EN

COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 18.2.2009
SEC(2009) 159

COMMISSION STAFF WORKING DOCUMENT

ANNEX TO THE

REPORT FROM THE COMMISSION
TO THE BUDGETARY AUTHORITY ON GUARANTEES COVERED BY THE GENERAL BUDGET
SITUATION AT 30 JUNE 2008

{COM(2009) 68 final}

COMMISSION STAFF WORKING DOCUMENT

ANNEX TO THE

REPORT FROM THE COMMISSION
TO THE BUDGETARY AUTHORITY ON GUARANTEES COVERED BY THE GENERAL BUDGET
SITUATION AT 30 JUNE 2008

TABLE OF CONTENTS

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 EIB[1]:

75% of the total amounts of loans signed in the Mediterranean countries based on the Mediterranean protocols of 1977 and 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 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 Council Decisions 99/786/EC, 2000/24/EC 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.

1.1.1. 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.

1.1.2. 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 30.06.2008 (in EUR million)

Operations	Authorised ceiling	Capital outstanding at 31.12.2007	Capital outstanding at 30.06.2008	Remainder to be disbursed at 30.06.2008
MEMBER STATES				
EIB (new Member States)		4 060	3 976	1 086
MFA to Bulgaria and Romania		253	253	
Euratom to Bulgaria and Romania		435	435	
MEMBER STATES - TOTAL	**0**	**4 748**	**4 663**	**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	29	29	
Sub total MFA	**2 619**	**534**	**534**	
B. EURATOM [1]		**39**	**39**	**23**
C. Other				
EIB Pre-Accession countries	28 755	4 416	4 703	3 587
EIB Neighbourhood and Partnership countries	28 342	5 197	5 274	3 975
EIB Asia and Latin America	8 205	1 452	1 520	570
EIB South Africa	2 400	666	562	266
Sub total EIB[2]	**67 702**	**15 790**	**16 034**	**9 483**
THIRD COUNTRIES - TOTAL	**70 321**	**12 303**	**12 631**	**8 420**
GRAND TOTAL	**70 321**	**17 051**	**17 295**	**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 30.06.2008 (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**	**3 761**	**364**	**364**
Pre-Accession countries	*8 700*	*1 738*	*25*	*25*
Neighbourhood and Partnership countries:	*12 400*	*1 305*	*98*	*98*
Mediterranean	8 700	1 305	98	98
Eastern Europe, Southern Coucasus and Russia	3 700			
Asia and Latin America:	*3 800*	*555*	*240*	*240*
Asia	1 000			
Latin America	2 800	555	240	240
South Africa	*900*	*163*		
Previous General Mandate 2000/2007[5]:	**20 060**	**19 608**	**12 299**	**10 448**
Pre-Accession countries	10 235	7 395	4 530	4 219
Neighbourhood and Partnership countries	6 520	6 451	3 962	3 422
Asia and Latin America	2 480	2 175	1 447	950
South Africa	825	824	400	372
Member States (following the accession)		2 763	1 961	1 485
sub-total 65 %[3]	**45 860**	**23 368**	**12 663**	**10 812**
Financial agreements (70% Guarantee rate)	**7 477**	**6 513**	**5 859**	**3 020**
Pre-Accession countries	3 770	477	420	317
Neighbourhood and Partnership countries	2 310	1 617	1 474	775
Asia and Latin America:	1 022	809	638	181
South Africa	375	375	258	139
Member States (following the accession)		3 236	3 068	1 608
sub-total 70 %[3]	**7 477**	**6 513**	**5 859**	**3 020**
Financial agreements (75% Guarantee rate)	**7 712**	**7 062**	**7 133**	**1 130**
Pre-Accession countries	1 350	713	713	131
Neighbourhood and Partnership countries	6 362	4 492	4 462	903
Member States (following the accession)		1 857	1 958	96
sub-total 75 %[3]	**7 712**	**7 062**	**7 133**	**1 130**
Financial agreements (100% Guarantee rate)	**6 653**	**5 320**	**5 099**	**1 073**
Pre-Accession countries	4 700	29	29	11
Neighbourhood and Partnership countries	750	315	79	76
Asia and Latin America	903	710	699	149
South Africa	300	285	200	51
Member States (following the accession)		3 982	4 093	786
sub-total 100 %[3]	**6 653**	**5 320**	**5 099**	**1 073**
Total	**67 702**	**42 264**	**30 754**	**16 034**

