Macro-Financial Assistance to EU Member States
State of Play – November 2019

This document provides regularly updated information on EU Member States which receive or received financial assistance from the ESM, the EFSF, the EFSM, the EU balance of payments assistance facility, other Member States and/or the IMF. Since August 2018 all financial assistance programmes to EU Member States have been concluded; therefore, the document focuses on the implementation of the enhanced surveillance framework for Greece and post-programme reviews for Ireland, Portugal, Romania, Cyprus and Spain undertaken by the European Commission (EC) in liaison with the ECB (Post-Programme Surveillance, PPS), the IMF (Post-Programme Monitoring, PPM, and Article IV assessments) and the ESM (Early Warning System, EWS).

**Greece** (enhanced surveillance/PPS since 21 August 2018, in accordance with Article 2(1) of Regulation 472/2013): On 11 July 2018, the EC decided that Greece shall be subject to enhanced surveillance; the latest prolongation (EC implementing Decision 2019/1287) stipulates that enhanced surveillance shall be prolonged for an further period of six months, commencing on 21 August 2019. In accordance with these decisions and with Art. 2(1) Regulation 472/2013, Greece is expected to continue and complete key reforms in line with the policy commitments monitored under the enhanced surveillance. The next surveillance report by the Commission is expected in late November 2019.

The IMF’s latest regular assessment on Greece is a staff concluding statement from 27 September 2019 following an Art. IV mission. It states that the new Greek government inherited a moderate economic recovery, impacted by crisis legacies and across-the-board policy reversals since the program exit that further raised fiscal, financial and external vulnerabilities. While the IMF staff assesses that the government has made a promising start in unblocking structural reforms and privatisations and is advancing the clean-up of bank balance sheets, it recommends a stronger effort in all policy areas in order to make Greece competitive within the currency union, to eliminate the debt overhang and to achieve more inclusive growth. It also recommends that for 2020 the government and European partners build consensus around a lower primary balance path, given broad economic stagnation and critical unmet social spending and investment needs, and to accommodate spending that would create synergies with stepped-up structural reforms. It welcomes Greek plans to cut direct tax rates and strengthen compliance but assesses that more could be achieved by broadening the tax base.
Key findings of the EC enhanced surveillance reports until June 2019:

The third enhanced surveillance report (5 June 2019) is based on the findings of a mission to Athens in May 2019, conducted by the EC (in liaison with the ECB, IMF and ESM). The report assesses Greece's progress with respect to policy commitments made at the Eurogroup in June 2018. It notes that Greece has made a reasonable start to the post programme environment since August 2018, but finds that reform implementation has slowed in recent months, and that the consistency of some measures with commitments given to European partners is not assured and may pose risks to agreed fiscal targets. It is not linked (contrary to the second enhanced surveillance report) to a decision on further debt relief measures. As there were general elections in Greece in July 2019, the discussion on Greece of the July Eurogroup was relatively short and afterwards the Eurogroup has not discussed anymore Greece (the next discussion is foreseen in December after the fourth enhanced surveillance report).

The third enhanced surveillance report informs that the EC Debt Sustainability Analysis (DSA) of Greece has undergone a further technical update since the beginning of the enhanced surveillance, while leaving its assessment of the sustainability of Greece’s debt broadly unchanged:

“The baseline scenario shows the debt remaining on a downward path, though it remains above 100% of GDP until 2048. Greece’s gross financing needs will hover around 10% of GDP until 2032 and remain around 17% of GDP at the end of the forecast horizon. It is not yet possible to fully incorporate the recent fiscal measures into the DSA as further analysis is required on their impact on growth and more clarity needed on the orientation of policies over the medium-term. But policies that affect negatively the primary balance surplus and growth potential would have a negative impact on the trajectory of debt.”

The Eurogroup statement of 22 June 2018 included that “based on a DSA to be provided by the European institutions, the Eurogroup will review at the end of the EFSF grace period in 2032, whether additional debt measures are needed to ensure the respect of the agreed GFN targets, provided that the EU fiscal framework is respected, and take the appropriate actions, if needed.”

