



DIRECTORATE GENERAL FOR INTERNAL POLICIES

DIRECTORATE FOR ECONOMIC & SCIENTIFIC POLICIES

ECONOMIC GOVERNANCE SUPPORT UNIT (EGOV)

FINANCIAL ASSISTANCE TO EU MEMBER STATES

"STATE OF PLAY", 3 October 2012

This table provides regular monthly update on the EU Member States receiving financial assistance in the form of either Balance of Payments assistance, Economic Adjustment Programme or Assistance to Financial Institutions from EFSM and/or EFSF/ESM.

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State-of-play of financial assistance instruments in the EU

	ROMANIA	GREECE	IRELAND	PORTUGAL	SPAIN	CYPRUS
Type	Pre-cautionary Balance of Payments Assistance	Economic Adjustment Programme	Economic Adjustment Programme	Economic Adjustment Programme	EU Financial Assistance for Recapitalisation of Financial Institutions	Economic Adjustment Programme (tbc)
Duration	2011-2013	2010-2014	2010-2013	2011-2014	2012-2013	2012-
MoU	29 June 2011	3 May 2010 and 14 March 2012	03 December 2010	17 May 2011	20 July 2012	request made on 25 June
Conditionality	<ul style="list-style-type: none"> ▶ fiscal consolidation ▶ financial sector regulation and supervision ▶ fiscal governance and structural fiscal reforms <p><i>*[for the 1st programme 2009-2011 see the next page]</i></p> <ul style="list-style-type: none"> ▶ monitoring by EC, ECB and IMF <p>See June 2012 Euro Summit conclusions for a more flexible use of the ESM</p>	<ul style="list-style-type: none"> ▶ fiscal consolidation ▶ reforms in labour market ▶ recapitalisation and supervision of banks ▶ dismissal (privatisation) of State assets ▶ successful debt exchange with Private Sector (PSI) ** <ul style="list-style-type: none"> ▶ monitoring by EC, ECB and IMF 	<ul style="list-style-type: none"> ▶ financial sector reforms and recapitalization of banks ▶ fiscal consolidation and reduction of deficit ▶ reforms in labour market <ul style="list-style-type: none"> ▶ monitoring by EC, ECB and IMF 	<ul style="list-style-type: none"> ▶ reforms in labour market ▶ reduction of public deficit and debt ▶ recapitalization and supervision of banks <ul style="list-style-type: none"> ▶ monitoring by EC, ECB and IMF 	<ul style="list-style-type: none"> ▶ Bank Specific (including recapitalisation, restructuring and/or resolution of banks) ▶ Horizontal (including supervisory and regulatory framework strengthening, correction of excessive deficit and CSR-structural reforms) ▶ IMF to provide technical assistance <ul style="list-style-type: none"> ▶ monitoring by EC, ECB and EBA 	<ul style="list-style-type: none"> ▶ conditionality to be agreed with the EC+ECB+IMF ▶ <i>foreseen: restructuring and recapitalisation of banks, fiscal adjustment and structural reforms</i>
Total amount	5bn	237.3bn	85bn	78bn	100bn***	tbc
Break-down by lender (in bn €)	<ul style="list-style-type: none"> ▶ 1.4bn - EU (BoP) ▶ 3.6bn - IMF 	<ul style="list-style-type: none"> ▶ 197.5bn - EA MSs and EFSF ▶ 39.93bn - IMF 	<ul style="list-style-type: none"> ▶ 22.5bn - EFSM ▶ 17.7bn - EFSF ▶ 22.5bn - IMF ▶ 4.8bn - bilateral (UK, DK, SE) ▶ 17.5bn - Ireland (Treasury and National Pension Reserve Fund) 	<ul style="list-style-type: none"> ▶ 26bn - EFSM ▶ 26bn - EFSF ▶ 26bn - IMF 	<ul style="list-style-type: none"> ▶ up to 100bn - EFSF/ESM 	<ul style="list-style-type: none"> ▶ EFSF/ESM (tbc) ▶ IMF (tbc)
Preferred Creditor (y/n)	IMF loan - yes, EU loan - no	IMF loan - yes, EU loan - no	IMF loan - yes, EU loan - no	IMF loan - yes, EU loan - no	no	tbc

