REPORT FROM THE COMMISSION
TO THE BUDGETARY AUTHORITY ON GUARANTEES COVERED BY THE
GENERAL BUDGET
SITUATION AT 31 DECEMBER 2007**

{COM(2008) 451 final}

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

1.1. Tables A1 and A2

The purpose of Tables A1 and A2 is to show the outstanding amount and annual repayments of capital and interest in respect of borrowing and lending operations for which the risk is covered by the 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 Fund or the Budget.

In these tables, figures related to “New Member States” refer to the Member States which acceded to the European Union on 1 May 2004 and on 1 January 2007.

1.1.1. *Authorised ceiling (Table A1)*

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 EIB¹:

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 financing operations with certain non-Member States authorised by the Council Decisions 99/786/EC, 2000/24/EC as amended and 2006/1016/EC, 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 amounts of capital authorised (ceilings) and not outstanding amounts;
- the ceilings are not necessarily taken up in full.

Another factor to be considered is that some loans are disbursed in currencies other than the EUR. Due to exchange rate fluctuations, the ceiling may be exceeded when the amounts disbursed up to the date of the report are converted into EUR.

¹ Within each portfolio individual EIB loans are, de facto, guaranteed at 100% until the global ceiling is reached.

1.1.2. 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 or the proportion of disbursed loans which have already been repaid.

1.1.3. Annual risk (Table A2)

Estimated amount of principal and interest due each financial year by each country according to disbursements made until 31 December 2007.

TABLE A1: CAPITAL OUTSTANDING IN RESPECT OF OPERATIONS DISBURSED at 31.12.2007 (in EUR million)

Operations	Authorised ceiling	Capital outstanding at 30.06.2007	Capital outstanding at 31.12.2007	Remainder to be disbursed at 31.12.2007
MEMBER STATES				
EIB (new Member States)		4 224	4 060	1 086
MFA to Bulgaria and Romania		309	253	
Euratom to Bulgaria and Romania		436	435	
MEMBER STATES - TOTAL	0	4 969	4 748	1 086
THIRD COUNTRIES				
A. Macro-Financial Assistance				
Albania	9	9	9	
Bosnia-Herzegovina	40	40	40	
Bulgaria	750			
FYROM	90	90	90	
Georgia	142	58	58	
Romania	780			
Serbia and Montenegro	280	280	280	
Tajikistan	75	28	28	
Ukraine	453	64	29	
Sub total MFA	2 619	568	534	
B. EURATOM¹		39	39	23
C. Other				
EIB Pre-Accession countries	28 755	3 763	4 416	3 587
EIB Neighbourhood and Partnership countries	28 342	4 951	5 197	3 975
EIB Asia and Latin America	8 205	1 458	1 452	570
EIB South Africa	2 400	729	666	266
Sub total EIB²	67 702	15 125	15 790	9 483
THIRD COUNTRIES - TOTAL	70 321	11 508	12 303	8 420
GRAND TOTAL	70 321	16 477	17 051	9 505

(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 in 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 31.12.2007 (in EUR million)

Operations	Credit line authorised	Loans made available minus cancellations	Amounts disbursed	Amounts outstanding at 31.12.2007
Mandate 2007/2013:	25 800	1 898	78	78
<i>Pre-Accession countries</i>	<i>8 700</i>	<i>388</i>		
<i>Neighbourhood and Partnership countries:</i>	<i>12 400</i>	<i>1 205</i>	<i>0</i>	<i>0</i>
Mediterranean	8 700	1 205		
Eastern Europe, Southern Caucasus and Russia	3 700			
<i>Asia and Latin America:</i>	<i>3 800</i>	<i>305</i>	<i>78</i>	<i>78</i>
Asia	1 000			
Latin America	2 800	305	78	78
<i>South Africa</i>	<i>900</i>			
Previous General Mandate 2000/2007⁵:	20 060	19 587	11 640	10 060
<i>Pre-Accession countries</i>	<i>10 235</i>	<i>7 354</i>	<i>4 163</i>	<i>3 928</i>
<i>Neighbourhood and Partnership countries</i>	<i>6 520</i>	<i>6 471</i>	<i>3 802</i>	<i>3 334</i>
<i>Asia and Latin America</i>	<i>2 480</i>	<i>2 175</i>	<i>1 423</i>	<i>986</i>
<i>South Africa</i>	<i>825</i>	<i>824</i>	<i>457</i>	<i>439</i>
<i>Member States (following the accession)</i>		<i>2 763</i>	<i>1 795</i>	<i>1 372</i>
sub-total 65 %³	45 860	21 484	11 718	10 138
Financial agreements (70% Guarantee rate)	7 477	6 513	5 894	3 226
<i>Pre-Accession countries</i>	<i>3 770</i>	<i>477</i>	<i>412</i>	<i>323</i>
<i>Neighbourhood and Partnership countries</i>	<i>2 310</i>	<i>1 617</i>	<i>1 484</i>	<i>823</i>
<i>Asia and Latin America:</i>	<i>1 022</i>	<i>809</i>	<i>652</i>	<i>221</i>
<i>South Africa</i>	<i>375</i>	<i>375</i>	<i>277</i>	<i>165</i>
<i>Member States (following the accession)</i>		<i>3 236</i>	<i>3 069</i>	<i>1 695</i>
sub-total 70 %³	7 477	6 513	5 894	3 226
Financial agreements (75% Guarantee rate)	7 712	7 062	7 124	1 247
<i>Pre-Accession countries</i>	<i>1 350</i>	<i>713</i>	<i>718</i>	<i>153</i>
<i>Neighbourhood and Partnership countries</i>	<i>6 362</i>	<i>4 492</i>	<i>4 448</i>	<i>963</i>
<i>Member States (following the accession)</i>		<i>1 857</i>	<i>1 958</i>	<i>131</i>
sub-total 75 %³	7 712	7 062	7 124	1 247
Financial agreements (100% Guarantee rate)	6 653	5 320	5 107	1 179
<i>Pre-Accession countries</i>	<i>4 700</i>	<i>29</i>	<i>29</i>	<i>12</i>
<i>Neighbourhood and Partnership countries</i>	<i>750</i>	<i>315</i>	<i>78</i>	<i>76</i>
<i>Asia and Latin America</i>	<i>903</i>	<i>710</i>	<i>708</i>	<i>167</i>
<i>South Africa</i>	<i>300</i>	<i>285</i>	<i>207</i>	<i>62</i>
<i>Member States (following the accession)</i>		<i>3 982</i>	<i>4 086</i>	<i>862</i>
sub-total 100 %³	6 653	5 320	5 107	1 179
Total	67 702	40 379	29 843	15 790

(3) Percentage figures relate to the Guarantee rate.

(4) Loans to New Member States were drawn from 'Pre-Accession countries' or from 'Neighbourhood and Partnership countries' ceilings. Bulgaria and Romania are included in the "New Member States".

(5) Including Turkey Terra and Special Action Turkey.