The second enhanced surveillance report (February 2019) is based on the findings of a mission to Athens in January 2019, conducted by the EC (in liaison with the ECB, IMF and ESM). It concludes that while Greece has made considerable progress implementing its specific reform commitments due by end-2018, the pace in some areas has been slow and has led to delays. During the mission, particular attention was paid to assessing the implementation of the 16 specific reform commitments for end-2018 annexed to the Eurogroup statement of June 2018 as well as the general commitment to continue and complete the key reforms launched under the programme; progress in these areas served as a basis for the April 2019 Eurogroup to agree on the transfer to Greece of the interest accumulated by the Euro-system on Greek government bonds (so-called “SMP-ANFA income equivalent amounts”) and the cancellation of the step-up interest margin on certain EFSF loans: the transfer - carried out by the EFSF/ESM - amounts to € 970 million (the ESM noted that this transfer is a grant to Greece, not a loan). Further agreed debt measures are foreseen to be made available to Greece subject to compliance with its commitments on reform continuity and completion, based on positive reports under enhanced surveillance, in semi-annual tranches up to mid-2022.

The first enhanced surveillance report (November 2018): It noted that all reforms linked to the specific reform commitments annexed to the Eurogroup statement of 21 June 2018 are progressing but none has been yet completed. It requested that several specific reform commitments would need to be addressed urgently (including the staffing of the independent agency for public revenues, arrears clearance, the roll-out of the primary health care system and centralised health-care procurement and the legal framework of the NPE resolution tools (in particular the household insolvency law).
**Conclusion of the third programme:** The third economic adjustment programme for Greece (19 August 2015–20 August 2018) contained four reviews, on the basis of which €61.9 billion were disbursed by the ESM in support of macroeconomic adjustment and bank recapitalisation in Greece.

**Fourth and final review under the third programme:** The Eurogroup of 21 June 2018 (see also statement of 22 June 2018) concluded that Greece has implemented all the 88 prior actions under the fourth and final review, showing that Greece has successfully completed its ESM programme. Further conclusions were that: (1) there will be no follow-up programme in Greece; (2) altogether, Greece adopted over 450 policy actions during this ESM programme alone; (3) over 240 billion euros were disbursed at low interest rates during the three fully-fledged programs; (4) the Eurogroup has agreed on a debt relief package to safeguard Greece’s debt sustainability; it includes substantial upfront measures such as a 10 year extension on EFSF loans and 10 year deferral on interest and amortization (this will allow Greece to return to market financing, issuing bonds across the maturity curve); (5) Greece is committed to preserve its programme achievements, by completing the reforms that were enacted under the programme and continuing to implement further reforms, with the aim of increasing its growth potential (these reforms are published here and contain measures by mid-2022); (6) Greece will furthermore be able to retrieve the interest accumulated by the Euro-system on Greek government bonds, by semi-annual payments until 2022, if it implements all key reforms adopted under the ESM programme. The institutions will monitor this via the so-called “Enhanced Surveillance”; (7) the IMF will actively participate in this monitoring; (8) the Eurogroup has mandated the ESM to disburse 15 billion euros to Greece as the last programme tranche, subject to the completion of national procedures (note that this amount was disbursed in August 2018). Overall, Greece leaves the programme with a sizeable cash buffer of 24.1 billion euros, covering the sovereign financial needs in the next 24 months. This represents a significant backstop against any foreseeable risk; (9) with all these measures, based on a new DSA by the institutions, the Greek debt is sustainable.

**Ireland:** End of 2013, Ireland exited the 3-year-programme (see ex-post evaluation of 2015) and became subject to PPS/EWS/PPM (see last page of this document for the legal background). The latest PPS by the EC was conducted in spring 2019 (together with staff from ECB and ESM). The corresponding PPS report (published in September 2019) concludes that (1) the short-term outlook for the Irish economy remains positive, but external risks are significant; (2) Public finances have further improved on the back of a strong economy, but vulnerabilities remain; (3) NPLs have further declined, but the level of long-term arrears remains relatively high; (4) Increases in property prices and rents have recently abated, but their levels remain high; (5) Risks for Ireland’s capacity to service the European Financial Stability Mechanism and European Financial Stability Facility debt remain low.

