



**2018/0058(COD)**

25.4.2018

# **AMENDMENTS**

## **4 - 54**

**Draft opinion**

**Michael Gahler**

Further macro-financial assistance to Ukraine

Proposal for a decision

(COM(2018)0127 – C8-0108/2018 – 2018/0058(COD))



**Amendment 4**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Title 1**

*Text proposed by the Commission*

Proposal for a  
DECISION OF THE EUROPEAN  
PARLIAMENT AND OF THE COUNCIL  
*providing further* macro-financial  
assistance to Ukraine

*Amendment*

Proposal for a  
DECISION OF THE EUROPEAN  
PARLIAMENT AND OF THE COUNCIL  
*suspending* macro-financial assistance to  
Ukraine

Or. fr

**Amendment 5**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Recital 2**

*Text proposed by the Commission*

(2) Since spring 2014, Ukraine has embarked on *an ambitious* reform programme aiming to stabilise its economy and improve the livelihoods of its citizens. Ukraine and the Union have jointly defined a reform agenda (the Association Agenda, which was last updated in March 2015). The fight against corruption as well as constitutional, electoral and judicial reforms are among the top priorities on the agenda.

*Amendment*

(2) Since spring 2014, Ukraine has embarked on *a* reform programme aiming to stabilise its economy and improve the livelihoods of its citizens. Ukraine and the Union have jointly defined a reform agenda (the Association Agenda, which was last updated in March 2015). The fight against corruption as well as constitutional, electoral and judicial reforms are among the *issues being touted as* top priorities on the agenda.

Or. fr

**Amendment 6**  
**Georgios Epitideios**

**Proposal for a decision**  
**Recital 9**

*Text proposed by the Commission*

(9) Given that Ukraine is a country covered by the European Neighbourhood Policy, it should be considered to be eligible to receive macro-financial assistance from the Union.

*Amendment*

(9) Given that Ukraine is a country covered by the European Neighbourhood Policy, it should be considered to be eligible to receive macro-financial assistance from the Union, ***provided that it takes up the funds to meet the targets for which they are available.***

Or. el

**Amendment 7**  
**Georgios Epitideios**

**Proposal for a decision**  
**Recital 10**

*Text proposed by the Commission*

(10) The Union's macro-financial assistance should be an exceptional financial instrument of untied and undesignated balance-of-payments support, which aims at addressing the beneficiary's immediate external financing needs, and should underpin the implementation of a policy programme containing strong immediate adjustment and structural reform measures designed to improve the beneficiary's balance-of-payments position in the short term.

*Amendment*

(10) The Union's macro-financial assistance should be an exceptional financial instrument of untied and undesignated balance-of-payments support, which aims at addressing the beneficiary's immediate external financing needs, and should underpin the implementation of a policy programme containing strong immediate adjustment and structural reform measures designed to improve the beneficiary's balance-of-payments position in the short term.

Or. el

**Amendment 8**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Recital 11**

*Text proposed by the Commission*

(11) Given that a residual external

*Amendment*

(11) Given that a residual external

financing gap remains in Ukraine's balance of payments over and above the resources provided by the IMF and other multilateral institutions, the Union macro-financial assistance to be provided to Ukraine is, under the current exceptional circumstances, considered to be *an appropriate response to Ukraine's request for support to its economic stabilisation, in conjunction with the IMF programme. The Union's macro-financial assistance would support the economic stabilisation and the structural reform agenda of Ukraine, supplementing resources made available under the IMF's financial arrangement.*

financing gap remains in Ukraine's balance of payments over and above the resources provided by the IMF and other multilateral institutions, the Union macro-financial assistance to be provided to Ukraine is, under the current exceptional circumstances, considered to be *a Union subsidy intended to support a corrupt regime responsible for ruining the country, in particular by destroying its industrial base. The Union is thus once again revealing its true colours where human rights and democracy are concerned.*

Or. fr

## **Amendment 9** **Helmut Scholz**

### **Proposal for a decision** **Recital 11**

#### *Text proposed by the Commission*

(11) Given that a residual external financing gap remains in Ukraine's balance of payments over and above the resources provided by the IMF and other multilateral institutions, the Union macro-financial assistance to be provided to Ukraine is, under the current exceptional circumstances, considered to be an appropriate response to Ukraine's request for support to its economic stabilisation, in conjunction with the IMF programme. The Union's macro-financial assistance would support the economic stabilisation and *the* structural reform agenda of Ukraine, supplementing resources made available under the IMF's financial arrangement.