(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 30.06.2008

Ranking	Country	2008	2009	2010	2011	2012	2013	2014	2015 until 2037	Total Outstanding
1	Turkey	158,4	248,8	287,9	291,8	302,6	292,4	288,7	2 255,2	4 125,8
2	Romania	116,0	259,4	253,7	265,2	210,8	209,8	190,0	1 195,8	2 700,6
3	Bulgaria	91,9	95,3	87,0	70,1	82,9	68,0	68,1	331,6	894,9
4	Egypt	91,7	181,3	171,4	157,0	150,7	143,1	125,8	846,1	1 867,0
5	Tunisia	64,6	126,1	132,8	130,2	131,2	133,8	125,3	753,2	1 597,1
6	Morocco	64,4	130,3	133,4	139,6	139,2	137,3	128,8	939,3	1 812,3
7	Lebanon	55,0	65,3	57,2	57,3	56,8	51,8	34,5	122,2	500,0
8	South Africa	46,8	98,7	64,5	53,7	62,0	37,9	40,2	192,1	595,9
9	Czech Republic	45,2	151,7	82,8	74,0	71,4	68,9	56,4	175,7	726,0
10	Poland	42,3	80,6	76,9	74,5	72,1	66,4	52,7	185,1	650,5
11	Slovak Republic	32,5	65,6	65,5	66,0	51,0	37,2	25,8	131,2	474,8
12	Serbia	22,4	44,3	49,2	56,2	51,6	50,4	50,3	516,6	841,0
13	Mexico	20,5	20,5	20,8	2,9	2,9	2,9	2,9	14,6	88,1
14	Jordan	20,4	41,0	37,0	35,5	32,3	26,2	20,9	63,6	277,0
15	Croatia	20,3	30,3	30,4	39,1	42,0	41,8	37,9	324,1	566,1
16	Slovenia	19,1	25,9	20,8	14,3	11,4	9,4	7,4	6,5	114,8
17	Hungary	18,1	27,4	24,8	23,9	21,8	13,2	9,0	15,1	153,4
18	Ukraine	18,0	21,1	5,6	5,4	5,2	5,0	4,8	15,1	80,3
19	Brazil	17,9	70,3	56,7	43,2	38,0	63,2	83,6	193,7	566,7
20	Bosnia and Herzegovina	17,4	28,9	31,5	31,7	53,9	24,6	23,2	169,8	381,1
21	Syria	17,2	30,2	37,9	37,9	37,9	36,2	36,2	239,9	473,4
22	The former Yugoslav Republic of Macedonia	15,5	27,4	26,7	26,3	27,8	24,0	25,7	102,5	275,8
23	Argentina	10,4	15,4	12,8	12,7	9,9	9,9	3,2	3,2	77,5
24	Serbia and Montenegro	7,0	14,3	14,2	14,2	59,3	56,9	62,5	150,0	378,5
25	Indonesia	5,4	13,5	16,6	12,0	9,7	9,7	9,7	32,9	109,5
26	Albania	5,3	12,0	12,2	12,1	13,4	11,3	11,3	85,5	163,1
27	Cyprus	4,8	9,6	9,7	9,3	7,2	4,8	3,2	0,0	48,5
28	Peru	4,4	6,0	9,0	15,7	16,5	16,4	13,3	40,4	121,8
29	Pakistan	4,3	9,4	10,9	10,9	10,9	8,4	5,8	17,7	78,4
30	China	4,0	7,3	7,4	6,8	6,1	6,3	6,4	25,9	70,2
31	the Philippines	3,9	8,4	9,2	9,2	9,6	5,1	5,1	10,4	60,9
32	Latvia	3,7	6,7	6,5	6,3	5,0	4,9	4,8	18,1	56,1
33	Vietnam	3,5	9,0	13,3	13,7	13,6	13,5	13,3	17,6	97,5
34	Lithuania	3,3	6,4	5,7	5,5	5,3	5,1	5,0	22,6	58,9
35	Algeria	3,2	6,3	6,1	5,9	5,3	4,6	2,0	0,0	33,4
36	Sri Lanka	2,5	2,3	2,8	4,4	7,4	9,5	9,8	54,6	93,4
37	Bangladesh	2,2	4,3	4,3	4,3	4,3	4,2	0,0	0,0	23,6
38	Israel	2,1	4,3	4,5	4,9	4,8	4,9	4,9	32,6	63,1
39	Thailand	2,1	5,3	4,4	4,1	5,5	7,6	1,8	0,0	30,8
40	Russia	1,8	4,8	4,8	4,8	6,9	6,9	6,9	39,2	76,1
41	Costa Rica	1,6	3,2	3,2	3,2	3,2	3,2	0,0	0,0	17,8
42	India	1,6	3,2	3,2	3,2	3,2	3,2	0,0	0,0	17,5
43	The West Bank and the Gaza Strip	1,5	3,7	3,7	3,7	3,7	3,7	3,7	12,7	36,3
44	El Salvador	1,4	2,8	2,2	2,1	1,2	1,5	1,5	5,6	18,3
45	Malaysia	1,4	2,7	2,7	1,6	1,6	0,8	0,0	0,0	10,8
46	Maldives	1,3	1,5	2,6	3,3	3,3	3,3	3,3	11,6	30,1
47	Georgia	1,2	25,0	23,9	14,2	0,0	0,0	0,0	0,0	64,3
48	Colombia	1,2	0,0	3,7	8,7	8,7	8,7	8,7	41,6	81,4
49	Montenegro	0,8	1,5	1,6	2,4	3,1	3,5	3,4	37,3	53,5
50	Tadjikistan	0,7	1,5	1,5	1,5	13,2	12,5	4,1	0,0	34,9
51	Estonia	0,6	1,0	1,0	1,0	0,5	0,0	0,0	0,0	4,1
52	Uruguay	0,5	0,8	1,0	1,1	1,2	1,3	1,4	1,6	9,0
53	Ecuador	0,5	0,0	1,8	3,6	3,6	3,6	3,6	16,2	32,9
54	Malta	0,3	0,6	0,6	0,6	0,6	0,3	0,0	0,0	3,2
55	Panama	0,2	1,4	2,2	2,2	2,2	2,2	2,2	19,5	32,0
56	Republic of Moldova	0,0	0,0	0,0	0,0	0,0	0,1	0,1	0,9	1,3
57	Laos	0,0	0,0	0,0	0,2	0,4	0,4	0,4	30,2	31,6
	Total Outstanding	**1 104,1**	**2 064,6**	**1 963,8**	**1 905,2**	**1 906,4**	**1 781,7**	**1 639,7**	**9 517,1**	**21 882,6**
	Sub-total for Member States	***377,7***	***730,2***	***634,9***	***610,8***	***540,2***	***488,0***	***422,3***	***2 081,7***	***5 885,8***

Member States

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 31.12.2007 to 30.06.2008

As Bulgaria and Romania joined 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 at 31.12.2007 in EUR million	Outstanding amount at 30.06.2008 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**	**435,25**	**434,50**
	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)		14,25	13,50
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**	**435,25**	**434,50**

(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 A3b (1)

European Community (MFA) and Euratom loans to non-member States

Changes in amounts outstanding during six-month period 31.12.2007 to 30.06.2008, broken down by countries and tranche

** Member States as of 01.01.2007*

in EUR million

COUNTRY	Decision	Date of decision	Loan term (years)	Expiry date	Loan situation - closed (a) - partially disbursed (b) - disbursed in full (c) - not yet disbursed (d)	Amount decided	Amount outstanding at 31.12.2007	Operations in six-month period		Amount outstanding at 30.06.2008
								Amounts disbursed	Amounts repaid	
BULGARIA III*	97/472/EC	22.07.97				**250,00**				
1st tranche			10	10.02.2008	(c)	*125,00*	31,25		31,25	0,00
2nd tranche			10	22.12.2008	(c)	*125,00*	31,25			31,25
BULGARIA IV*	99/731/EC	08.11.99				**100,00**				
1st tranche			10	21.12.2009	(c)	*40,00*	20,00			20,00
2nd tranche			-	-	(c)	*60,00*	45,00			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		25,00	50,00
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	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	13.02.2013	(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 31.12.2007 to 30.06.2008, broken down by countries and tranche

in EUR million

COUNTRY	Decision	Date of decision	Loan term (years)	Expiry date	Loan situation - closed (a) - partially disbursed (b) - disbursed in full (c) - not yet disbursed (d)	Amount decided	Amount outstanding at 31.12.2007	Operations in six-month period		Amount outstanding at 30.06.2008
								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*	0,00			0,00
UKRAINE III	98/592/EC	15.10.98				**150,00**				
1st tranche			10	30.07.2009	(c)	*58,00*	29,00			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							**825,00**	**0,00**	**56,25**	**768,75**