In accordance with the credit related thresholds included in the IMF criteria for PPM, Ireland is (since end of 2017) not any more subject to PPM; however, these criteria also stipulate that PPM may be required even if the country has paid back its credit to the IMF, “if economic developments call into question the country’s progress toward external viability”. On 14 June 2019, the Executive Board of the IMF concluded its latest Article IV consultation with Ireland. They welcomed Ireland’s strong, broad-based growth, bringing unemployment down to historical lows and strengthening public balance sheets; they welcomed the progress in balance sheets repair of the domestic banks but stressed that continued efforts to improve asset quality remain a priority. They noted that while the outlook remains favorable, there are challenges from domestic capacity constraints and external downside risks, notably a no-deal Brexit, escalation of global protectionism, and adapting to ongoing international tax changes. Against this background, they encouraged the authorities to strengthen fiscal buffers, address key structural bottlenecks to growth, and continue preparing for Brexit. See also IMF staff report on this mission.
Portugal: Portugal became subject to PPS/EWS/PPM following the government’s decision of June 2014 to exit the programme before its expiration. Given that Portugal made very large debt repayments to the IMF in December 2018 (€4.7 bn), Portugal has no outstanding debt to the IMF anymore and does therefore not exceed thresholds leading to PPM. The latest PPS/EWS mission took place in June 2019. The EC staff discussed the key challenges facing the Portuguese economy (in the context of decelerating, but still robust economic growth): (1) high debt levels, (2) external risks (3) deteriorating current account, (4) weak productivity growth. The mission also addressed labour market policies, housing, judicial reforms, energy and competition. Financial sector discussions focused on remaining vulnerabilities, namely relating to the still high levels of NPLs stocks (but declining from previous levels) on the back of improved asset quality, bank profitability and capital adequacy. Discussions also focused on the draft law revising financial supervision and resolution. The latest PPS report, published in October 2019, further refers to an increase in external risks (although Portugal is expected to grow above the euro area average) and that the evolution of the structural balance and the nominal growth of net primary expenditure points to a risk of significant deviation in both 2019 and 2020. Sovereign financing and the capacity to repay are currently sound. The staff points, as areas for improvement, strengthening expenditure control and efficiency, tackling the persistently high arrears in hospitals and ensuring effective monitoring of state owned enterprises. Portuguese ratings are disclosed by the national debt management agency (IGCP).

Following the analysis by IMF staff in June 2019, the IMF Executive Board concluded the Article IV consultation with Portugal in July 2019. The Fund concluded that (1) growth in 2018 eased compared to 2017 in part due to weaker economic activity in Europe, and is expected to moderate in 2019 to 1.7% and converge in the following years to its medium-term potential, (2) unemployment is at a 14-year low, driven by strong employment growth, especially among the long-term unemployed, (3) consumer price inflation remains subdued but is expected to gradually increase in coming years as wages picks up, (4) the current account is expected to post moderate deficits in coming years, (5) the headline fiscal deficit improved in 2018, reflecting smaller one-off expenses, cyclical tailwinds, and a tight budgetary execution (being expected that the government will meet it’s 2019 budget deficit target, despite higher than expected transfers to Novo Banco, as a result of lower-than-budgeted capital spending and strong revenues), (6) the Medium-Term Objective expected to be met in 2020 and (7) public debt is on a firm downward trajectory and is projected to reach close to 100 percent of GDP by 2024. The IMF also concluded that banks have made significant progress in strengthening their balance sheets, with NPLs falling significantly in recent years but troubled legacy assets remain high by European standards and profits moderate. No significant acceleration in credit growth is expected. The IMF recommended boosting potential growth and productivity namely through increases in investment spending and domestic savings. It was also suggested exploring ways to encourage complementary second- and third-pillar pension schemes. Portugal reimbursed the remainder of IMF loans in December 2018.