#### *Amendment*

(11) Given that a residual external financing gap remains in Ukraine's balance of payments over and above the resources provided by the IMF and other multilateral institutions, the Union macro-financial assistance to be provided to Ukraine is, under the current exceptional circumstances, considered to be an appropriate response to Ukraine's request for support to its economic stabilisation, in conjunction with the IMF programme. The Union's macro-financial assistance would support the economic stabilisation and *a socially responsible* structural reform agenda of Ukraine, supplementing resources made available under the IMF's financial arrangement.

Or. de

**Amendment 10**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Recital 12**

*Text proposed by the Commission*

(12) The Union's macro-financial assistance should aim to support the restoration of a sustainable external financing situation for Ukraine ***thereby supporting its economic and social development.***

*Amendment*

(12) The Union's macro-financial assistance should aim to support the restoration of a sustainable external financing situation for Ukraine, ***which will not be possible owing to the steep decline in the country's industrial production since 2013 and the break in its trade ties with Russia, its leading customer and the country with which its industry was integrated, and whereas the association agreement has essentially led to an increase in all the economic deficits.***

Or. fr

**Amendment 11**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Recital 12**

*Text proposed by the Commission*

(12) The Union's macro-financial assistance should aim to support the restoration of a sustainable external financing situation for Ukraine thereby supporting its economic and social development.

*Amendment*

(12) The Union's macro-financial assistance should aim to support the restoration of a sustainable external financing situation for Ukraine thereby supporting its economic and social development; ***whereas that objective cannot be achieved because Ukraine has broken its trade relations with its most important customer, Russia, and whereas that has destroyed its industrial base.***

Or. fr

**Amendment 12**  
**Georgios Epitideios**

**Proposal for a decision**  
**Recital 14**

*Text proposed by the Commission*

(14) The Commission should **ensure** that the Union's macro-financial assistance is legally and substantially in line with the key principles, objectives and measures taken within the different areas of external action and other relevant Union policies.

*Amendment*

(14) The Commission should **establish** that the Union's macro-financial assistance is legally and substantially in line with the key principles, objectives and measures taken within the different areas of external action and other relevant Union policies.

Or. el

**Amendment 13**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Recital 15**

*Text proposed by the Commission*

(15) ***The Union's macro-financial assistance should support the Union's external policy towards Ukraine. Commission services and the European External Action Service should work closely together throughout the macro-financial assistance operation in order to coordinate, and to ensure the consistency of, Union external policy.***

*Amendment*

***deleted***

Or. fr

**Amendment 14**  
**Georgios Epitideios**

**Proposal for a decision**  
**Recital 15**

*Text proposed by the Commission*

(15) ***The Union's macro-financial assistance should support the Union's external policy towards Ukraine.***  
Commission services and the European External Action Service should work closely together throughout the macro-financial assistance operation in order to coordinate, and to ensure the consistency of, Union external policy.

*Amendment*

(15) Commission services and the European External Action Service should work closely together throughout the macro-financial assistance operation in order to coordinate, and to ensure the consistency of, Union external policy.

Or. el

**Amendment 15**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Recital 15**

*Text proposed by the Commission*

(15) The Union's macro-financial assistance should support the Union's external policy towards Ukraine.  
***Commission services and the European External Action Service should work closely together throughout the macro-financial assistance operation in order to coordinate, and to ensure the consistency of, Union external policy.***

*Amendment*

(15) The Union's macro-financial assistance should support the Union's external policy towards Ukraine, ***but that policy has to be overhauled in the wake of the political fiasco and economic and social disaster resulting, for the most part, from direct or indirect Union support for the Maidan coup in February 2014 and for those that seized power as a result.***

Or. fr

**Amendment 16**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Recital 16 a (new)**

*Text proposed by the Commission*

***(16a) Serious human rights violations were noted in the 18th report of the UN***

*Amendment*



*High Commissioner for Human Rights, such as the systematic torture of opponents under the pretext of combating separatism, the existence of secret detention centres, and murders of journalists such as Oles Buzina, the perpetrators of which have still not been brought to justice.*