TABLE A4 — **LOAN GUARANTEES TO EIB** — **in EUR million**

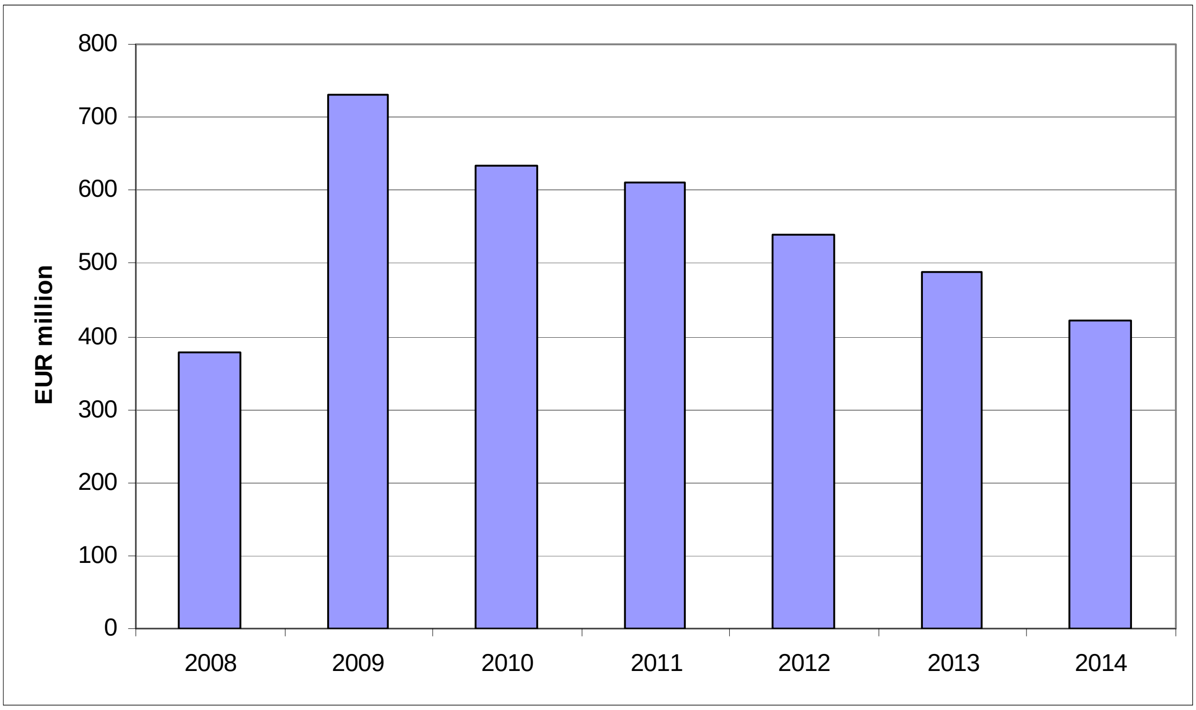
Geographical Area	Decision	Date of decision	Rate of guarantee	Date of guarantee contract	Amount decided	Loans signed (minus cancellations)		Amount outstanding	
						at 31.12.07	at 30.06.08	at 31.12.07	at 30.06.08
MED. Financial protocols(1)		8.03.77	75% (2)	30.10.78/10.11.78	6 062	5 548	5 548	745	674
MED. Horizontal cooperation	R/1762/92/EEC	29.06.92	75% (2)	09.11.92/18.11.92	1 800	1 656	1 656	502	455
TOTAL MED. (3)					**7 862**	**7 204**	**7 204**	**1 247**	**1 129**
C and E Europe I	90/62/EEC(4)	12.02.90	100%	24.04.90/14.05.90	1 000	912	912	127	109
	91/252/EEC(5)	14.05.91	100%	19.01.93/04.02.93	700	493	493	17	11
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	730	677
Asia, Latin America I	93/115/EEC	15.02.93	100%	04.11.93/17.11.93	750	571	571	145	129
Asia, Latin America Interim	96/723/EC	12.12.96	100%	18.03.97/26.03.97	153	139	139	22	19
Asia, Latin America Interim	96/723/EC	12.12.96	70%	21.10.97	122	122	122	21	14
South Africa	95/207/EC	01.06.95	100%	04.10.95/16.10.95	300	285	285	62	51
New mandates	97/256/EC(7)	14.04.97	70%	25.07.97/29.07.97	7 105	6 142	6 142	3 036	2 833
FYROM	98/348/EC	19.05.98	70%	29.07.98/07.08.98	150	150	150	108	114
Bosnia and Herzegovina	98/729/CE	14.12.98	70%	16.06.99/22.06.99	100	100	100	61	59
Turkey Terra	99/786/EC	29.11.99	65%	18.04.00/23.05.00	600	600	600	526	515
Mandates 2000-2007	2000/24/EC(8)	22.12.99	65%	19.07.00/24.07.00 (11)	19 460	18 987	19 008	9 535	9 933
The Baltic Sea basin of Russia	2001/777/EC(9)	06.11.01	100%	06.05.02/07.05.02	100	85	85	76	75
Russia, Belarus, Rep. Of Moldova and Ukraine	2005/48/EC(10)	22.12.04	100%	21.12.05/09.12.05	500	230	230	0	1
Mandate 2007-2013	2006/1016/EC(12)	19.12.06	65%	01.08.07/29.08.07 (13)	27 800	1 898	3 761	78	364
TOTAL					**69 702**	**40 381**	**42 264**	**15 790**	**16 034**

(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 7 204 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 30 June 2008[3]



---

[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. However, on 4 November the Council decided to grant Hungary a loan under the BoP facility of EUR 6.5. In addition, a Commission proposal to the Council foresees an increase of the ceiling of the facility to EUR 25 billion.

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

At 30 June 2008, the EIB had still to disburse a total of EUR 6 350 million under the EUR 20 060 million general mandate 2000– 2007 for third countries:

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

EUR million

	Ceiling	Loans made available (minus cancellations) at 30.06.2008*	to be disbursed
Mediterranean	6 520	6 451	2 206
South-Eastern Neighbours**	10 235	7 395	2 808
Asia, Latin America	2 480	2 175	254
South Africa	825	824	266
Member States*		2 763	816
	20 060	**19 608**	**6 350**

* 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.

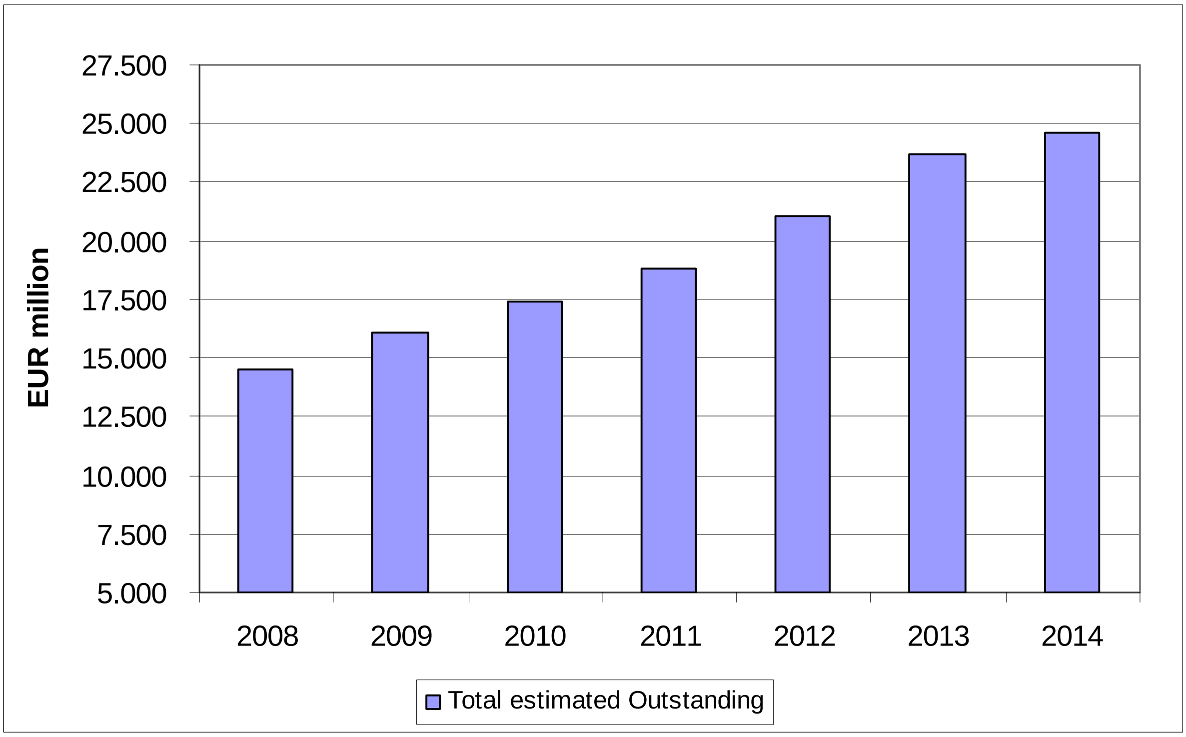
At the same date, an amount of EUR 3 352 million were to be disbursed under the general mandate 2007-2013.

Table A6: Disbursement forecast for EIB loans on general mandate 2007 - 2013

EUR million

	Ceiling	Loans made available (minus cancellations) at 30.06.2008	to be disbursed
A. Pre-Accession Countries	8 700	1 738	1 693
B. Neighbourhood and partnership countries	12 400	1 305	1 202
C. Asia and Latin America	3 800	555	295
D. South Africa	900	163	163
	25 800	**3 761**	**3 352**

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



*It should be noted that, following an action undertaken by the Parliament, on 6 November 2008 the Court of Justice annulled Council Decision 2006/1016/EC since it was not adopted under the correct legal basis. The Court, while annulling the Decision, ordered "*that its effects* *be maintained for EIB financing arrangements entered into before the entry into force, within a period of 12 months from the date of delivery of this judgment, of a new decision adopted on the appropriate legal basis, namely Articles 179 EC and 181a EC together*". The Commission is currently preparing a proposal to the European Parliament and to the Council to this effect.