Spain: The ESM programme for the recapitalisation of the Spanish banking sector expired on 31 December 2013. Spain is since then subject to PPS/EWS, with the latest visit taking place in October 2019, including ESM staff. The mission focused on financial sector developments but also addressed macroeconomic and budgetary developments, in view of the forthcoming Commission autumn 2019 forecast and the subsequent assessment of the Spanish Draft Budgetary Plan. Staff discussed the performance of the banking sector and recent credit developments (focusing on solvency, liquidity position and profitability, as well as the evolution of non-performing loans), on banks that had received State aid and their restructuring and the ensuing strategy. SAREB (the so called “bad bank”) updated the Staff on the progress of its divestment strategy. The corresponding PPS report is due to be published in early December 2019.
The latest IMF Article IV review with Spain dates from late 2018. IMF staff released their Concluding Statement on 3 October 2018. Staff then concluded that Spain continued in a cycle of growth, but at a moderate speed and with risks looming ahead. Structural fiscal adjustment and preserving the thrust of the labour market reforms are seen as major policies going forward, as well as rebuilding fiscal buffers, a sustainable and comprehensive pension package and a more inclusive labour market. The staff also pointed out to the positive effects of reforming the supervisory structure. The IMF Executive Board further encouraged to persevere with policies and reforms aimed at further enhancing economic resilience, reducing public debt, improving productivity, reducing inequality and increasing employment, especially raising long-term and youth employment and called for rebuilding fiscal buffers.

**Cyprus:** In March 2016, Cyprus successfully exited from the ESM and IMF financial assistance programme. Cyprus used about € 7.3 billion out of €10.0 billion available under the programme. The latest PPS/EWS mission took place in September 2019 and was coordinated with the IMF Article IV surveillance mission. EC (and ECB) staff concluded economic growth is gradually decelerating, although remaining strong, and fiscal performance expected to remain strong as well. Staff recommended containing public expenditure (particularly in view of fiscal risks associated with the health insurance reform, court judgements on the constitutionality of wage and pension cuts during the crisis, and remaining contingent liabilities in the financial sector). The staff noted that good progress was made in consolidating the banking sector and reducing non-performing loans, but still important challenges remain, linked to the still high levels of NPLs (the second highest in the euro area). The Staff recommended to renew the structural reform momentum namely by addressing inefficiencies in the justice system, dealing with title deeds, continuing privatisations and the simplification of procedures to obtain building permits and introduction of fast track approval for strategic investments. Public administration reform and the reform of local governments were also mentioned as high priorities, along with the continued monitoring of implementation of the national health system. The corresponding PPS report is yet to be made available.

An IMF staff concluding statement was released in September 2019 and recommends addressing the still high levels of NPL, strengthening the supervisory and regulatory framework of credit acquiring companies, further improving bank profitability and capitalisation and close monitoring risks related to property markets. Furthermore, spending should be firmly controlled to reduce risks to debt sustainability and the composition of expenditure should seek to enhance efficiency. Structural reforms should be pursued. The statement refers as well to risks steaming from a negative assessment on Anti-Money Laundering/Combating Financial Terrorism (AML/CFT) compliance risks (the related report is expected by year-end).

In October 2019 the EC published its ex-post report evaluating the Cypriot programme, following the launch of a consultation which ended in November 2018. The report broadly assesses the programme was largely effective in achieving its objectives of stabilising the financial sector, restoring fiscal sustainability, and implementing structural reforms, but less effective in changing fundamentally the banks’ business model and in making the country’s growth more sustainable and balanced. The social impact of the programme was less severe than could have been expected. Since the programme ended, further reforms were undertaken. As lessons learned, the report identifies that delaying the start of a programme by recourse to other financing sources, namely bilateral loans, should be avoided; that programme conditionality and its sequencing should be commensurate to the administrative capacity of a country and the time horizon of the programme and that sustained ownership by the national authorities and key stakeholders is crucial for the success of a programme. The report noted that adequate staffing and training of the anti money laundering supervisory authorities was a remaining concern at the end of the programme.
Romanian: PPS started in October 2015, with the end of the third balance of payments programme (BoP). It is linked to the loans under the 2009-2011 BoP (when €5 billion were disbursed). PPS ended in April 2018, as Romania had repaid more than 70% of its EU loan. PPS missions took place in May 2016, March 2017 and November 2017. All three missions concluded that the risks related to the repayment of the debt to the EU are very low. The second mission further concluded that the medium term outlook presents vulnerabilities due to fiscal policies which turned pro-cyclical in 2016. The third mission, however, assessed that macroeconomic imbalances seem subdued despite the pro-cyclical fiscal policy, strong wage growth and some deterioration of the current account balance. On fiscal policy, the report on the third mission noted: (a) a Significant Deviation Procedure was initiated in June 2017 due to Romania’s deviation from its medium-term budgetary objective (MTO) in 2016, (b) given the lack of policy action, the structural deficit is projected to further deteriorate in 2017 and 2018, (c) the headline deficit may breach the Treaty reference value of 3% of GDP in 2018 and (d) the implementation of the national fiscal framework remains insufficient. On the banking sector, the report on the third mission concludes that it remains well-capitalised and asset quality has further improved, but risks from potential changes to the legal framework could re-emerge.