Table A2: Total Annual Risk borne by the Budget in EUR million based on the amounts (capital and interest) due under all operations (MFA, Euratom and EIB) disbursed at 31.12.2007

Ranking	Country	2008	2009	2010	2011	2012	2013	2014	2015 until 2037	Total Outstanding
1	Turkey	255.6	239.5	276.4	279.9	278.1	264.8	260.0	1 936.6	3 790.9
2	Romania	257.5	247.2	240.1	250.9	196.5	196.0	176.7	1 101.1	2 666.0
3	Egypt	199.3	189.6	176.2	160.9	154.1	144.2	126.6	844.6	1 995.4
4	Morocco	127.1	129.0	130.2	135.5	134.3	132.1	123.5	886.2	1 798.0
5	Tunisia	121.9	124.8	130.7	127.3	128.2	128.6	118.5	681.9	1 561.9
6	Serbia and Montenegro	55.0	56.8	59.7	67.2	108.1	106.0	111.6	645.3	1 209.6
7	Bulgaria	158.1	91.9	82.0	65.4	78.2	63.4	63.8	306.7	909.6
8	Czech Republic	89.0	143.9	81.8	73.0	70.4	67.8	56.4	175.7	758.0
9	South Africa	84.3	113.2	73.6	58.8	68.9	43.4	45.9	225.2	713.3
10	Poland	88.8	80.8	77.1	74.6	72.2	66.6	52.7	185.0	697.8
11	Croatia	38.5	30.3	30.4	39.1	42.0	41.8	37.9	324.1	584.2
12	Slovak Republic	71.7	65.6	65.1	65.2	50.2	36.4	24.9	119.9	499.0
13	Brazil	86.1	67.4	52.9	38.4	32.9	59.8	82.0	23.5	443.2
14	Syria	27.9	27.3	34.1	34.1	34.1	32.2	32.2	219.6	441.4
15	Bosnia and Herzegovina	30.0	26.5	28.2	28.5	50.8	22.5	21.1	162.1	369.8
16	Lebanon	55.8	60.7	50.5	49.4	38.4	33.8	17.0	48.2	353.8
17	Jordan	41.3	42.1	38.0	36.4	33.2	27.0	21.4	62.1	301.5
18	The former Yugoslav Republic of Macedonia	22.7	25.7	25.1	24.7	26.3	22.6	24.5	94.6	266.4
19	Hungary	30.4	28.0	25.3	24.4	22.2	13.4	9.0	15.1	167.9
20	Albania	10.7	11.6	11.8	11.7	13.0	10.7	10.3	79.5	159.4
21	Slovenia	38.2	25.9	20.8	14.3	11.4	9.4	7.4	6.5	133.9
22	Peru	8.5	6.5	9.7	15.7	15.6	15.4	12.1	35.7	119.1
23	Indonesia	11.4	14.4	17.8	11.0	8.6	8.6	8.6	29.8	110.2
24	Mexico	24.1	21.9	22.3	3.1	3.1	3.1	3.1	15.7	96.5
25	Sri Lanka	3.0	2.5	3.1	4.7	7.6	9.5	9.5	51.3	91.0
26	Argentina	19.1	15.2	12.7	12.9	10.2	10.4	3.4	3.4	87.4
27	Pakistan	9.0	9.8	11.5	11.5	11.5	8.8	6.0	18.7	87.0
28	China	9.4	8.7	8.8	7.7	6.6	6.7	6.8	27.8	82.5
29	Ukraine	19.6	20.7	5.4	5.2	5.0	4.9	4.7	14.9	80.5
30	Cyprus	15.3	15.4	15.4	15.0	8.7	4.9	3.3	0.0	77.9
31	Russia	3.0	4.8	4.8	4.8	6.9	6.9	6.9	39.0	77.1
32	Vietnam	6.5	8.8	9.8	10.3	10.2	10.1	9.9	9.9	75.4
33	Colombia	2.0	0.0	4.0	7.9	7.9	7.9	7.9	36.9	74.6
34	the Philippines	8.2	8.9	9.7	9.7	10.0	5.1	5.0	8.7	65.5
35	Georgia	2.5	24.6	23.6	14.1	0.0	0.0	0.0	0.0	64.8
36	Lithuania	6.9	6.4	5.7	5.5	5.3	5.1	5.0	22.7	62.6
37	Latvia	8.0	6.9	6.7	6.5	5.1	5.0	4.9	18.4	61.5
38	The West Bank and the Gaza Strip	1.8	3.9	3.9	3.9	3.9	3.9	3.9	19.4	44.9
39	Algeria	7.0	6.7	6.5	6.3	5.6	5.0	2.1	0.0	39.3
40	Thailand	5.1	5.7	4.7	4.3	5.9	8.1	2.0	0.0	35.9
41	Ecuador	1.0	0.0	1.9	3.9	3.9	3.9	3.9	17.4	35.7
42	Tadjikistan	1.3	1.3	1.3	1.3	13.0	12.5	4.1	0.0	34.6
43	Panama	0.4	1.5	2.3	2.3	2.3	2.3	2.3	20.9	34.4
44	Laos	0.0	0.0	0.0	0.2	0.4	0.4	0.5	31.6	33.0
45	Maldives	1.8	1.6	2.8	3.4	3.4	3.4	3.4	11.7	31.4
46	Bangladesh	2.8	4.6	4.6	4.6	4.6	4.5	0.0	0.0	25.7
47	Israel	2.9	2.9	2.9	2.9	2.9	2.9	2.9	1.5	22.0
48	Costa Rica	3.5	3.5	3.5	3.5	3.5	3.5	0.0	0.0	20.8
49	India	3.2	3.2	3.2	3.2	3.2	3.2	0.0	0.0	19.1
50	El Salvador	4.6	3.0	2.4	2.3	1.3	1.2	1.2	1.2	17.1
51	Estonia	4.3	3.4	2.5	2.4	1.9	1.3	0.6	0.0	16.4
52	Malaysia	3.0	2.9	2.9	1.7	1.7	0.9	0.0	0.0	13.1
53	Uruguay	1.0	0.9	1.1	1.2	1.3	1.4	1.5	1.8	10.1
54	Malta	0.8	0.6	0.6	0.6	0.6	0.3	0.0	0.0	3.7
	Total Outstanding	2 090.8	2 049.1	1 928.1	1 853.6	1 825.5	1 693.6	1 549.2	8 581.9	21 571.8
	<i>Sub-total for Member States</i>	<i>768.9</i>	<i>716.1</i>	<i>623.1</i>	<i>598.0</i>	<i>522.8</i>	<i>469.7</i>	<i>404.7</i>	<i>1 951.1</i>	<i>6 054.2</i>

1.2. Loan operations covered by the Budget guarantee

Tables A3a, A3b(1), A3b(2) and A4

TABLE A3a
Borrowing and lending operations by the Communities to Member States
Period 30.06.2007 to 31.12.2007

As Bulgaria and Romania join the EU as of 01.01.2007, the outstanding amounts under the Euratom instrument are covered by the Euratom Decisions dedicated to the Member States.

Instrument	Decision	Date of decision	Loan term (years)	Guarantee Rate	Maturity Date	Loan situation - closed (a) - partially disbursed (b) - disbursed in full (c) - not yet disbursed (d)	Amount decided	Outstanding amount	Outstanding amount
								at 30.06.2007 in EUR million	at 31.12.2007 in EUR million
BOP	2002/332/EC	18.02.02		100%		(d)	12 000.00	0.00	0.00
EURATOM			(3)	100%			4 000.00	436.00	435.25
	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)	1 000.00		
	90/212/Euratom	23.04.90				(b)(4)	1 000.00		
Bulgaria							212.50		
1st tranche			20		10.05.2021	(c)		40.00	40.00
2nd tranche			15		15.01.2017	(c)		15.00	14.25
3rd tranche			17		19.08.2019	(c)		25.00	25.00
4th tranche			15		18.06.2018	(c)		25.00	25.00
5th tranche			15		16.01.2019	(c)		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
8th tranche			14		23.02.2020	(c)		17.50	17.50
Romania							223.50		
1st tranche			17		21.07.2022	(c)		100.00	100.00
2nd tranche			19		26.11.2024	(c)		90.00	90.00
3rd tranche			18		23.02.2024	(c)		33.50	33.50
NCI			(3)	100%			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	436.00	435.25

TABLE A3b (1)
European Community (MFA) and Euratom loans to non-member States
Changes in amounts outstanding during six-month period 30.06.2007 to 31.12.2007, broken down by countries and tranche
** Member States as of 01.01.2007*