1.4. Payment under the Budget guarantees[4]

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.

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 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 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 actions[5], the provisions of the Agreement between the Community and the EIB on

---

[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.

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 Community[6]. 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.

---

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).

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.

2.1. Analyses on other countries

2.2. Brazil

Showing considerable resilience to the international financial crisis and the downward trends in commodity markets, the Brazilian economy is expected to grow at around 5% in 2008. Economic growth is primarily driven by domestic demand, with investments showing double-digit growth (around 15% y-o-y in the last four quarters). Private consumption also performed strongly (with an average growth rate of 6.5% in the first two quarters of 2008), reflecting the reduction in unemployment, the increase in real wage mass and the rise in public social expenditure (although the targeted primary budget of the government has increased to 4.3% of GDP). However, FDI inflows remain strong with an expected total of USD 32bn in 2008; furthermore, rising interest rates (from 11.25% at the end of 2007 to 13.75%) should favour portfolio inflows. Having succeeded in paying back in 2006 all its outstanding debt to the IMF and the Paris Club, Brazil's foreign debt ratios have declined significantly. Also, the country has accumulated foreign exchange reserves of USD 215 billion, equivalent to 15 months of good imports. All this had made Brazil clearly less vulnerable to externally induced economic turmoil than in the past. Currently, the most serious vulnerability is the dependence of this favourable picture on commodity prices and capital inflows, worsened by the increased uncertainty in the external scenario.

2.3. Argentina

The global economic downturn and the unstable internal situation - with a long-lasting conflict between farmers unions and the Argentinean government - reduced both consumer and foreign investor confidence, and slowed GDP growth from 8.7% in 2007 to 6.2% in 2008.

High commodity prices still favour the external sector. With final demand being strong, in 2008 exports growth increased by 7 pp to 27%, compared to a growth rate of 33% for imports, implying a decline in the current account surplus from 2.9% of GDP in 2007 to 2.3% in 2008 (this decline is expected to further intensify in 2009). The situation of public finances has deteriorated somewhat in 2007 as government consumption expanded at double-digit figures in the presidential election year. Moreover, the inflation outlook has deteriorated, partly reflecting the strength of domestic demand and a policy of maintaining a relatively undervalued peso. Moreover, uncertainties concerning the legal framework and government policy towards public utilities persist, with further detrimental effects on the confidence of foreign investors. Consequently, international rating agencies Standard & Poor's and Moody's revised their assessment of the country downward.

After having fully repaid its outstanding debt of $9.5 with the IMF in 2006, President Cristina Fernandez recently surprised the markets and announced that the government would repay its $6.7bn debt with the Paris Club using central bank reserves. In case of an agreement with the Paris Club countries, Argentina would not have to submit to surveillance by the IMF, as asked for by its western creditors so far.

2.4. South Africa

South Africa is a middle-income, emerging market economy with an abundant supply of natural resources. It is the dominant economic actor in southern Africa, accounting for 35% of Sub Saharan Africa's GDP. Real GDP growth in 2007 reached 5.1 percent with strong contributions from construction and financial sectors. In the first quarter of 2008 GDP growth fell to 2.1 percent, but rebounded to 4.9 percent in the second quarter, reflecting a strong expansion in particular in mining and manufacturing. The latter could partly be attributed to base effects as electricity supply improved considerably in the second quarter, following severe disruptions in the preceding quarter. Export volumes benefited considerably from the recovery in mining and manufacturing production in the second quarter of 2008. Consequently, the trade deficit narrowed significantly in the second quarter leading also to a smaller current account deficit (-7.3%). Net capital inflows on the financial account were sufficient to finance the deficit on the current account and to further increase international reserves. Inflation gained further momentum in the first half of 2008 (11.6% in June 2008) with indications of second-round inflationary forces. These motivated a further tightening of monetary policies. The inflation outlook foresees inflation to fall substantially in 2009 and to fall back into the 3 to 6 percent inflation target range within 2010.

The rising risks in financial markets globally have had a negative impact on South African financial indicators. The South African Rand had declined in value against major currencies (25% against the Euro in 2008 by 4 November). The SA economy will mainly be affected by a slowdown of the global economy implying reduced export growth. The financing of the current account deficit (8-9%) has become less assured, while rising inflation (11%) gives little room for a monetary policy response. However, a good growth performance in recent years contributed to good fundamentals. Fiscal policy was prudent, thus running a budget surplus since 2006 and bringing public debt below 30% of GDP. External debt is also below 30% of GDP – close to half of it is denominated in rand. Foreign reserves are relatively high covering 200% of short-term external debt and 3.3 months of imports of goods and services.

2.5. New Independent States

In ***Georgia,*** the economic performance was strong in the first half of 2008 with real GDP growth of 8.5%. After the August 2008 war with Russia, the outlook is very uncertain. At present economic growth is projected to slow down to about 4%. The 12-month inflation decelerated somewhat to about 10% by mid-2008 owing to the monetary tightening. The current account deficit of about 20% of GDP has been financed by private capital inflows. Some delays are now likely in the planned foreign direct investment (after a FDI peak of 15.3% of GDP in 2007) to a projected 9% of GDP this year. The banking sector's borrowing in foreign capital markets supported strong credit expansion and economic growth. Given that the banks' access to the international markets is deterred in the present financial market turmoil, the banks are mitigating their refinancing risks by consolidating their balance sheets. Public spending (especially in the military, in total at equivalent to 8% of GDP) continued to increase in the course of 2008, and the fiscal deficit is estimated at 6.3% of GDP in 2008. Privatisation proceeds help finance the deficit (about 3% of GDP coming from privatisation against about 5% of GDP in 2007). The Georgian Government also placed its first ever Eurobond issue of USD 500 million in April. Therefore, the external public debt is set to increase from 17.5% of GDP in 2007 to 21%. In August, Standard & Poor's lowered Georgia's sovereign credit rating to B (now with stable outlook). Georgia is receiving immediate financial assistance from the international community, including a new agreement with the IMF and significant grant assistance from the US, EU and other bilateral donors.

In ***Ukraine***, robust real GDP growth continued at 6.3% in the first half of the year, supported by a strong credit growth and an increase in real incomes. The 12-month consumer price inflation continued to accelerate, peaking at 31% in May 2008, driven by food prices that account for about 50% of the consumption basket of the index. The current account balance deteriorates rapidly and is projected to reach a deficit of about 7% of GDP in 2008. The external environment is becoming more challenging for Ukraine. The terms of trade have turned negative as steel export prices in the world markets are coming down and Ukraine's energy import prices continue on an upward trend. Fiscal deficit is kept at below 2% of GDP as robust economic growth has supported the government's revenue collection. Ukraine's public external debt is set to decline to below 10% of GDP, while the banking sector's borrowing in foreign capital markets has driven the total external debt to about 60% of GDP. The main risks relate to the international financial market turmoil and the political deadlock in the country, which has delayed crucial structural reforms. More flexibility in the exchange rate policy is welcome to address the growing macroeconomic policy challenges in the Ukrainian economy. Some fluctuation in the hryvnia rate was allowed after May following a long period of a de facto peg to the US dollar. Standard & Poor's lowered Ukraine's sovereign long-term credit rating to B+ in June, given the growing imbalances of the economy.