On 28 August 2019, the Executive Board of the IMF concluded the latest Article IV consultation with Romania. Executive Directors welcomed the strong growth and low unemployment, but raised concerns about increasing current account and fiscal deficits and renewed inflation, as well as lagging structural reforms and investment. To address the growing imbalances, Directors called for moving from pro-cyclical to countercyclical fiscal policy, complemented by a tighter monetary policy stance and greater exchange rate flexibility. They further supported strengthening policy predictability and renewing structural reform initiatives to sustain convergence to average EU income levels. Directors called for a durable fiscal consolidation to help curb the twin deficits and reduce the burden on monetary policy. They cautioned that the new pension law could undermine fiscal sustainability and should be subjected to a comprehensive review. They also encouraged modernizing revenue administration. Directors supported further monetary policy tightening, given continuing inflation pressures. While welcoming the strong banking sector performance, they noted that efforts to strengthen financial stability should continue. They also noted that public investment should be increased by focusing on public infrastructure and achieving a more efficient absorption of EU funds. They called for moving ahead with the state-owned enterprise reform agenda to improve the quality of public goods and services. Finally, they highlighted that Romania’s fight against corruption should be renewed.

The table overleaf provides an updated overview of various elements of the financial assistance granted to EU Member States since 2009. Data on repayment profiles, interest and fees of ESM and EFSF loans can be found in the ESM financial assistance database.