Already Disbursed	Pre-cautionary assistance-no request for disbursement	<ul style="list-style-type: none"> ▶ 126.8bn - EA MSs and EFSF (including the new bonds issued under PSI**) ▶ 21.7bn - IMF 	<ul style="list-style-type: none"> ▶ 20.7bn - EFSM ▶ 12.1bn - EFSF ▶ 19.1bn - IMF ▶ 2.05bn - bilateral 	<ul style="list-style-type: none"> ▶ 20.1bn - EFSM ▶ 17.4bn - EFSF ▶ 21.1bn - IMF 	n.a.	n.a.
Next Disbur. (in bn €)	Pre-cautionary assistance. No request for disbursement yet.	After the successful conclusion of the ongoing review mission.	<p>After the approval of the seventh review mission.</p> <ul style="list-style-type: none"> ▶ 1.0bn -EFSM/EFSF ▶ 0.7bn -bilateral <p>The next review mission is scheduled for October 2012.</p>	<p>After the approval of the 5th Review Mission Report by IMF and EU due in October.</p> <ul style="list-style-type: none"> ▶ 2.8bn - EFSM/EFSF ▶ 1.5bn - IMF <p>The next review mission is scheduled for November 2012.</p>	▶ upon request of Spain	n.a.

Sources: [EFSF](#), [EC Economic and Financial Affairs](#), [IMF](#), [ECB](#)

ABBREVIATIONS/EXPLANATIONS

BoP Assistance	Balance of Payments facility for non-euro area MS in BoP difficulties. It usually takes the form of medium-term financial assistance, in co-operation with IMF.
*BoP for Romania	From 2009 to 2011 Romania was under the first BoP assistance programme (€5bn) as part of multilateral financial assistance of €20bn (IMF €13bn; World Bank €1bn; EIB plus EBRD €1bn).
EFSE	European Financial Stability Mechanism: it provides financial assistance to euro area MS. It will cease to enter into new programmes now that the ESM is established.
EFSM	European Financial Stabilisation Mechanism: for any EU MS, it reproduces the basic mechanics of the existing Balance of Payments facility. The lending capacity is €60bn, raised by the Commission in financial markets. The Commission then on-lends to the beneficiary MS in form of loan or credit line. All interest and loan is repaid by MS, without any cost for the EU.
ESM	European Stability Mechanism; entered into force on 27 September 2012. It is now the main instrument for providing financial assistance for euro area MS. It has capital base of €700bn. Its lending capacity together with the EFSE is also €700bn. It will enjoy preferred creditor status, straight after the IMF.
**PSI	Private Sector Involvement: in March 2012, existing Greek bonds held by private institutions were exchanged on a voluntary basis. For each 100 of old Greek bonds, the bond holders received 31.5 of new Greek bonds and 15 of EFSE one-year and two-year notes (in equal proportions), which corresponded to a nominal reduction of 53.5% (and real loss of 73%), thus reducing Greek debt for €100bn . EFSE notes were accounted as a loan made to Greece by the EFSE.
EA MS loans	The Greek Loan Facility was an instrument used for the 1st Greek Adjustment Programme agreed in May 2010: 15 Euro Area MS committed to provide bilateral loans for a total amount of €80bn, to be disbursed over the period from May 2010 through June 2013. The loans were pooled by the Commission, which was entrusted with the coordination, the administration and the disbursement. The programme ceased in March 2012, when the 2nd Economic Programme started, with the involvement of the EFSE.
***€100bn	Contingency facility of €30bn has been created and is kept in reserve by EFSE to be disbursed upon request by Spain even prior to approval of restructuring & resolution plans for banks by the EC. Results of independent evaluation for Spanish banks were published end of September 2012.