2.6. Mediterranean partners

gypt's economic growth accelerated from 7.1% in fiscal year 2007 to 7.2% in fiscal year 2008 underpinned by investment, especially foreign direct investments, and private consumption (also via tourism). However, the unfolding global financial crisis will sooner or later affect the economy of Egypt. The financial sector already shows the first signals. Coupled to the stock markets of developed countries, the Egyptian stock market capitalisation has lost since May of this year more than 50%, equalling a loss of more than 30% of GDP. This impacts the funding for enterprises negatively. The privatisation process for state companies is also stagnating. The multitude of public enterprises is draining the government budget and hampers a proper functioning of the internal market. Apart from the negative effects in the financial sector, the real economy will be hit by a fall in global demand, a slowdown in the tourism sector and a fall in inward foreign direct investment. On a positive side, inflation will come down from its current level of more than 20% y-o-y. In the medium term, the lower energy prices are expected to bring down the still soaring food prices. So far, the government finances have been stable, with deficits in the range of 7 to 8% of GDP. For this reason gross government debt is high, at almost 90% of GDP. The sustainability of public finances will come further under pressure when economic growth starts slowing down.

Lebanon appears potentially vulnerable to the unfolding financial crisis because of the linkages to trade flows and the sheer weight of the financial sector in the national economy. Emerging markets that are highly dependant on capital inflows – such as Lebanon – are among the most vulnerable to risk aversion to the extent that finance lines and capital inflows will be hurt, and onshore US dollar borrowing rates will rise. On the positive side, however, the importance of Lebanon as a centre through which petrodollars earned by Gulf States are recycled, the stable exchange rate to the dollar, and the high level of remittances inflows provide a cushion. Nevertheless, in recent months the ongoing fall in Lebanese share prices reflects the negative sentiment from global markets. In the wake of risk aversion, weaker foreign investment inflows might take their toll on investment. Rising inflation also remains a concern. According to the new index of CPI inflation, consumer prices were 7.5% higher in August than in December of 2007, implying a y-o-y inflation rate of around 14%, led by soaring food and energy prices. In 2007, Lebanon was the middle income country with the highest share of FDI inflows in domestic investment (64%). Lebanon is one of the countries in the southern Mediterranean region most vulnerable to the impact of soaring prices in view of the weight of food and energy in the consumption basket and of the still very high level of public debt (even though it is estimated to decline from 171 % of GDP in 2007 to 143 % of GDP in 2008. Higher refinancing costs in the wake of global financial problems would further weigh on the budget. However, for lack of recent fiscal data, the impact on the budget is difficult to estimate at this juncture.

In ***Tunisia***, GDP growth is expected to reach close to 6% in 2008, after some years of quite buoyant economic growth,. The gross public debt ratio has gradually declined to a projected level of just over 50% of GDP. Tunisia seems relatively well placed to face the economic headwinds from the expected downturn in the global economy, although ongoing reforms are needed to increase resilience and bolster potential growth. That said, the worsening in external conditions certainly poses challenges. The rise in food prices experienced in the course of the year is burdening public finances via the extensive subsidies in place, and is expected to lead to an increase in government expenditure of around 0.8 pp of GDP in 2008. Consumer price inflation remained relatively stable over the summer, unlike the sharp rises witnessed in some other southern Mediterranean countries, and reached 4.5% in August. It seems, however, that a combination of government controls and delays in the pass-through of soaring commodity prices through the supply chain entail inflationary pressures in the pipeline. The further increase in the rate of producer price inflation to 13.8% in August testifies to this.

Official figures forecast real GDP growth in ***Morocco*** at 6.8% in 2008. Recent estimates, however, point to a rather more moderate growth rate around 6%. The economy continues to be dependent on the vagaries of agricultural output (the agriculture sector still accounts for some 14% of GDP and employs 42% of the population). Overall economic growth is still vulnerable to agriculture volatility. Non-agricultural GDP growth reached 6.6% in 2007 and it should keep a steady growth trend at around 6% in 2008 and 2009. The overall fiscal deficit is projected to widen to 3.8% in 2008 from a close-to-balance position in 2007, driven by the upward surge in the fiscal cost of Morocco's universal subsidy scheme following the sharp increase in world commodity and oil prices. The expansion in wages and the great increase in food and petroleum subsidies are the key factors behind the substantial deterioration of the public finances in 2008. Total government debt was 54% of GDP at the end of 2007 down from 58% in 2006, although growing public deficits can put upward pressure on the forecast debt level for the future, particularly in a period of decreasing privatization revenues. Subsidies have helped keep inflationary pressures down, although the international food and oil price hikes have hit hard Morocco and consumption price inflation is forecast to average 5% in 2008. The moderation of international commodity prices should help to bring inflation down to an average of 4.7% in 2009. The external environment remains shaped by a substantial trade deficit standing in 2007 at 19% of GDP. Morocco's disappointing trade performance is linked to scarce product and market diversification, a low productivity of the labour force, a loss of competitiveness in international markets, and the failure to enforce some trade agreements. Large increases in tourism revenues and remittances have been insufficient to offset the trade deficit resulting in a slightly negative current account balance standing at 0.1% of GDP in 2007. However, rising GDP is expected to consolidate the steady fall in the external debt-to-GDP ratio about 24% of GDP at the end of 2007.

3. 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

3.1. Country-risk indicators (tables):

Country-risk indicators

Country: Bosnia & Herzegovina

		footnotes	2006	2007	2008 Forecast
Real GDP growth rate	(%)		6.7	6.8	n.a
Industrial production	(% change)				
Federation			7.5	8.6	6.7
Republika Srpska			19.1	1.4	10.6
Unemployment (end of period)	(% of labour force)	(1)	44.2	42.9	39.3
Inflation rate (CPI) (12 month average)	(% change)		6.1	1.5	5
					1.96
Exchange rate (end of period)	KM per EUR		1.96	1.96	1.24
	KM per USD		1.49	1.33	
General government balance (after grants)	(% of BiH GDP)		2.9	1.3	
Balance of payments					
Exports of goods and services	(m EUR)		3581	4053	1712
Current account balance	(% of GDP)		-8.4	-12.6	n.a
Net inflow of foreign direct investment	(m EUR)		561	1468	300
Official reserves, including gold (end of period)					
m EUR			2789	3426	3339
months' imports of goods and services			5.2	6.6	4.9
External debt					
Convertible currency external debt (end of period)	(m EUR)	(2)	2082	1997	1983
Convertible currency debt service	(m EUR)	(2)	138.1	122.3	n.a
principal	(m EUR)		87	70.8	n.a
interest	(m EUR)		51.1	51.5	n.a
External debt/GDP	(%)	(2)	21.3	18.5	n.a
External debt/exports of goods and services	(%)	(2)	58	49.1	n.a
Debt service/exports of goods and services	(%)	(2)	3.8	3	n.a
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)	2.73	3.63	3.61
EU exposure/external debt	(%)		11.29	18.52	19.22
EU exposure/exports of goods and services	(%)		6.40	9.12	11.13
IMF arrangements					
Type					
(Date)					
On track					
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)			none	none	none
Euromoney			03/06 09/06	03/07 09/07	09/07 03/08
Position in the ranking		(b)	110 105	104 107	107 106
(number of countries)			(185) (185)	(185) (185)	(185) (185)

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.