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Contact: egov@ep.europa.eu
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<th>ROMANIA</th>
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<td><strong>CURRENT STATUS</strong></td>
<td>Expiration of Post-Programme Surveillance in April 2018</td>
<td>Post-Programme Surveillance/Enhanced Surveillance (as of August 2018)</td>
<td>Post-Programme Surveillance (as of January 2014)</td>
<td>Post-Programme Surveillance (as of July 2014)</td>
<td>Post-Programme Surveillance (as of January 2014)</td>
<td>Post-Programme Surveillance (as of April 2016)</td>
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<td><strong>CONDITIONALITY &amp; OBJECTIVES</strong></td>
<td>While there is in accordance with two-pack Regulation (EU) N°472/2013 no policy conditionality under PPS, the Council can issue recommendations for corrective actions if necessary and where appropriate. PPS is biannual in terms of reporting and missions.</td>
<td>In accordance with the EC decision of 20 February 2019 (enhanced surveillance) and with Art. 2(1) of Regulation 472/2013, Greece is expected to continue and complete key reforms in line with the policy commitments monitored under enhanced surveillance; these reform commitments are published in an annex to the Eurogroup statement of 22 June 2018 and contain measures by mid-2022.</td>
<td>While there is in accordance with Article 14 of the two-pack Regulation (EU) N°472/2013 no policy conditionality under PPS, the Council can issue recommendations for corrective actions if necessary and where appropriate. PPS is biannual in terms of reporting and missions.</td>
<td>While there is in accordance with Article 14 of the two-pack Regulation (EU) N°472/2013 no policy conditionality under PPS, the Council can issue recommendations for corrective actions if necessary and where appropriate. PPS is biannual in terms of reporting and missions.</td>
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<td>► Restore the soundness of the banking sector and rebuild depositors' and market confidence ► Fiscal consolidation, supported by structural fiscal reforms ► Structural reforms to support competitiveness and sustainable and balanced growth ► Further strengthening of the anti-money laundering framework in line with best practice</td>
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<td>► EC ECB (PPS)</td>
<td>► EC, ECB, ESM and IMF</td>
<td>► EC and ECB (PPS)</td>
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<td>► EC and ECB (PPS)</td>
<td>► EC, ECB, ESM and IMF</td>
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<td>► No PPM, since the outstanding credit with the IMF has already fallen well below the threshold for PPM by the IMF</td>
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<td>► ESM (EWS)</td>
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<td>► IMF (PPM)</td>
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<td>► IMF (regular IMF surveillance)</td>
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<td><strong>TECHNICAL ASSISTANCE</strong></td>
<td>On 17 June 2015, the EC decided to replace the Task Force for Greece by the structural reform service.</td>
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<td>On 17 June 2015, the EC decided to replace the Support Group for Cyprus by the structural reform service.</td>
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| **Romania** | ► €5bn - EU (BoP)  
► €13bn - IMF (SBA)  
► €1bn – World Bank  
► €1bn – EIB + EBRD | ► Pre-cautionary assistance; no request for disbursement of BoP and IMF funds was made | ► EA MSs: €52.9bn  
► IMF: €20.7bn | ► EFSM: up to €86bn |
| **Greece** | ► €5bn - EU (BoP)  
► €13bn - IMF (SBA)  
► €1bn – World Bank  
► €1bn – EIB + EBRD | ► All three programmes together | ► EA MSs + EFSF + ESM: €308bn  
► IMF (SBA+EFF): €58bn | ► EFSM: €22.5bn  
► EFSF: €17.7bn  
► IMF: €22.5bn |
| **Ireland** | ► €5bn - EU (BoP)  
► €13bn - IMF (SBA)  
► €1bn – World Bank  
► €1bn – EIB + EBRD |► First Programme: | ► EFSF: €144.7bn  
► IMF (EFF): €28bn  
[Bridge financing: €7.2 bn  
EFSM – fully paid back] | ► EFSM: €22.5bn  
► EFSF: €17.7bn  
► IMF: €22.5bn |
| **Portugal** | ► €5bn - EU (BoP)  
► €13bn - IMF (SBA)  
► €1bn – World Bank  
► €1bn – EIB + EBRD |► Second Programme: | ► EFSF: €17.7bn  
► IMF: €22.5bn  
► Bilateral (UK, DK, SE): €4.8bn | ► IMF: €26bn |
| **Spain** | ► €5bn - EU (BoP)  
► €13bn - IMF (SBA)  
► €1bn – World Bank  
► €1bn – EIB + EBRD |► Third Programme: | ► ESM: €26bn  
► IMF: €26bn | ► ESM: up to €100bn |
| **Cyprus** | ► €5bn - EU (BoP)  
► €13bn - IMF (SBA)  
► €1bn – World Bank  
► €1bn – EIB + EBRD |► All three programmes together | ► IMF (SBA): €30bn  
[Second Programme:  
EFSF: €14.7bn  
IMF (EFF): €28bn  
Bilateral (UK, DK, SE): €4.8bn] | ► EFSM: €9bn  
► IMF: €1bn |

**Break-down by lender (original commitments)**

- **2009-11 programme**
  - €5bn - EU (BoP)
  - €13bn - IMF (SBA)
  - €1bn – World Bank
  - €1bn – EIB + EBRD

- **2011-13 precautionary programme (funds not used):**
  - €1.5bn - EU (BoP)
  - €3.5bn - IMF
  - €1.15bn – World Bank

- **2013-2015 precautionary programme (funds not used):**
  - €2bn - EU (BoP)
  - €2bn - IMF
  - €1bn – World Bank