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 30.06.2007	Operations in six-month period		Amount outstanding at 31.12.2007
								Amounts disbursed	Amounts repaid	
								in EUR million		
BULGARIA III*	97/472/EC	22.07.97				250.00				
1st tranche			10	10.02.2008	(c)	125.00	31.25			31.25
2nd tranche			10	22.12.2008	(c)	125.00	62.50		31.25	31.25
BULGARIA IV*	99/731/EC	08.11.99				100.00				
1st tranche			10	21.12.2009	(c)	40.00	30.00		10.00	20.00
2nd tranche			-	-	(c)	60.00	60.00		15.00	45.00
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	75.00			75.00
2nd tranche			10	17.07.2013	(c)	50.00	50.00			50.00
3rd tranche			-	-	(a)	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
2nd tranche			15	09.02.2021	(c)	10.00	10.00			10.00
REPUBLIC OF 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	0.00			0.00
REPUBLIC OF MOLDOVA II	96/242/EC	25.03.96				15.00				
1st tranche			10	30.10.2006	(a)	15.00	0.00			0.00
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	08.11.99				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 A3b (2)
European Community (MFA) and Euratom loans to non-member States
Changes in amounts outstanding during six-month period 30.06.2007 to 31.12.2007, 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 31.12.2006	in EUR million		Amount outstanding at 31.12.2007
								Operations in six-month period		
								Amounts disbursed	Amounts repaid	
UKRAINE I	94/940/EC	22.12.94	10	28.12.2005	(a)	85.00	0.00			0.00
UKRAINE II	95/442/EC	23.10.95				200.00				
1/2 tranche			10	29.08.2006	(a)	50.00	0.00			0.00
1/2 tranche			10	30.10.2006	(a)	50.00	0.00			0.00
2nd tranche			10	25.09.2007	(c)	100.00	20.00		20.00	0.00
UKRAINE III	98/592/EC	15.10.98				150.00				
1st tranche			10	30.07.2009	(c)	58.00	43.50		14.50	29.00
			-	-	(a)	92.00				
UKRAINE IV	2002/639/EC	12.07.02			(d)	110.00				
GEORGIA	97/787/EC	17.11.97	15	24.07.2013	(c)	110.00	57.50			57.50
ARMENIA	97/787/EC	17.11.97	15	30.12.2013	(a)	28.00	0.00			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			(b)	75.00				
1st tranche			15	30.03.2016	(c)	60.00	28.00			28.00
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	09.11.02				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	25.11.03	-	-	(a)	25.00				
ALBANIA	2004/580/EC	29.04.04	15	23.03.2021	(c)	9.00	9.00			9.00
LEBANON	2007/860/EC	21.12.07			(d)	50.00				
UKRAINE (Euratom)	94/179/EC	21.03.94	11	15.03.2018	(b)	EUR equivalent of USD 83 million	39.00			39.00
TOTAL							915.75	0.00	90.75	825.00

TABLE A4

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 30.06.07	at 31.12.07	at 30.06.07	at 31.12.07
MED. Financial protocols(1)		8.03.77	75% (2)	30.10.78/10.11.78	6 062	5 553	5 548	824	745
MED. Horizontal cooperation	R/1762/92/EEC	29.06.92	75% (2)	09.11.92/18.11.92	1 800	1 656	1 656	556	502
TOTAL MED. (3)					7 862	7 209	7 204	1 380	1 247
C and E Europe I	90/62/EEC(4)	12.02.90	100%	24.04.90/14.05.90	1 000	912	912	146	127
	91/252/EEC(5)	14.05.91	100%	19.01.93/04.02.93	700	493	493	25	17
C and E Europe II	93/696/EC(6)	13.12.93	100%	22.07.94/12.08.94	3 000	2 464	2 464	782	730
Asia, Latin America I	93/115/EEC	15.02.93	100%	04.11.93/17.11.93	750	571	571	164	145
Asia, Latin America Interim	96/723/EC	12.12.96	100%	18.03.97/26.03.97	153	139	139	27	22
Asia, Latin America Interim	96/723/EC	12.12.96	70%	21.10.97	122	122	122	28	21
South Africa	95/207/EC	01.06.95	100%	04.10.95/16.10.95	300	285	285	96	62
New mandates	97/256/EC(7)	14.04.97	70%	25.07.97/29.07.97	7 105	6 142	6 142	3 334	3 036
FYROM	98/348/EC	19.05.98	70%	29.07.98/07.08.98	150	150	150	103	108
Bosnia and Herzegovina	98/729/CE	14.12.98	70%	16.06.99/22.06.99	100	100	100	63	61
Turkey Terra	99/786/EC	29.11.99	65%	18.04.00/23.05.00	600	600	600	535	526
Mandates 2000-2007	2000/24/EC(8)	22.12.99	65%	19.07.00/24.07.00 (11)	19 460	18 025	18 987	8 374	9 535
The Baltic Sea basin of Russia	2001/777/EC(9)	06.11.01	100%	06.05.02/07.05.02	100	85	85	68	76
Russia, Belarus, Rep. Of Moldova and Ukraine	2005/48/EC(10)	22.12.04	100%	21.12.05/09.12.05	500	30	230	0	0
Mandate 2007-2013	2006/1016/EC(12)	19.12.06	65%	01.08.07/29.08.07 (13)	27 800	0	1 898	0	78
TOTAL					69 702	37 327	40 381	15 125	15 790

(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) Poland, Hungary.

(5) Czech Republic and Slovak Republic, Bulgaria, Romania.

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

(7) Central and Eastern Europe, Mediterranean, Asia and Latin America, South Africa.

(8) 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, Republic of Moldova and Ukraine.

(11) Restated and amended in 2005.

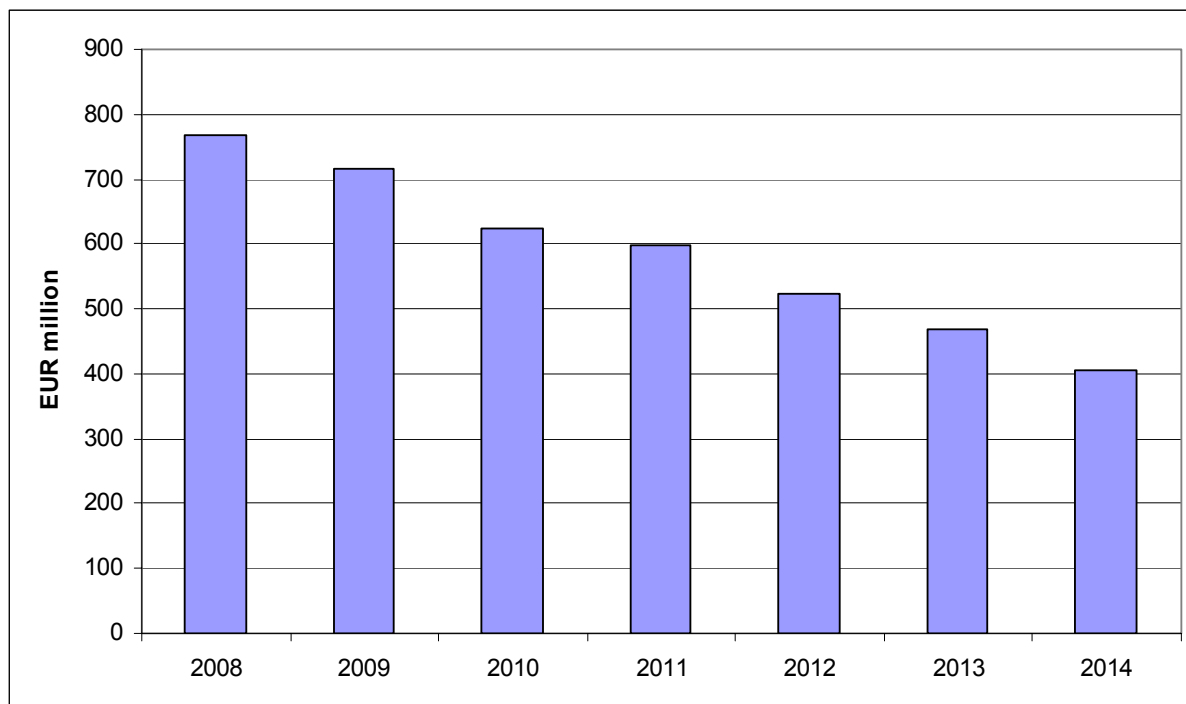
(12) Pre-Accession countries, Neighbourhood and Partnership countries, Asia and Latin America, Republic of South Africa.