Indicateurs de risque-pays

Pays: BRAZIL

		footnotes	2006	2007	2008 Forecast
Taux de croissance du PIB réel	(%)		3.8	5.4	4.6
Production industrielle	(variation en %)		2.8	6	5
Taux de chômage (fin de période)	(% de la main-d'oeuvre)		10.0	9.3	9.0
Taux d'inflation (IPC) (déc./déc.)	(variation en %)		3.1	4.5	4.4
Taux de change (fin de période)	(Reais pour EUR)		2.7		
Solde des administrations publiques	(en % du PIB)		-2.8	-2.1	-1.6
Balance des paiements					
Exportations de biens	(m EUR)		109748	116800	123431
Balance des opérations courantes	(en % du PIB)		1.3	0.3	-0.7
Entrées nettes d'investissements directs étrangers	(m EUR)		14973	25246	21702
Réserves officielles, or compris (fin de période)					
m EUR			68333	131127	151441
en mois d'importations de biens			8.0	14	15
Dette extérieure					
Dette extérieure en devises convertibles (fin de période)	(m EUR)		158800	177960	168120
Service de la dette convertible	(m EUR)		33340	na	na
principal	(m EUR)		23175	na	na
intérêts	(m EUR)		10165	na	na
Dette extérieure/PIB	(%)		18.7	18.5	15.0
Dette extérieure/exportations de biens	(%)		145	152	136
Service de la dette/exportations de biens	(%)		34	na	na
Arriérés (intérêts et principal)	(m EUR)		no	no	no
Accords d'allégement de la dette et de rééchelonnement	(m EUR)		no	no	no
Indicateurs du risque de l'UE					
Risque UE/Risque total UE	(%)	(a)	5.69	4.35	4.49
Risque UE/Dette extérieure	(%)		0.38	0.26	0.34
Risque UE/Exportations de biens	(%)		0.45	0.36	0.46
Accords FMI					
Type			No	No	No
(Date)					
En cours					
Indicateurs de la solvabilité perçue par le marché					
Cotation Moody's pour les emprunts en devises à long terme (fin de période)			Ba3	Ba1	Ba1
Cotation S&P pour les emprunts en devises à long terme (fin de période)			BB	BB+	BB+
Euromoney			03/06 09/06	03/07 09/07	09/07 03/08
Position dans le classement		(b)	69 66	67 66	66 63
(nombre de pays)			(185) (185)	(185) (185)	(185) (185)

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

Country-risk indicators

Country: Croatia

		footnotes	2006	2007	2008 Forecast
Real GDP growth rate	(%)		4.8	5.6	3.8
Industrial production	(% change)		4.5	5.6	4.3
Unemployment (end of period)	(% of labour force)		11.2	11.0	14
Inflation rate (CPI) (Dec/Dec)	(% change)		2.1	5.8	6.2
Exchange rate	(kuna per EUR)		7.3	7.3	7.28
General government balance	(% of GDP)		-2.5	-1.6	1.3
Balance of payments					
Exports of goods and services	(m EUR)		16 998	18 372	7838
Current account balance	(% of GDP)		-7.9	-8.6	-8
Net inflow of foreign direct investment	(m EUR)		2 561	3 419	1738
Official reserves, including gold (end of period)	(m EUR)		8 725	9 307	n.a
months' imports of goods and services			5.3	5.2	n.a
External debt					
Convertible currency external debt (end of period)	(m EUR)		29 274	32 929	
Convertible currency debt service	(m EUR)		5 949	6 063	
principal	(m EUR)		5 864	5 975	
interest	(m EUR)		833	805	
External debt/GDP	(%)		85.5	87.9	
External debt/exports of goods and services	(%)		172	179	
Debt service/exports of goods and services	(%)		35.0	33.0	
Indicators of EU exposure					
EU exposure/total EU exposure	(%)		6.32	5.74	5.37
EU exposure/external debt	(%)		1.88	1.77	N/A
EU exposure/exports of goods and services (a)	(%)		3.24	3.18	3.61
IMF arrangements					
Type			Precautionary stand-by		
(Date)			programme 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)			Baa3	Baa3	Baa3
S&P long-term foreign currency rating (end of period)			BBB	BBB	BBB
Euromoney			03/06 09/0	03/07 09/0	09/07 03/08
Position in the ranking			56 54	54 56	56 56
(number of countries)			(185) (185	(185) (185	(185) (185)

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

Country-risk indicators

Country: Egypt

		footnotes	2006	2007	2008 Forecast
Real GDP growth rate	(%)		6.8	7.1	7.2
Unemployment (average)	(% of labour force)	-1	11.5	9.5	8.9
Consumer price Inflation (average)	(% change)		4.2	11.0	11.7
Exchange rate (end of period, + is depreciation of LE)	(LE per EUR)		7.2	7.5	8.1
General government balance	(% of GDP)		-9.2	-7.5	-7.8
Balance of payments					
Exports of goods and services f.o.b.	(bn USD)		35.9	42.5	56.6
Current account balance	(% of GDP)		1.6	1.7	0.5
Net inflow of foreign direct investment	(bn USD)		6.0	10.5	12.1
Official reserves, including gold (end of period)					
bn USD			22.9	28.6	34.6
in months of next years imports of goods and services			5.9	6.1	
External debt					
Convertible currency external debt (end of period)	(bn USD)		29.6	29.9	33.9
Convertible currency debt service	(bn USD)		59.6	54.7	60.0
principal	(bn USD)				
interest	(bn USD)				
External debt/GDP	(%)		27.6	22.8	20.1
External debt/exports of goods and services	(%)				
Debt service/exports of goods and services	(%)		1.7	1.3	1.1
Arrears (on both interest and principal)	(m USD)				
Debt relief agreements and rescheduling	(m USD)				
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	17.92	16.49	17.70
EU exposure/external debt	(%)		N/A	N/A	8.68
EU exposure/exports of goods and services	(%)		5.86	5.96	5.20
IMF arrangements					
Type			-	-	
(Date)			-	-	
On track			-	-	
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+	BB+	BB+
Euromoney			03/06 09/06	03/07 09/07	09/07 03/08
Position in the ranking		(b)	68 68	71 69	69 68
(number of countries)			(185) (185)	(185) (185)	(185) (185)

Sources: International Monetary Fund.

Footnotes
(a) (b) See explanatory notes at beginning of tables.
-1 Officially registered unemployed.

Country-risk indicators

Country: Former Yugoslav Republic of Macedonia

		footnotes	2006	2007	2008 Forecast
Real GDP growth rate	(%)	(1)	3.90	5.00	6.00
Industrial production	(% change)	(1)	0.80	2.70	12.00
Unemployment (end of period)	(% of labour force)	(1)	36.00	35.80	33.80
Inflation rate (CPI)	(% change)	(2)	3.20	2.00	9.30
Exchange rate (end of period)	(L£ per USD)	(2)	61.20	61.20	61.20
General government balance		(1)	-0.50	0.60	2.50
Exports of goods and services	(m EUR)	(1)	2445.89	3077.9	1675.8
Current account balance	(% of GDP)	(1)	-0.9	-3.0	-134.0
Net inflow of foreign direct investment	(m EUR)	(1)	344.6	240.1	279.4
Official reserves, including gold (end of period)	(m EUR)				
m EUR	(m EUR)	(1)	1416.7	1524.4	1628.1
months' imports of goods and services		(1)	5.10	5.30	3.50
Convertible currency external debt (end of period)	(m EUR)	(1)	2495.2	2711.5	3008.7
Convertible currency debt service	(m EUR)	(1)	455.6	323.5	n.a.
principal	(m EUR)	(1)	389.9	295.5	n.a.
interest	(m EUR)	(1)	65.6	28.1	n.a.
External debt/GDP	(m EUR)	(1)	49.1	50.4	55.9
External debt/exports of goods and services	(%)		102.02	88.10	97.75
Debt service/exports of goods and services	(%)		18.63	10.51	n.a.
Arrears (on both interest and principal)	(%)		none	none	none
Debt relief agreements and rescheduling	(%)		none	none	none
EU exposure/total EU exposure	(%)	(a)	2.47	2.62	2.61
EU exposure/external debt	(%)		11.33	9.82	9.17
EU exposure/exports of goods and services	(%)		9.32	8.63	8.23
Type			SBA	SBA	SBA
(Date)			08/05-08/08	08/05-08/08	08/05-08/08
On track		(1)	yes	yes	expired
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			03/06 09/06	03/07 09/07	09/07 03/08
Position in the ranking			83 82	82 83	83 79
(number of countries)			(185) (185)	(185) (185)	(185) (185)