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<th>Country</th>
<th>Preferred creditor</th>
<th>DISBURSED</th>
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| **Romania** | IMF | Total: €21.05bn  
2009-2011 programme:  
► €5bn - EU (BoP)  
► €12.9bn - IMF (SBA)  
► €1bn – World Bank  
► €1bn – EIB + EBRD | All three programmes together |
| **Greece** | IMF | Total: €288.9bn  
All three programmes together  
► EA MSs + EFSF + ESM: €240.6bn  
► IMF: €32.3bn  
First Programme (closed):  
► EA MSs: €52.9bn  
► IMF: €20.7bn  
Second Programme, including PSI participation (closed):  
► EFSF: €141.8bn  
► IMF: €11.6bn | Total: €67.5bn  
► EFSM: €22.5bn  
► EFSF: €17.7bn  
► IMF: €22.5bn | Total: €76.0bn  
► EFSM: €22.5bn  
► EFSF: €17.7bn  
► IMF: €22.5bn |
| **Ireland** | IMF | Total: €141.3bn  
Total: €41.3bn  
Total: €73bn  
| **Portugal** | IMF | Total: €243.3bn  
Total: €26.0bn  
Total: €25.7bn | Total: €41.3bn  
Total: €73bn  
| **Spain** | ESM | Total: €66.3bn  
Total: €61bn | Total: €73bn  
<p>| <strong>Cyprus</strong> | IMF | Total: €1bn |</p>
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<th>Country</th>
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<td><strong>ROMANIA</strong></td>
<td>► €1.15 bn - World Bank Third Programme (closed): ► ESM: €61.9bn</td>
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<td><strong>GREECE</strong></td>
<td>► On 27/02/2015, the Hellenic Financial Stability Fund (HFSF) redelivered €10.9 bn in bonds issued by the EFSF for the recapitalisation of Greek banks. This comprised: a full repayment of €7.2 bn disbursed on 30/05/2013; and a partial repayment of €3.7 bn of the loan tranche disbursed on 19/12/2012. ► €2 billion were paid back (contractual obligation) on 20/2/2017 to the ESM following the sale of assets a bank that took part in the 2015 banking recapitalisation. ► Altogether €25.5 bn to the IMF (since January 2019 eight repayments of altogether about €1.6).</td>
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<td><strong>IRELAND</strong></td>
<td>► On 20 December 2017, Ireland repaid the remaining €4.55 bn it owed the IMF just a day after it paid back €11 bn it owed Sweden (€0.6 bn) and Denmark (€0.4 bn). In November 2017, the EFSF allowed these early repayments. ► PPS report of July 2018: “In June 2018, the EC adopted a Decision for the EU to borrow in order to extend the maturities of loans to Ireland under EFSM. This will allow for the maturity of EFSM loans to Ireland, including €3.9 billion originally due in 2018 (of which €3.4 billion were due in April and EUR 500 million in October) to be extended, within the limit of 19.5 years of average maturity established by the Council Decision on Union financial assistance to Ireland. It is therefore not expected that Ireland will actually have to repay any of its EFSF and EFSM loans before 2027.”</td>
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<td><strong>PORTUGAL</strong></td>
<td>► In December 2018 Portugal repaid the remaining tranches (€4.684 bn) of the IMF loans.</td>
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<tr>
<td><strong>SPAIN</strong></td>
<td>► In total, €17.612 bn to the ESM (about 42% of the funds effectively disbursed). In October 2018: €3.0 bn (early repayment to the ESM).</td>
</tr>
<tr>
<td><strong>CYPRUS</strong></td>
<td>► July 2017: €0.3 bn (early repayment to the IMF).</td>
</tr>
<tr>
<td>Country</td>
<td>Total Outstanding Loans (end of October 2019)</td>
</tr>
<tr>
<td>---------</td>
<td>---------------------------------------------</td>
</tr>
</tbody>
</table>
| **ROMANIA** | **Total: €2.35bn**  
- €1.15bn EU (BoP, EC website)  
- €0 – IMF (SBA)  
In addition, there might be outstanding loans of €2.15bn to the World Bank and €1bn to EIB + EBRD, but the corresponding figures have not been published on the websites of the World Bank, EIB and EBRD. | Rating: BBB-  
Grade: Investment  
Outlook: Stable (status 10 May 2019) |
| **GREECE** | **Total: €237bn**  
- EA MSs+EFSF  
- ESM: €8.3bn  
- IMF: €0  
- Bilateral (UK): €3.6bn | Rating: BB-  
Grade: Non-investment  
Outlook: Stable (status 2 August 2019) |
| **IRELAND** | **Total: €43.8bn**  
- EFSM: €22.5bn  
- EFSF: €17.7bn  
- IMF: €0  
- Bilateral (UK): €3.6bn | Rating: A+  
Grade: Investment  
Outlook: Stable (status 19 May 2019) |
| **PORTUGAL** | **Total: €54.9bn**  
- EFSM: €24.3bn  
- EFSF: €26.0bn  
- IMF: €0  
- Bilateral (UK): €3.6bn | Rating: BBB  
Grade: Investment  
Outlook: Positive (status 24 May 2019) |
| **SPAIN** | **Total: €23.7bn**  
- ESM: €23.7bn  
- IMF: €0  
- Bilateral (UK): €3.6bn | Rating: A-  
Grade: Investment  
Outlook: Stable (status 21 June 2019) |
| **CYPRUS** | **Total: €7.0bn**  
- ESM: €6.3bn  
- IMF: €0.7bn  
- Bilateral (UK): €3.6bn | Rating: BBB-  
Grade: Investment  
Outlook: Positive (status 11 October 2019) |
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 the IMF.