(13) The amount decided of EUR 27 800 million is broken down into a basic ceiling of a fixed maximum amount of EUR 25 800 million and an optional mandate of EUR 2 000 million.

1.3. Disbursement forecast

The risk towards Member States should decrease in future as the loans are reimbursed under Euratom, MFA or EIB guaranteed financing. This situation could change in case some Member States which have not adopted the Euro call upon the Community medium-term financial assistance instrument (Balance-of-Payment)² or call upon the Euratom facility.

Graph A1: Annual Risk borne directly by the Budget in EUR million from 2008 to 2014 based on the amounts (capital and interest) due by Member States under all operations (MFA, Euratom and EIB) disbursed at 31 December 2007³



² Council Regulation (EC) No 332/2002 of 18 February 2002, OJ L 53, 23.2.2002, p. 1. This facility is limited to EUR 12 billion and has not yet been used.

³ As of 31 December 2007, the 2008 annual risk for Member States was EUR 769 million.

At 31 December 2007, the EIB had still to disburse a total of EUR 7 191 million under the EUR 20 060 million previous general mandate 2000 – 2007 for third countries:

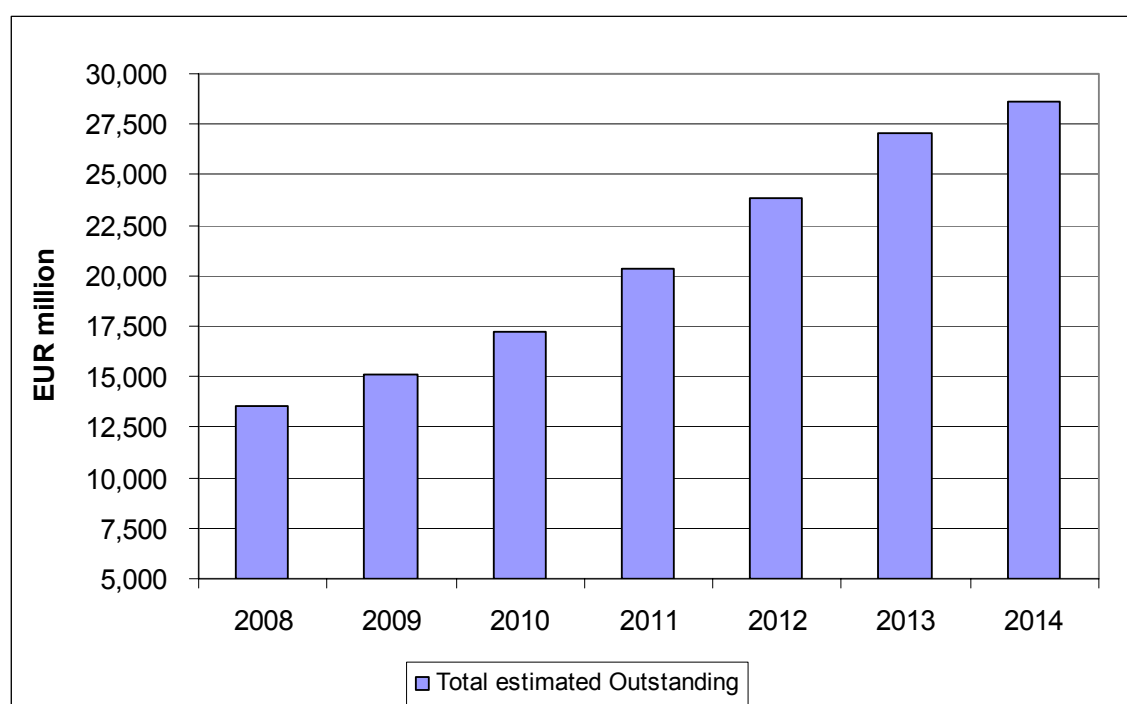
Table A5: Disbursement forecast for EIB loans on previous general mandate 2000 - 2007

	EUR million		
	Ceiling	Loans made available (minus cancellations) at 31.12.2007*	to be disbursed
Mediterranean	6 520	6 471	2 452
South-Eastern Neighbours**	10 235	7 354	3 149
Asia, Latin America	2 480	2 175	343
South Africa	825	824	266
Member States*		2 763	981
	20 060	19 587	7 191

* EUR 2,763 million for Member States are not included (Bulgaria, Hungary, Lithuania, Romania, Slovakia, Slovenia).

** The ceiling includes Terra Turkey and Special Action Turkey.

Graph A2: Disbursement forecast of EIB loans including the new general mandate, MFA and Euratom loans and total estimated outstanding covered by the Fund



1.4. Payment under the Budget guarantees⁴

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), third countries (Macro-financial assistance) or utility companies (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.

⁴ The Communities have granted loans and guaranteed loans to accession countries. Those loans and guarantees were covered by the Guarantee Fund and remain outstanding or in force after the date of accession. From that date, they cease to be external actions of the Communities and are therefore covered directly by the Budget.

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 Council Decision 2007/436/EC, Euratom of 7 June 2007 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 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. This method is used when there are insufficient appropriations in the 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 Community provides a guarantee in respect of financing granted by the EIB under the external mandates. 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 defaulting entity in accordance with the relevant guarantee agreement. 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 seek to recover the payments due after the guarantee has been activated.

Since the entry into force of the Regulation establishing the Guarantee Fund for external actions⁵, 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 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, see 1.4.1 above.

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. This agreement was revised in order to reflect the provisions of Council Decision 2006/1016/EC of 19 December 2006 granting a Community guarantee to the EIB against losses under loans and loan guarantees for projects outside the

⁵ Council Regulation (EC, Euratom) No 2728/94 of 31 October 1994 establishing a Guarantee Fund for external actions, OJ L 293, 12.11.1994, p.1, as amended by Council Regulation (EC, Euratom) No 1149/1999 of 25 May 1999, OJ L 139, 2.6.1999, p. 1, Council Regulation (EC, Euratom) No 2273/2004 of 22 December 2004, OJ L 396, 31.12.2004, p. 28, and Council Regulation (EC, Euratom) No 89/2007 of 30 January 2007, OJ L 22, 31.1.2007, p. 1.

Community⁶. The new Recovery Agreement, which has replaced the implementation agreement, was signed by the Community and the EIB on 1 and 29 August 2007.

1.4.3. Activation of Budget guarantees

If a borrower defaults on an EIB loan guaranteed by the 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 Fund (see 1.4.2 above).

For loans granted by the EC or Euratom, default interest owed by loan beneficiaries for the time between the date on which cash resources are made available by the Budget and the date of activation of the Fund is drawn from the Fund and repaid to the 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.

⁶ OJ L 414, 30.1.2.2006, p. 95.

2. COUNTRY-RISK EVALUATION

Countries other than those presented in the main report, but representing important risks to the Budget, notably through EC macro-financial assistance, Euratom loans or guarantees of EIB projects related financing, 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. The country risk evaluation presented below comprises short analyses or tables of risk indicators.

