

# De Europese noodhulp aan eurozonelidstaten in financiële moeilijkheden.

## Effecten voor de Belgische staatsfinanciën.

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### ABSTRACT

Because of serious economic and budgetary problems several Euro Area Member States (EAMS) (notably Greece, Ireland, Portugal, Spain and Cyprus) can borrow at present only at very high and prohibitive interest rates on the financial markets. Not to endanger the financial stabilisation of the whole Euro area, mechanisms of financial assistance in the form of conditional loans are being granted to these countries. Starting in 2010 from bilateral loans granted only to Greece, the financial assistance was channelled by means of the European Financial Stabilisation Mechanism and the temporary European Financial Stability Facility (EFSF), which were set up in 2010 and funded not only Greece. With the aim of increasing the effectiveness of the financial assistance, the scope and the lending capacity of the bailout fund 'EFSF' were extended, which led to its successor, i.e. the permanent and larger European Stability Mechanism. Besides also the IMF is granting financial assistance.

The grant of the loans has a non negligible impact on the finances of the helping EAMS, especially on their debt, which is different according to the mechanism. In this article the different support mechanisms are generally outlined and, in particular, the budgetary impact for Belgium is clarified. In 2011, the exogenous rise in the Belgian government debt caused by this financial assistance, which is out of control of the Belgian federal government, amounted to 0.5 % of GDP; in 2012 this increase could even be slightly more than thrice higher.

**Keywords:** sovereign debt restructuring, international loans, European Financial Stability Facility, European Stability Mechanism, financial assistance to Euro Area Member States.

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