BoP for Romania  From 2009 to 2011 Romania was under a BoP assistance programme (€5bn) as part of multilateral assistance of €20bn (IMF €13bn; World Bank €1bn; EIB + EBRD €1bn).

EFSF  European Financial Stability Facility: it provides financial assistance to euro area MS. As of 1 July 2013, the EFSF may no longer engage in new financing programmes or enter into new loan facility agreements. The ESM is now the sole and permanent mechanism for responding to new requests for financial assistance by euro area MS.

ESM  European Stability Mechanism: entered into force on 27 September 2012. It is now the main instrument for providing financial assistance for the euro area MS. It has capital base of €704.7987bn (including its recent member Lithuania). It enjoys preferred creditor status, junior only to the IMF.

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 EC in financial markets. The EC then on-lends to the beneficiary MS in form of loan or credit line. All interest and loan is repaid by the MS, without any cost for the EU. The EFSM funding has been completed after Portugal’s exit from the programme.

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 EFSF one-year and two-year notes (in equal proportions), which corresponded to a nominal reduction of 53.5% (and NPV loss of about 73%), thus reducing Greek debt by about €100bn. EFSF notes were accounted as a loan made to Greece by the EFSF and thus as part of the EU financial assistance.

DBB  On 11 December 2012 Greece concluded the tendering process for a debt buy-back operation (DBB) to capture a substantial discount on Greek government bonds (GBB), thereby reducing public debt substantially. Before the DBB, the total of new GGBs amounted to €62bn (ensuing from the PSI). The DBB invitation yielded a total participation of approximately €31.9bn at an average price of 33.8% of the nominal value. Following the settlement of the operation, Greek debt was reduced by €21.1bn in net terms.

Greek Loan Facility - EU 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 of up to €80bn, of which €52.9bn were disbursed by the end of the 1st programme. The loans were pooled by the EC, which was entrusted with the coordination, the administration and the disbursement. The 1st programme ceased in March 2012, when the 2nd adjustment programme started with the involvement of the EFSF. The remaining undisbursed part of €80bn was thus transferred to the 2nd programme which was disbursed by the EFSF.

EFF and SBA  When a country faces serious medium-term balance of payments problems because of structural weaknesses that require time to address, the IMF can assist with the adjustment process under an Extended Fund Facility (EFF). Compared to assistance provided under the Stand-by Arrangement (SBA), assistance under an extended arrangement features longer program engagement—to help countries implement medium-term structural reforms—and a longer repayment period.

IMF Disbursements  IMF disbursements are made in Special Drawing Rights (SDRs) and therefore the € amounts change over time, applying the current exchange rate.

IMF Article IV  Surveillance of Members’ economies undertaken by the IMF under Article IV of the IMF Articles of Agreement. Annually, the IMF assesses the situation of a member country and reports to the relevant authorities, whose views are taken into account in preparing the reports that are presented to the IMF Executive Board. Although Article IV surveillance missions are somehow similar in scope to IMF PPM (see below), their legal bases are different. For countries that have received financial assistance, the IMF undertakes, in general, two missions per year, one under the PPM and the other under Article IV.

PPS  Post-Programme Surveillance: under the so-called “two pack”, countries exiting a bailout are subject to PPS until 75% of its rescue loans are paid back (Art 14 of Reg. 472/2013).

EWS  Early Warning System: in accordance with Article 13(6) of the ESM Treaty, the ESM shall establish an appropriate warning system to ensure that it receives any repayments due by the ESM Member under the stability support in a timely manner. EWS thus detects repayment risks and allows for corrective actions. It applies not only to the ESM programme countries (Spain, Cyprus), as foreseen in the Treaty, but also to the EFSF programme countries (Greece, Ireland, Portugal).

PPM  Post-Programme Monitoring by the IMF. PPM is generally expected for all member countries that have substantial IMF credit outstanding following the expiration of their programs.