2.2. Explanatory notes for country-risk indicators

Standard footnotes

- a) Includes only EC and EIB loans (outstanding disbursements) to CEEC, NIS and MED.
- b) The higher the ranking number, the lower the creditworthiness of the country.
Countries are rated on a scale of zero to 185; 185 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

2.3. Country-risk indicators (tables)

Country-risk indicators					
Country: Argentina					
		footnotes	2005	2006	2007 (proj)
Real GDP growth rate	(%)		8.5	8.7	6.7
Industrial production	(% change)		8.3	6.9	5.1
Unemployment	(% of labour force)		8.7	8.2	8.0
Inflation rate (CPI) (Dec. / Dec.)	(% change)		10.0	17.0	22.2
Exchange rate	(Pesos per 1 EUR)		3.9	4.5	4.5
General government balance	(% of GDP)		1.8	0.4	1.5
Balance of payments					
Exports of goods	(m EUR)		37114	40788	47338
Current account balance	(% of GDP)		3.5	2.8	1.7
Net inflow of foreign direct investment	(m EUR)		2128	1631	1631
Official reserves, including gold (end of period)					
bn USD			25.3	34.2	39.1
months' imports of goods and services			8.0	10.0	10.0
External debt					
Convertible currency external debt (end of period)	(m EUR)		85935	82962	76975
Convertible currency debt service	(m EUR)		17397	na	na
principal	(m EUR)		12123	na	na
interest	(m EUR)		5274	na	na
External debt/GDP	(%)		51.6	44.5	33.5
External debt/exports of goods and services	(%)		232	203	162
Debt service/exports of goods and services	(%)		46.9	na	na
Arrears (on both interest and principal)	(m EUR)		yes	yes	yes
Debt relief agreements and rescheduling			no	no	no
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	1.54	1.15	0.85
EU exposure/external debt	(%)		0.21	0.13	0.17
EU exposure/exports of goods and services	(%)		0.60	0.30	0.27
IMF arrangements					
Type			No	No	No
(Date)					
On track					
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			Caa1	Caa1	B3
S&P long-term foreign currency rating (end of period)			B	B	B+
Euromoney			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking		(b)	141 120	119 100	110 109
(number of countries)			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking			137 115	91 87	85 83
(number of countries)			(173) (173)	(173) (173)	(173) (173)

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

Country-risk indicators					
Country: Bosnia & Herzegovina (1)					
		footnotes	2005	2006	2007 preliminary
Real GDP growth rate	(%)		3.9	6.7	6
Industrial production Federation	(% change)		5	7.5	9.1
Republika Srpska			20	19.1	1.4
Unemployment (end of period)	(% of labour force)	(1)	44.6	44.2	42.9
Inflation rate (CPI) (12 month average)	(% change)		4.3	6.1	1.5
Exchange rate (end of period)	KM per EUR		1.96	1.96	1.96
	KM per USD		1.66	1.49	1.33
General government balance (after grants)	(% of BiH GDP)		2.4	2.9	-
Balance of payments					
Exports of goods and services	(m EUR)		2826	3581	4053
Current account balance	(% of GDP)		-18	-8.4	-13.1
Net inflow of foreign direct investment	(m EUR)		476	561	1468
Official reserves, including gold (end of period)					
m EUR			2161	2789	3426
months' imports of goods and services			4.1	5.2	6.6
External debt					
Convertible currency external debt (end of period)	(m EUR)	(2)	2219	2082	1997
Convertible currency debt service	(m EUR)	(2)	117.6	138.1	122.3
principal	(m EUR)		72.6	87	70.8
interest	(m EUR)		45	51.1	51.5
External debt/GDP	(%)	(2)	25.6	21.3	18.5
External debt/exports of goods and services	(%)	(2)	78.3	58	49.1
Debt service/exports of goods and services	(%)	(2)	4.2	3.8	3
Arrears (on both interest and principal)	(m EUR)		none	none	none
Debt relief agreements and rescheduling			yes	yes	yes
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	1.55	2.73	3.63
EU exposure/external debt	(%)		7.84	11.29	18.52
EU exposure/exports of goods and services	(%)		5.93	6.40	9.12
IMF arrangements					
Type					
(Date)					
On track					
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			Caa1	B3	B2
S&P long-term foreign currency rating (end of period)			none	none	none
Euromoney			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking		(b)	123 124	110 105	104 107
(number of countries)			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking		(b)	107 112	109 108	101 110
(number of countries)			(173) (173)	(173) (173)	(173) (173)

Footnotes

(1) The April 2007 Labour Force Survey points to an unemployment rate of 29% of the labour force

(2) External debt by the private sector is not included (not available).

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

Country-risk indicators					
Country: Brazil					
		footnotes	2005	2006	2,007 €
Real GDP growth rate	(%)		3.8	5.4	4.6
Industrial production	(% change)		2.8	6.0	5
Unemployment (end of period)	(% of labour force)		10.0	9.3	9.0
Inflation rate (CPI) (Dec. / Dec.)	(% change)		3.1	4.5	4.4
Exchange rate (end of period)	(Reais per EUR)		2.7		
General government balance	(% of GDP)		-2.8	-2.1	-1.6
Balance of payments					
Exports of goods	(m EUR)		109748	116800	123431
Current account balance	(% of GDP)		1.3	0.3	-0.7
Net inflow of foreign direct investment	(m EUR)		14973	25246	21702
Official reserves, including gold (end of period)					
bn USD			68333	131127	151441
months' imports of goods			8.0	14.0	15
External debt					
Convertible currency external debt (end of period)	(m EUR)		158800	177960	168120
Convertible currency debt service	(m EUR)		33340	na	na
principal	(m EUR)		23175	na	na
interest	(m EUR)		10165	na	na
External debt/GDP	(%)		18.7	18.5	15.0
External debt/exports of goods and services	(%)		145	152	136
Debt service/exports of goods and services	(%)		34	na	na
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)	5.50	5.69	4.35
EU exposure/external debt	(%)		0.41	0.38	0.26
EU exposure/exports of goods and services	(%)		0.64	0.45	0.36
IMF arrangements					
Type			No	No	No
(Date)					
On track					
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			B1	Ba3	Ba1
S&P long-term foreign currency rating (end of period)			BB	BB	BB+
Euromoney			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking		(b)	68 69	69 66	67 66
(number of countries)			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking			67 66	64 61	60 57
(number of countries)			(173) (173)	(173) (173)	(173) (173)
Credit rating					

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

Country-risk indicators					
Country: Croatia					
		footnotes	2005	2006	2007
Real GDP growth rate	(%)		4.3	4.8	5.6
Industrial production	(% change)		5.1	4.5	5.6
Unemployment (end of period)	(% of labour force)		12.7	11.2	11.0
Inflation rate (CPI) (Dec/Dec)	(% change)		3.7	2.1	5.8
Exchange rate	(kuna per EUR)		7.3	7.3	7.3
General government balance	(% of GDP)		-4.0	-2.5	-1.6
Balance of payments					
Exports of goods and services	(m EUR)		15,273	16,998	18,372
Current account balance	(% of GDP)		-6.4	-7.9	-8.6
Net inflow of foreign direct investment	(m EUR)		1,276	2,561	3,419
Official reserves, including gold (end of period)	(m EUR)		7,438	8,725	9,307
months' imports of goods and services			5.1	5.3	5.2
External debt					
Convertible currency external debt (end of period)	(m EUR)		25,748	29,274	32,929
Convertible currency debt service	(m EUR)		3,666	5,949	6,063
principal	(m EUR)		3,582	5,864	5,975
interest	(m EUR)		702	833	805
External debt/GDP	(%)		83.2	85.5	87.9
External debt/exports of goods and services	(%)		169	172	179
Debt service/exports of goods and services	(%)		24.0	35.0	33.0
Indicators of EU exposure					
EU exposure/total EU exposure	(%)		2.24	6.32	5.74
EU exposure/external debt	(%)		0.96	1.88	1.77
EU exposure/exports of goods and services	(%)		1.62	3.24	3.18
IMF arrangements					
Type			Precautionary stand-by programme		
(Date)			Aug 2004 - Nov 2006		
On track			Successfully completed		
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			Ba1	Ba1	Baa3
S&P long-term foreign currency rating (end of period)			BBB	BBB	BBB
Euromoney			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking (number of countries)	(b)		50 55	56 54	54 56
			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking (number of countries)	(b)		59 59	57 57	59 61
			(173) (173)	(173) (173)	(173) (173)