Or. fr

**Amendment 17**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Recital 16 b (new)**

*Text proposed by the Commission*

*Amendment*

*(16b) The current Ukrainian Government and the Verkhovna Rada are blocking the implementation of the Minsk agreements by failing to adopt the legislation required under the agreements (the law on special status, amendments to the Constitution), by making negative statements about the full implementation of the agreements (e.g. statements by the Attorney-General objecting to the general amnesty provided for under point 5 of the package of measures for the implementation of the Minsk agreements<sup>1a</sup>), and by imposing an economic and social blockade against the Donetsk and Luhansk regions, in breach of point 8 of the package of measures for the implementation of the Minsk agreements.*

Or. fr

**Amendment 18**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Recital 16 c (new)**

*Text proposed by the Commission*

*Amendment*

***(16c) Political pressure is being brought to bear in an effort to ensure that inquiries into mass murders, whether in Kiev during February 2014 or Odessa on 2 May 2014, are not concluded.***

Or. fr

**Amendment 19**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Recital 16 d (new)**

*Text proposed by the Commission*

*Amendment*

***(16d) The fact that President Porochenko – despite his campaign commitments to the contrary – has still not sold his industrial and commercial shares casts serious doubt on whether corruption is actually being tackled at all, given the multiple conflicts of interest at the highest echelons of the Ukrainian State.***

Or. fr

**Amendment 20**  
**Tonino Picula**

**Proposal for a decision**  
**Recital 17**

*Text proposed by the Commission*

*Amendment*

(17) A pre-condition for granting the Union's macro-financial assistance should be that Ukraine respects effective democratic mechanisms – including a

(17) A pre-condition for granting the Union's macro-financial assistance (***MFA***) should be that Ukraine ***fulfils the conditions attached to past and***

multi-party parliamentary system – and the rule of law, and guarantees respect for human rights. In addition, the specific objectives of the Union’s macro-financial assistance should strengthen the efficiency, transparency and accountability of the public finance management systems in Ukraine and *should* promote structural reforms aimed at supporting sustainable and inclusive growth, employment creation and fiscal consolidation. Both the fulfilment of the preconditions and the achievement of those objectives should be regularly monitored by the Commission and the European External Action Service.

*forthcoming MFA programmes, notably those related to the fight against corruption, and respects effective democratic mechanisms, including a multi-party parliamentary system and the rule of law, which should be supported by an independent judiciary capable of effectively fighting corruption, and guarantees respect for human rights. These political conditions should be agreed with Ukraine in a detailed Memorandum of Understanding.* In addition, the specific objectives of the Union’s macro-financial assistance should strengthen the efficiency, transparency and accountability of the public finance management systems in Ukraine, and promote structural reforms aimed at supporting sustainable and inclusive growth, employment creation and fiscal consolidation. Both the fulfilment of the preconditions and the achievement of those objectives should be regularly monitored by the Commission and the European External Action Service *throughout the life-cycle of the MFA. The disbursement of the first instalment of financial support should be made available only after the outstanding policy measures which were attached to the final instalment of the previous MFA programme have been fully implemented. The Commission should provide a public assessment of the fulfilment of that precondition, including a clear indication of the benchmarks used.*

Or. en

**Amendment 21**  
**Michael Gahler**

**Proposal for a decision**  
**Recital 17**

*Text proposed by the Commission*

*Amendment*

(17) A pre-condition for granting the Union's macro-financial assistance should be that Ukraine respects effective democratic mechanisms – including a multi-party parliamentary system – and the rule of law, and guarantees respect for human rights. In addition, the specific objectives of the Union's macro-financial assistance should strengthen the efficiency, transparency and accountability of the public finance management systems in Ukraine and **should** promote structural reforms aimed at supporting sustainable and inclusive growth, employment creation and fiscal consolidation. Both the fulfilment of the preconditions and the achievement of those objectives should be regularly monitored by the Commission and the European External Action Service.