(1) The arrangement expired end of August. For the time being, no follow-up arrangement is envisaged.
(a) See explanatory notes at beginning of the tables

Country-risk indicators

Country: Georgia

		footnotes	2006	2007	2008 Forecast
Real GDP growth rate	(%)		9.4	12.4	3.5
Industrial production	(% change)		15.9	15.0	n.a.
Unemployment (end of period)	(% of labour force)		13.6	13.3	n.a.
Inflation rate (CPI) (Dec/Dec)	(% change)		8.8	11.0	8.0
Exchange rate (end of period)	(Lari per USD)		1.71	1.59	n.a.
General government balance	(% of GDP) (commitments)		-3.0	-4.7	-6.3
Balance of payments					
Exports of goods and services	(m USD)		2567	3240	3500
Current account balance	(% of GDP)		-15.9	-20.0	-20.8
Net inflow of foreign direct investment	(m USD)		1076	1562	1200
Official reserves, including gold (end of period)					
m USD			881	1361	1270
months' imports of goods and services			2.2	3.2	2.5
External debt					
Convertible currency external debt (end of period)	(m USD)		1697	1790	2800
Convertible currency debt service	(m USD)		270	171	n.a.
principal	(m USD)		234.4	131.7	n.a.
interest	(m USD)		36.0	38.9	n.a.
External debt/GDP	(%)		21.9	17.8	21.0
External debt/exports of goods and services	(%)		66	57	80
Debt service/exports of goods and services	(%)		7.2	5.3	n.a.
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)	0.98	0.64	0.61
EU exposure/external debt	(%)		6.62	5.19	3.62
EU exposure/exports of goods and services	(%)		4.50	2.94	2.90
IMF arrangements					
Type			PRGF	PRGF	Stand-by
(Date)			(06/04-06/07)	(06/04-06/07)	(09/08-03/10)
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			03/06 09/06	03/07 09/07	09/07 03/08
Position in the ranking		(b)	106 120	119 125	125 126
(number of countries)			(185) (185)	(185) (185)	(185) (185)

Footnotes
(a) (b) See explanatory notes.

Country-risk indicators

Country: Lebanon

		footnotes	2006	2007	2008 Forecast
Real GDP growth rate	(%)		0.0	4	6.0
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)		5.6	4.1	12.4
Exchange rate (av)	(L£ per USD)		1508	1508	1508
General government overall balance	(% of GDP)		-11.1	-12	-9.2
Primary balance	(% of GDP)		1.7	0.8	2.6
Total government debt	(% of GDP)		177	171	143
Balance of payments					
Exports of goods and services	(m USD)		2 715	3 681	4 565
Current account balance	(% of GDP)		-6.0	-10.7	-9.4
Net inflow of foreign direct investment	(m USD)		2 723	2 297	n.a.
Official reserves, including gold (end of period)	(gross useable)				
m USD			16 014	17 417	22 838
months' imports of goods and services			17.5	15.7	16.1
External (foreign currency) government debt					
Convertible currency external debt (end of period)	(m USD)		20 330	21 221	21 550
Convertible currency debt service	(m USD)		1 677	1 511	1 534
principal	(m USD)		n.a.	n.a.	n.a
interest	(m USD)		n.a.	n.a.	n.a
Foreign currency debt/GDP	(%)		90.0	84	n.a
External debt/GDP	(%)		93.4	86.1	76.9
External debt/exports of goods and services	(%)		748	576	472
Debt service/exports of goods and services	(%)		61.7	41	33.6
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	(%)		3.79	3.47	4.74
EU exposure/external debt	(%)		2.14	2.45	3.66
EU exposure/exports of goods and services	(%)		16.01	14.15	17.27
IMF arrangements					
Type			-	-	EPCA II
(Date)			-	-	adopted 3-11
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-	CCC+
Euromoney			03/06 09/06	03/07 09/07	09/07 03/08
Position in the ranking			98 106	111 116	116 127
(number of countries)			(185) (185)	(185) (185)	(185) (185)

Sources: IMF

Country-risk indicators

Country: Montenegro

		footnotes	2006	2007	2008 Forecast
Real GDP growth rate	(%)		8.6	8.2	8.0
Industrial production	(% change)		1.0	0.1	4.1
Unemployment (end of period)	(% of labour force)		14.7	11.9	11.6
Inflation rate (CPI) (Dec/Dec)	(% change)		2.8	7.7	9.0
Exchange rate (end of period)	(EUR per EUR)		1.0	1.0	1.0
General government balance	(% of GDP)		2.7	7.4	3.0
Balance of payments					
Exports of goods and services	(m EUR)		920.9	1 333.8	473.6
Current account balance	(% of GDP)		-24.7	-34.1	-39.1
Net inflow of foreign direct investment	(m EUR)		475.0	524.9	311.5
Official reserves, including gold (end of period)					
m EUR			310.3	490.4	526.9
months' imports of goods and services			2.7	2.6	2.8
External debt					
Convertible currency external debt (end of period)	(m EUR)		889	1 164	1 457
Convertible currency debt service	(m EUR)		n.a.	n.a.	n.a.
principal	(m EUR)				
interest	(m EUR)				
External debt/GDP	(%)		44.9	52.8	59.4
External debt/exports of goods and services	(%)		94.2	87.2	:
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	(%)		0.86	0.62	0.51
EU exposure/external debt	(%)		8.40	5.41	3.67
EU exposure/exports of goods and services	(%)		8.10	4.84	5.65
IMF arrangements					
Type			none	none	none
(Date)					
On track					
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			none	Baa1	Baa1
S&P long-term foreign currency rating (end of period)			BB/Positive/B	BB+/Stable/B	BB+/Negative/B
Euromoney			03/06 09/06	03/07 09/07	09/0703/08
Position in the ranking			none	none	none
(number of countries)			(185) (185)	(185) (185)	(185) (185)

Country-risk indicators

Country: Morocco

		footnotes	2006	2007	2008 Forecast
Real GDP growth rate	(%)		7.8	2.7	6.5
Unemployment (average)	(% of labour force)	(a)	9.7	9.8	…
Wholesale price Inflation (average)	(% change)		3.3	2	5
Exchange rate (end of period)	(MDH per USD)		8.8	8.2	…
General government balance	(% of GDP)		-2.3	-0.5	-3.8
Balance of payments					
Exports of goods and services f.o.b.	(bn USD)		35.1	41.5	
Current account balance	(% of GDP)		2.2	-0.1	-0.7
Net inflow of foreign direct investment	(bn USD)		2.0	1.9	…
Official reserves, including gold (end of period)					
bn USD			20.2	24.0	28.2
in months of next years imports of goods and services			7.0	6.5	6.8
External debt					
Convertible currency external debt (end of period)	(bn USD)				
Convertible currency debt service	(bn USD)				
principal	(bn USD)				
interest	(bn USD)				
External debt/GDP	(%)		23.9	23.8	21.1
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	(%)	(1)	13.62	12.52	17.18
EU exposure/external debt	(%)		N/A	N/A	N/A
EU exposure/exports of goods and services	(%)		4.45	4.52	N/A
IMF arrangements					
Type			-	-	
(Date)			-	-	
On track			-	-	
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+	BB+	BBB-
Euromoney			03/06 09/06	03/07 09/07	09/07 03/08
Position in the ranking		(2)	66 65	*65 65*	65 66
(number of countries)			(185) (185)	(185) (185)	(185) (185)

Sources: International Monetary Fund.

Footnotes
(1) (2) See explanatory notes at beginning of tables.
(a) Officially registered unemployed.