Footnotes

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

Country-risk indicators					
Country: Egypt					
		footnotes	2005	2006	2007 (preliminary)
Real GDP growth rate	(%)		4.5	6.8	7.1
Industrial production in public enterprises					
Unemployment (average)	(% of labour force)	(a)	10.5	11.5	9.5
Wholesale price Inflation (average)	(% change)		9.9	4.1	11.8
Exchange rate (end of period)	(LE per USD)		6.0	5.8	5.7
General government balance	(% of GDP)		-8.4	-9.2	-7.7
Balance of payments					
Exports of goods and services f.o.b.	(bn USD)		28.8	35.1	41.5
Current account balance	(% of GDP)		3.2	0.8	1.4
Net inflow of foreign direct investment	(bn USD)		4.3	5.6	8.2
Official reserves, including gold (end of period)					
bn USD			19.3	22.9	28.3
in months of next years imports of goods and services			5.8	5.9	6.1
External debt					
Convertible currency external debt (end of period)	(bn USD)				
Convertible currency debt service principal	(bn USD)				
interest	(bn USD)				
External debt/GDP	(%)		32.2	28.8	24.2
External debt/exports of goods and services	(%)				
Debt service/exports of goods and services	(%)				
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)	14.1	17.9	16.5
EU exposure/external debt	(%)		N/A	N/A	N/A
EU exposure/exports of goods and services	(%)		6.4	5.9	6.0
IMF arrangements					
Type			CCFF	-	-
(Date)			5/07/1999	-	-
On track			yes	-	-
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			Ba2	Ba2	Ba1
S&P long-term foreign currency rating (end of period)			BB+	BB+	BB+
Euromoney					
Position in the ranking		(b)	03/05 09/05	03/06 09/06	03/07 09/07
(number of countries)			66 71	68 68	71 69
The Institutional Investor			(185) (185)	(185) (185)	(185) (185)
Position in the ranking		(b)	03/05 09/05	03/06 09/06	03/07 09/07
(number of countries)			68 67	70 70	70 72
			(173) (173)	(173) (173)	(173) (173)

Sources: International Monetary Fund.

Footnotes

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

Country-risk indicators					
Country: Georgia					
		footnotes	2005	2006	2007 (prelim.)
Real GDP growth rate	(%)		9.6	9.4	12.4
Industrial production	(% change)		11.5	15.9	15.0
Unemployment (end of period)	(% of labour force)		13.8	13.6	n.a.
Inflation rate (CPI) (Dec/Dec)	(% change)		6.2	8.8	11.0
Exchange rate (end of period)	(Lari per USD)		1.79	1.71	1.59
General government balance	(% of GDP) (commitments)		-1.5	-3.0	-4.7
Balance of payments					
Exports of goods and services	(m USD)		2183	2567	3240
Current account balance	(% of GDP)		-9.8	-13.8	-19.7
Net inflow of foreign direct investment	(m USD)		542	1076	1584
Official reserves, including gold (end of period)					
m USD			479	931	1361
months' imports of goods and services			1.7	2.2	3.2
External debt					
Convertible currency external debt (end of period)	(m USD)		1735	1697	1837
Convertible currency debt service	(m USD)		200	270	200
principal	(m USD)		161.9	234.4	120.0
interest	(m USD)		38.5	36.0	80.0
External debt/GDP	(%)		27.1	21.9	17.8
External debt/exports of goods and services	(%)		80	66	57
Debt service/exports of goods and services	(%)		7.7	7.2	62.0
Arrears (on both interest and principal)	(m USD)		0	0	0
Debt relief agreements and rescheduling			no	no	no
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	0.8	1.0	0.6
EU exposure/external debt	(%)		5.8	6.6	5.2
EU exposure/exports of goods and services	(%)		4.6	4.5	2.9
IMF arrangements					
Type			PRGF	PRGF	PRGF
(Date)			(06/04-06/07)	(06/04-06/07)	(06/04-06/07)
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			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking		(b)	103 122	106 120	114 114
(number of countries)			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking		(b)	141 134	119 113	110 117
(number of countries)			(173) (173)	(173) (173)	(173) (173)

Footnotes

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

Country-risk indicators					
Country: Former Yugoslav Republic of Macedonia					
		footnotes	2005	2006	2007
Real GDP growth rate	(%)	(1)	4.10	4.00	5.10
Industrial production	(% change)		7.20	2.30	4.10
Unemployment (end of period)	(% of labour force)	(2)	37.30	36.00	34.70
Inflation rate (CPI)	(% change)		0.50	3.20	2.30
Exchange rate (end of period)	(Denar per EUR)		61.34	61.19	61.18
General government balance	(% of GDP)	(1)	0.30	-0.60	-0.90
Balance of payments					
Exports of goods and services	(m EUR)	(1)	2090.5	2445.89	3087.8
Current account balance	(% of GDP)	(1)	-2.6	-0.9	-3.0
Net inflow of foreign direct investment	(m EUR)		74.9	344.6	240.1
Official reserves, including gold (end of period)					
m EUR			1123.0	1416.7	1524.4
months' imports of goods and services			4.00	5.10	5.30
External debt					
Convertible currency external debt (end of period)	(m EUR)		2518.1	2495.2	2711.5
Convertible currency debt service	(m EUR)		210.6	455.6	323.5
principal	(m EUR)		164.8	389.9	295.5
interest	(m EUR)		45.8	65.6	28.1
External debt/GDP	(%)		53.8	49.1	50.3
External debt/exports of goods and services	(%)		120.45	102.02	87.81
Debt service/exports of goods and services	(%)		10.07	18.63	10.48
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)	1.9	2.5	2.6
EU exposure/external debt	(%)		11.5	11.3	9.8
EU exposure/exports of goods and services	(%)		10.0	9.3	8.6
IMF arrangements					
Type			SBA	SBA	SBA
(Date)			08/05-08/08	08/05-08/08	08/05-08/08
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	BB+/Stable/B
Euromoney			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking		(b)	92 95	83 82	82 83
(number of countries)			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking		(b)	91 93	85 84	84 85
(number of countries)			(173) (173)	(173) (173)	(173) (173)

Footnotes

- (1) Provisional
(2) 2007Q4

Country-risk indicators					
Country: Lebanon					
		footnotes	2005	2006	2007 (estimates)
Real GDP growth rate	(%)		1.1	0	4.0
Industrial production (period average)	(% change)		n.a.	n.a.	n.a.
Unemployment rate (average)	(% of labour force)		n.a.	n.a.	n.a.
Inflation rate (CPI, av)	(% change)		-0.7	5.6	4.1
Exchange rate (av)	(L£ per USD)		1508	1508	1508
General government overall balance	(% of GDP)		-8.4	-11.1	-12.0
Primary balance	(% of GDP)		2.1	1.7	0.8
Total government debt	(% of GDP)		178	177	173
Balance of payments					
Exports of goods and services	(m USD)		11,252	13,293	13,703
Current account balance	(% of GDP)		-13.6	-6.0	-10.4
Net inflow of foreign direct investment	(m USD)		2,629	2,723	2,297
Official reserves, including gold (end of period)	(gross useable)				
m USD			9,611	11,353	12,089
months' imports of goods and services			7.2	7.5	7.3
External (foreign currency) government debt					
Convertible currency external debt (end of period)	(m USD)		19,135	20,428	21,634
Convertible currency debt service principal	(m USD)		3,209	1677	1,488
interest	(m USD)		n.a.	n.a.	n.a.
Foreign currency debt/GDP	(%)		89.0	90	87.0
External debt/GDP	(%)		35.6	37.1	41.0
External debt/exports of goods and services	(%)		68.0	63.4	71.8
Debt service/exports of goods and services	(%)		28.5	12.6	10.9
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)	2.27	3.79	3.47
EU exposure/external debt	(%)		1.55	2.13	2.41
EU exposure/exports of goods and services	(%)		2.64	3.27	3.80
IMF arrangements					
Type			-	-	EPCA
(Date)			-	-	04/07 - 12/07
On track			-	-	-
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			B3	B3	B3
S&P long-term foreign currency rating (end of period)			B-	B-	B-
Euromoney			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking (number of countries)	(b)		109 117	98 106	111 116
The Institutional Investor			(185) (185)	(185) (185)	(185) (185)
Position in the ranking (number of countries)	(b)		03/05 09/05	03/06 09/06	03/07 09/07
			98 98	101 99	109 121
			(173) (173)	(173) (173)	(173) (173)