(17) A pre-condition for granting the Union's macro-financial assistance (**MFA**) should be that Ukraine **fulfils the conditions attached to past and forthcoming MFA programmes, notably those related to the fight against corruption, and** respects effective democratic mechanisms, including a multi-party parliamentary system and the rule of law, **which should be supported by an independent judiciary capable of effectively fighting corruption,** and guarantees respect for human rights. In addition, the specific objectives of the Union's macro-financial assistance should strengthen the efficiency, transparency and accountability of the public finance management systems in Ukraine, and promote structural reforms aimed at supporting sustainable and inclusive growth, employment creation and fiscal consolidation. Both the fulfilment of the preconditions and the achievement of those objectives should be regularly monitored by the Commission and the European External Action Service **throughout the life-cycle of the MFA. The disbursement of the first instalment of financial support should be made available only after the outstanding policy measures which were attached to the final instalment of the previous MFA programme have been fully implemented. The Commission should provide a public assessment of the fulfilment of that precondition, including a clear indication of the benchmarks used.**

Or. en

**Amendment 22**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Recital 19**

*Text proposed by the Commission*

*Amendment*

**(19) Release of the Union's macro-financial assistance is without prejudice to the powers of the European Parliament and the Council as budgetary authority.**

*deleted*

Or. fr

### **Amendment 23**

**Jean-Luc Schaffhauser**

**Proposal for a decision**

**Recital 20**

*Text proposed by the Commission*

*Amendment*

**(20) The amounts of provisioning required for macro-financial assistance should be consistent with the budgetary appropriations provided for in the multiannual financial framework.**

*deleted*

Or. fr

### **Amendment 24**

**Jean-Luc Schaffhauser**

**Proposal for a decision**

**Recital 22**

*Text proposed by the Commission*

*Amendment*

**(22) In order to ensure uniform conditions for the implementation of this Decision, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council.<sup>11</sup>**

*deleted*

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<sup>11</sup> Regulation (EU) No 182/2011 of the European Parliament and of the Council

*of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).*

Or. fr

**Amendment 25**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Recital 23**

*Text proposed by the Commission*

(23) The Union's macro-financial assistance *should be* subject to *economic policy* conditions, *to be laid down in a Memorandum of Understanding. In order to ensure uniform conditions of implementation and for reasons of efficiency, the Commission should be empowered to negotiate such conditions with the Ukrainian authorities under the supervision of the committee of representatives of the Member States in accordance with Regulation (EU) No 182/2011. Under that Regulation, the advisory procedure should, as a general rule, apply in all cases other than as provided for in that Regulation. Considering the potentially important impact of assistance of more than EUR 90 million, it is appropriate that the examination procedure be used for operations above that threshold. Considering the amount of the Union's macrofinancial assistance to Ukraine, the examination procedure should apply to the adoption of the Memorandum of Understanding, and to any reduction, suspension or cancellation of the assistance,*

*Amendment*

(23) The Union's macro-financial assistance *is* subject to conditions *on economic policy and upholding human rights. As Ukraine is failing to meet those conditions, macro-financial* assistance *must be suspended.*

**Amendment 26**  
**Helmut Scholz**

**Proposal for a decision**  
**Recital 23**

*Text proposed by the Commission*

(23) The Union's macro-financial assistance should be subject to ***economic policy conditions***, to be laid down in a Memorandum of Understanding. In order to ensure uniform conditions of implementation and for reasons of efficiency, the Commission should be empowered to negotiate such conditions with the Ukrainian authorities under the supervision of the committee of representatives of the Member States in accordance with Regulation (EU) No 182/2011. Under that Regulation, the advisory procedure should, as a general rule, apply in all cases other than as provided for in that Regulation. Considering the potentially important impact of assistance of more than EUR 90 million, it is appropriate that the examination procedure be used for operations above that threshold. Considering the amount of the Union's macrofinancial assistance to Ukraine, the examination procedure should apply to the adoption of the Memorandum of Understanding, and to any reduction, suspension or cancellation of the assistance,