Country-risk indicators

Country: Serbia

		footnotes	2006	2007	2008 forecast
Real GDP growth rate	(%)		5.7	7.5	7.3
Industrial production	(% change)		4.7	3.7	4.2
Unemployment (end of period)	(% of labour force)		21.6	18.8	15.1
Inflation rate (RPI) (Dec/Dec)	(% change)		12.7	6.8	11.6
Exchange rate (end of period)	(CSD per EUR)		83.91	79.90	81.66
General government balance	(% of GDP)		-1.5	-1.9	-0.4
Balance of payments					
Exports of goods and services	(m EUR)		6 649	8 087	NA
Current account balance	(% of GDP)		-9.4	-12.4	-18.9
Net inflow of foreign direct investment	(m EUR)		3 235	1 505	NA
Official reserves, including gold (end of period)					
m EUR			9 025	9 641	NA
months' imports of goods and services			9.5	8.2	NA
External debt					
Convertible currency external debt (end of period)	(m EUR)		14 876	17 983	
Convertible currency debt service	(m EUR)		1 974	2 140	
principal	(m EUR)		NA	NA	
interest	(m EUR)		NA	NA	
External debt/GDP	(%)		58.4	62.0	
External debt/exports of goods and services	(%)		224	222	
Debt service/exports of goods and services	(%)		29.7	26.5	
Arrears (on both interest and principal)	(m EUR)		301	1 763	
Debt relief agreements and rescheduling		(1)	yes	no	
Indicators of EU exposure					
EU exposure/total EU exposure	(%)	(a)	7.70	7.97	7.97
EU exposure/external debt	(%)		4.51	4.52	N/A
EU exposure/exports of goods and services	(%)		10.10	10.04	N/A
IMF arrangements					
Type			-	-	
(Date)			-	-	
On track			-	-	
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			none	none	none
S&P long-term foreign currency rating (end of period)		(2)	BB-	BB-	BB-
Euromoney			03/06 09/06	03/07 09/07	09/07 03/08
Position in the ranking		(b)	104 93	87 87	87 88
(number of countries)			(185) (185)	(185) (185)	(185) (185)

Footnotes

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

(2) Serbia B+, Montenegro BB. (2006)

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

Country: South Africa

		footnotes	2006	2007	2008 forecast
Real GDP growth rate	(%)		5.4	5.1	3.5
Industrial production	(% change)		6.2	5.8	4.5
Unemployment (end of period)	(% of labour force)		25.5	23.0	22.9
Inflation rate (CPI) (Dec/Dec)	(% change)		4.7	7.1	11.3
Exchange rate (end of period)	(SAR per EUR)		9.31	10.04	12.00
General government balance	(% of GDP)		0.4	0.9	0.5
Balance of payments					
Exports of goods and services	in bn US $		76.2	89.5	108.6
Exports of goods and services	(m EUR)		60658	65293	74282.4
Current account balance	(% of GDP)		-6.5	-7.3	-9.0
Net inflow of foreign direct investment	(m EUR)				
Official reserves, including gold (end of period)			$25,6bn	$33,0bn	$36.6bn
m EUR			32159	45234	53509
months' imports of goods and services			3.3	3.4	3.4
External debt					
Convertible currency external debt (end of period)	(m EUR)				
Convertible currency debt service	(m EUR)				
principal	(m EUR)				
interest	(m EUR)				
External debt to official creditors/GDP	(%)		2.0	1.8	1.6
External debt/exports of goods and services	(%)				
Debt service/exports of goods and services	(%)		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)	8.27	9.01	5.65
EU exposure/external debt	(%)		N/A	N/A	N/A
EU exposure/exports of goods and services	(%)		1.54	1.72	0.80
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			03/06 09/06	03/07 09/07	09/07 03/08
Position in the ranking		(b)	55 55	55 55	55 55
(number of countries)			(185) (185)	(185) (185)	(185) (185)

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

Country-risk indicators

Country: Turkey

		footnotes	2006	2007	2008 forecast
Real GDP growth rate	(%)		6.9	4.6	4.2
Industrial production	(% change)		5.8	5.4	2.5
Unemployment (end of period)	(% of labour force)		9.9	9.9	10.2
Inflation rate (CPI) (Dec/Dec)	(% change)		9.6	8.8	9.9
Exchange rate (end of period)	(TL per EUR)		1.80	1.78	1.88
General government balance	(% of GDP)		-0.1	-1.2	-1.1
Balance of payments					
Exports of goods and services	(m EUR)		67724	72815	78290
Current account balance	(% of GDP)		-6.1	-5.7	-6.3
Net inflow of foreign direct investment	(m EUR)		15004	13427	8862
Official reserves, including gold (end of period)					
m EUR			48139	48438	46016
months' imports of goods and services			5.9	5.3	4.8
External debt					
Convertible currency external debt (end of period)	(m EUR)		142857	133808	165000
Convertible currency debt service	(m EUR)		98901	92637	100000
principal	(m EUR)		76815	69296	74804
interest	(m EUR)		22086	23341	25196
External debt/GDP	(%)		35.1	32.1	36.9
External debt/exports of goods and services	(%)		210.9	183.8	210.8
Debt service/exports of goods and services	(%)		146.0	127.2	127.7
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)	22.63	24.51	39.10
EU exposure/external debt	(%)		1.47	1.99	2.50
EU exposure/exports of goods and services	(%)		2.91	3.14	5.27
IMF arrangements					
Type			SBA	SBA	SBA
(Date)			(05/08)	(05/08)	(until 05/08)
On track			yes	yes	yes
Indicators of market's perception of creditworthiness					
Moody's long-term foreign currency rating (end of period)			Ba3	Ba3	Ba3
S&P long-term foreign currency rating (end of period)			BB-	BB-	BB-
Euromoney			03/06 09/06	03/07 09/07	09/07 03/08
Position in the ranking		(b)	71 69	69 68	68 69
(number of countries)			(185) (185)	(185) (185)	(185) (185)

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

Country-risk indicators

Country: Ukraine

		footnotes	2006	2007	2008 (forecast)
Real GDP growth rate	(%)		7.3	7.6	6.4
Industrial production	(% change)		6.2	10.2	n.a.
Unemployment (ILO definition)	(% of labour force)		7.4	6.7	n.a.
Inflation rate (CPI) (Dec/Dec)	(% change)		11.6	16.6	18.5
Exchange rate (end of period)	(Hryvnia per USD)		5.05	5.05	n.a.
General government balance	(% of GDP)		-1.3	-2.0	-1.2
Balance of payments					
Exports of goods and services	(m USD)		50239	64001	75000
Current account balance	(% of GDP)		-1.5	-3.7	-7.2
Net inflow of foreign direct investment	(m USD)		5737	9218	12700
Official reserves, (end of period)					
m USD			21900	32460	36500
months' imports of goods and services			4.2	5.3	5.0
External debt					
Public external debt (end of period)	(m USD)		14800	15600	15500
Public external debt service	(m USD)		2590	2500	2200
principal	(m USD)		1675		
interest	(m USD)		915		
External debt/GDP	(%)		12.2	10.7	8.5
External debt/exports of goods and services	(%)		25.7	23.6	20.5
Debt service/exports of goods and services	(%)		5.1	3.9	3.0
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)	0.73	0.86	0.76
EU exposure/external debt	(%)		0.61	0.78	0.82
EU exposure/exports of goods and services	(%)		0.17	0.19	0.17
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)			B2	Ba3	B1
S&P long-term foreign currency rating (end of period)			BB-	BB-	BB-
Euromoney			03/06 09/06	03/07 09/07	09/07 03/08
Position in the ranking		(b)	78 78	76 80	80 76
(number of countries)			(185) (185)	(185) (185)	(185) (185)

Footnotes
(a) (b) See explanatory notes.