Sources: IMF

Country-risk indicators					
Country: Montenegro					
		footnotes	2005	2006	2007 (preliminary)
Real GDP growth rate	(%)		4.1	6.5	7.0
Industrial production	(% change)		-1.9	1.0	0.1
Unemployment (end of period)	(% of labour force)		18.4	14.7	11.9
Inflation rate (CPI) (Dec/Dec)	(% change)		1.8	2.0	7.7
Exchange rate (end of period)	(EUR per EUR)		1.0	1.0	1.0
General government balance	(% of GDP)		-2.3	2.7	8.5
Balance of payments					
Exports of goods and services	(m EUR)		730.9	920.9	1,301.8
Current account balance	(% of GDP)		-9.1	-31.0	-44.2
Net inflow of foreign direct investment	(m EUR)		383.0	475.0	524.9
Official reserves, including gold (end of period)					
m EUR			172.9	310.3	432.3
months' imports of goods and services			2.1	2.7	3.4
External debt					
Convertible currency external debt (end of period)	(m EUR)		796	889	1,164
Convertible currency debt service	(m EUR)		n.a.	n.a.	n.a.
principal	(m EUR)				
interest	(m EUR)				
External debt/GDP	(%)		44.6	44.9	52.8
External debt/exports of goods and services	(%)		95.8	94.2	94.8
Debt service/exports of goods and services	(%)		n.a.	n.a.	n.a.
Arrears (on both interest and principal)	(m EUR)		0	0	0
Debt relief agreements and rescheduling			yes	yes	yes
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	0.56	0.86	0.62
EU exposure/external debt	(%)		7.78	8.40	5.41
EU exposure/exports of goods and services	(%)		8.47	8.10	4.84
IMF arrangements					
Type			Extended Arrangement	none	none
(Date)			05/02 - 02/06		
On track			completed		
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			none	none	Baa1
S&P long-term foreign currency rating (end of period)			BB/Positive/B	BB/Positive/B	BB+/Stable/B
Euromoney			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking (number of countries)		(b)	none	none	none
The Institutional Investor			(185) (185)	(185) (185)	(185) (185)
Position in the ranking (number of countries)		(b)	03/05 09/05	03/06 09/06	03/07 09/07
			121 105	87 89	89 96
			(173) (173)	(173) (173)	(173) (173)

(a) (b)

See explanatory notes at beginning of the tables

Country-risk indicators					
Country: Morocco					
		footnotes	2005	2006	2007 (preliminary)
Real GDP growth rate	(%)		2.4	8.0	2.2
Unemployment (average)	(% of labour force)	(1)	11.3	9.6	9.8
Wholesale price Inflation (average)	(% change)		1.0	3.3	2
Exchange rate (end of period)	(MDH per USD)		8.9	8.8	7.7
General government balance	(% of GDP)		-5.2	-2.0	-0.2
Balance of payments					
Exports of goods and services f.o.b.	(bn USD)		28.8	35.1	41.5
Current account balance	(% of GDP)		1.9	2.6	-0.1
Net inflow of foreign direct investment	(bn USD)		2.9	3.4	3.9
Official reserves, including gold (end of period)					
bn USD			16.1	20.0	23.6
in months of next years imports of goods and services			7.4	7.8	8.4
External debt					
Convertible currency external debt (end of period)	(bn USD)				
Convertible currency debt service principal	(bn USD)				
interest	(bn USD)				
External debt/GDP	(%)		25.4	23.3	22.0
External debt/exports of goods and services	(%)				
Debt service/exports of goods and services	(%)				
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)	9.52	13.62	12.52
EU exposure/external debt	(%)		N/A	N/A	N/A
EU exposure/exports of goods and services	(%)		4.33	4.45	4.52
IMF arrangements					
Type				-	-
(Date)				-	-
On track				-	-
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			Ba2	Ba2	Ba1
S&P long-term foreign currency rating (end of period)			BB+	BB+	BB+
Euromoney			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking (number of countries)	(b)		64 64 (185) (185)	66 65 (185) (185)	65 65 (185) (185)
The Institutional Investor			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking (number of countries)	(b)		62 63 (173) (173)	65 66 (173) (173)	67 67 (173) (173)

Sources: International Monetary Fund.

Footnotes

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

(1) Officially registered unemployed.

Country-risk indicators					
Country: Serbia					
		footnotes	2005	2006	2007 (preliminary)
Real GDP growth rate	(%)		6.2	5.7	7.5
Industrial production	(% change)		0.8	4.7	3.7
Unemployment (end of period)	(% of labour force)		21.8	21.6	18.8
Inflation rate (CPI) (Dec/Dec)	(% change)		17.3	12.7	6.6
Exchange rate (end of period)	(CSD per EUR)		83.3	83.9	80.0
General government balance	(% of GDP)		1.9	1.6	0.4
Balance of payments					
Exports of goods and services	(m EUR)		5,597	6,649	8,087
Current account balance	(% of GDP)		-8.4	-11.5	-16.0
Net inflow of foreign direct investment	(m EUR)		1,314	3,235	1,505
Official reserves, including gold (end of period)					
m EUR			4,935	9,025	9,641
months' imports of goods and services			5.9	9.5	8.2
External debt					
Convertible currency external debt (end of period)	(m EUR)		13,108	14,876	17,983
Convertible currency debt service	(m EUR)		645	1,974	2,140
principal	(m EUR)		NA	NA	NA
interest	(m EUR)		NA	NA	NA
External debt/GDP	(%)		62.1	58.4	62.0
External debt/exports of goods and services	(%)		234	224	222
Debt service/exports of goods and services	(%)		11.5	29.7	26.5
Arrears (on both interest and principal)	(m EUR)		1,855	301	1,763
Debt relief agreements and rescheduling		(1)	yes	yes	no
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	5.03	7.70	7.97
EU exposure/external debt	(%)		4.25	4.51	4.52
EU exposure/exports of goods and services	(%)		9.96	10.10	10.04
IMF arrangements					
Type			Extended Arrangement	-	-
(Date)			05/02 - 02/06	-	-
On track			completed	-	-
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)		(2)	none	none	none
S&P long-term foreign currency rating (end of period)			BB-	BB-	BB-
Euromoney			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking			158 96	104 93	87 87
(number of countries)			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking		(b)	121 105	87 89	94 89
(number of countries)			(173) (173)	(173) (173)	(173) (173)

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);

Country-risk indicators					
Country: Syria					
		footnotes	2005	2006	2007 (preliminary)
Real GDP growth rate	(%)		3.3	4.4	3.9
Industrial production in public enterprises					
Unemployment (average)	(% of labour force)		8.0	8.5	9.0
Inflation (average)	(% change)		7.2	10.0	5.5
Exchange rate (weighted average nominal exchange average)	(LS per USD)		52.20	51.00	52.1
Central government balance (including grants, excluding privatisations)	(% of GDP)		-4.4	-5.7	-5.0
Balance of payments					
Exports (non-oil)	(bn USD)		7.7	8.4	10.1
Current account balance (excluding grants)	(% of GDP)		-4.1	-6.1	-5.8
Net inflow of foreign direct investment	(bn USD)		0.5	0.6	0.8
Official reserves, including gold (end of period)					
bn USD			6.1	6.7	6.4
in months of next years imports of goods and services			16.4	13.4	12.1
External debt					
Foreign currency public debt	(percent of total debt)		66.5	54.0	45.5
Convertible currency debt service	(bn USD)				
principal	(bn USD)				
interest	(bn USD)				
External debt/GDP	(%)		23.3	19.4	17.2
External debt/exports (non-oil)	(%)		0.90	0.80	0.63
External debt service/exports of goods and services	(%)		4.7	5.4	7.3
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)	1.67	2.98	3.71
EU exposure/external debt	(%)		N/A	N/A	N/A
EU exposure/exports of goods and services	(%)		2.83	4.07	5.51
IMF arrangements					
Type					
(Date)					
On track					
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			Baa2	Baa2	A3
S&P long-term foreign currency rating (end of period)			BBB	BBB	BBB
Euro money					
Position in the ranking		(b)	03/05 09/05	03/06 09/06	03/07 09/07
(number of countries)			59 58	59 62	64 62
			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor					
Position in the ranking		(b)	03/05 09/05	03/06 09/06	03/07 09/07
(number of countries)			56 57	56 56	61 60
			(173) (173)	(173) (173)	(173) (173)

Sources: International Monetary Fund, EIU.

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

Country-risk indicators					
Country: South Africa					
		footnotes	2005	2006	2007 (preliminary)
Real GDP growth rate	(%)		4.9	5.4	5.1
Industrial production	(% change)			6.2	5.8
Unemployment (end of period)	(% of labour force)				
Inflation rate (CPI) (Dec/Dec)	(% change)		3.4	4.7	7.1
Exchange rate (end of period)	(SAR per EUR)		7.50	9.31	10.04
General government balance	(% of GDP)		-0.3	0.4	-1.5
Balance of payments					
<i>Exports of goods and services</i>	in R billions			434.5	535.7
Exports of goods and services	(m EUR)			46670	53357
Current account balance	(% of GDP)		-4.00	-6.5	-7.3
Net inflow of foreign direct investment	(m EUR)				
Official reserves, including gold (end of period)			37,9117bn SAR	\$25,6bn	\$33,0bn
m EUR				32159	45234
months' imports of goods and services			3.3	3.3	3.4
External debt					
Convertible currency external debt (end of period)	(m EUR)				
Convertible currency debt service principal	(m EUR)				
interest	(m EUR)				
External debt/GDP	(%)		2.1	2.0	1.9
External debt/exports of goods and services	(%)				
Debt service/exports of goods and services	(%)		5.0	7.0	
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)	7.29	8.27	9.01
EU exposure/external debt	(%)		N/A	N/A	N/A
EU exposure/exports of goods and services	(%)		N/A	1.54	1.72
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)			Baa1	Baa1	Baa1
S&P long-term foreign currency rating (end of period)			BBB+	BBB+	BBB+
Euromoney			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking (number of countries)	(b)		57 54	55 55	55 55
			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking (number of countries)	(b)		52 52	53 51	51 49
			(173) (173)	(173) (173)	(173) (173)

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

Country-risk indicators					
Country: Turkey					
		footnotes	2005	2006	2007
Real GDP growth rate	(%)		8.4	6.9	4.5
Industrial production	(% change)		5.4	5.8	5.4
Unemployment (end of period)	(% of labour force)		10.2	9.9	9.9
Inflation rate (CPI) (Dec/Dec)	(% change)		8.2	9.6	8.8
Exchange rate (end of period)	(TL per EUR)		1.67	1.80	1.78
General government balance	(% of GDP)		-0.6	-0.1	-1.2
Balance of payments					
Exports of goods and services	(m EUR)		62110	67724	72815
Current account balance	(% of GDP)		-4.7	-6.1	-5.7
Net inflow of foreign direct investment	(m EUR)		7733	15004	13427
Official reserves, including gold (end of period)					
m EUR			42688	48139	48438
months' imports of goods and services			5.2	5.2	5.0
External debt					
Convertible currency external debt (end of period)	(m EUR)		142857	133808	114810
Convertible currency debt service principal	(m EUR)		98901	92637	79484
interest	(m EUR)		79486	71949	59457
External debt/GDP	(%)		19415	20687	20027
External debt/exports of goods and services	(%)		35.1	32.1	25.7
Debt service/exports of goods and services	(%)		230.0	197.6	157.7
Arrears (on both interest and principal)	(m EUR)		159.2	136.8	109.2
Debt relief agreements and rescheduling			none	none	none
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	15.88	22.63	24.51
EU exposure/external debt	(%)		1.23	1.47	1.99
EU exposure/exports of goods and services	(%)		2.83	2.91	3.14
IMF arrangements					
Type			SBA	SBA	SBA
(Date)			(05/08)	(05/08)	(05/08)
On track			yes	yes	yes
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			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking (number of countries)	(b)		73 72	71 69	69 72
The Institutional Investor			(185) (185)	(185) (185)	(185) (185)
Position in the ranking (number of countries)	(b)		03/05 09/05	03/06 09/06	03/07 09/07
			73 74	72 74	71 71
			(173) (173)	(173) (173)	(173) (173)

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

Country-risk indicators					
Country: Ukraine					
		footnotes	2005	2006	2007 (prelim.)
Real GDP growth rate	(%)		2.7	7.3	7.3
Industrial production	(% change)		3.1	6.2	10.2
Unemployment (ILO definition)	(% of labour force)		7.8	7.4	6.7
Inflation rate (CPI) (Dec/Dec)	(% change)		10.3	11.6	16.6
Exchange rate (end of period)	(Hryvnia per USD)		5.05	5.05	5.05
General government balance	(% of GDP)	(d)	-2.4	-1.3	-1.5
Balance of payments					
Exports of goods and services	(m USD)		44380	50239	64001
Current account balance	(% of GDP)		2.9	-1.5	-4.2
Net inflow of foreign direct investment	(m USD)		7533	5737	9218
Official reserves, (end of period)					
m USD			19390	21900	32460
months' imports of goods and services			4.6	4.2	5.3
External debt					
Public external debt (end of period)	(m USD)		12900	13800	15100
Public external debt service	(m USD)		2080	2590	2000
principal	(m USD)		1480	1675	
interest	(m USD)		600	915	
External debt/GDP	(%)		14.7	12.2	10.7
External debt/exports of goods and services	(%)		29.1	25.7	23.6
Debt service/exports of goods and services	(%)		4.9	5.1	3.2
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)	1.06	0.73	0.86
EU exposure/external debt	(%)		1.08	0.61	0.78
EU exposure/exports of goods and services	(%)		0.31	0.17	0.19
IMF arrangements					
Type			Stand-by*	None	None
(Date)			(03/04-03/05)		
On track			off-track		
			*precautionary		
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			B2	B2	Ba3
S&P long-term foreign currency rating (end of period)			BB-	BB-	BB-
Euromoney			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking		(b)	83 82	78 78	76 80
(number of countries)			(185) (185)	(185) (185)	(185) (185)
The Institutional Investor			03/05 09/05	03/06 09/06	03/07 09/07
Position in the ranking		(b)	82 76	75 80	78 78
(number of countries)			(173) (173)	(173) (173)	(173) (173)

Footnotes

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

(d) On a cash basis.