*Amendment*

(23) The Union's macro-financial assistance should be subject to ***conditions which do not jeopardise the country's socio-economic stability and are measurably also linked to the fight against poverty and job creation***, to be laid down in a Memorandum of Understanding, ***including appropriate measurement criteria***. In order to ensure uniform conditions of implementation and for reasons of efficiency, the Commission should be empowered to negotiate such conditions with the Ukrainian authorities ***after consultations with relevant Ukrainian stakeholders and social partners and*** under the supervision of the committee of representatives of the Member States in accordance with Regulation (EU) No 182/2011. Under that Regulation, the advisory procedure should, as a general rule, apply in all cases other than as provided for in that Regulation. Considering the potentially important impact of assistance of more than EUR 90 million, it is appropriate that the examination procedure be used for operations above that threshold. Considering the amount of the Union's macrofinancial assistance to Ukraine, the examination procedure should apply to the adoption of the Memorandum of Understanding, and to any reduction, suspension or cancellation of the assistance,

**Amendment 27**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Article 1 – paragraph 1**

*Text proposed by the Commission*

1. The Union shall **make** macro-financial assistance **of a maximum amount of EUR 1 billion available** to Ukraine (“the Union’s macro-financial assistance”), **with a view to supporting Ukraine’s economic stabilisation and a substantive reform agenda. The assistance shall contribute to covering Ukraine’s balance of payments needs as identified in the IMF programme.**

*Amendment*

1. The Union shall **suspend its** macro-financial assistance to Ukraine (“the Union’s macro-financial assistance”) **indefinitely.**

Or. fr

**Amendment 28**  
**James Carver**

**Proposal for a decision**  
**Article 1 – paragraph 1**

*Text proposed by the Commission*

1. The Union shall make macro-financial assistance **of a maximum amount of EUR 1 billion available** to Ukraine (“**the Union’s macro-financial assistance**”), **with a view to supporting Ukraine’s economic stabilisation and a substantive reform agenda. The assistance shall contribute to covering Ukraine’s balance of payments needs as identified in the IMF programme.**

*Amendment*

1. The Union shall **not** make macro-financial assistance available to Ukraine.

Or. en



**Amendment 29**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Article 1 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

**2.** *The full amount of the Union's macro-financial assistance shall be provided to Ukraine in the form of loans. The Commission shall be empowered on behalf of the Union to borrow the necessary funds on the capital markets or from financial institutions and to on-lend them to Ukraine. The loans shall have a maximum average maturity of 15 years.* **deleted**

Or. fr

**Amendment 30**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Article 1 – paragraph 3 – subparagraph 1**

*Text proposed by the Commission*

*Amendment*

*The release of the Union's macro-financial assistance shall be managed by the Commission in a manner consistent with the agreements or understandings reached between the International Monetary Fund (IMF) and Ukraine, and with the key principles and objectives of economic reforms set out in the EU-Ukraine Association Agreement, including the DCFTA, agreed under the European Neighbourhood Policy (ENP).* **deleted**

Or. fr

**Amendment 31**  
**Helmut Scholz**

## Proposal for a decision

### Article 1 – paragraph 3 – subparagraph 1

*Text proposed by the Commission*

The release of the Union’s macro-financial assistance shall be managed by the Commission in a manner consistent with the agreements or understandings reached between the International Monetary Fund (IMF) and Ukraine, and with the **key** principles and objectives of economic reforms set out in the EU-Ukraine Association Agreement, including the DCFTA, agreed under the European Neighbourhood Policy (ENP).

*Amendment*

The release of the Union’s macro-financial assistance shall be managed by the Commission in a manner consistent with the agreements or understandings reached between the International Monetary Fund (IMF) and Ukraine, and with the principles and objectives of **political, institutional, socio-economic and** economic reforms set out in the EU-Ukraine Association Agreement, including the DCFTA, agreed under the European Neighbourhood Policy (ENP).

Or. de

## Amendment 32

Helmut Scholz

## Proposal for a decision

### Article 1 – paragraph 3 – subparagraph 2

*Text proposed by the Commission*

The Commission shall regularly inform the European Parliament and the Council of developments regarding the Union’s macro-financial assistance, including disbursements thereof, and shall provide those institutions with the relevant documents in due time.

*Amendment*

The Commission shall regularly inform the European Parliament and the Council of developments regarding the Union’s macro-financial assistance, including disbursements thereof **and the degree of implementation of the agreements reached by Ukraine**, and shall provide those institutions with the relevant documents in due time.

Or. de

## Amendment 33

Jean-Luc Schaffhauser

**Proposal for a decision**  
**Article 1 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

**4.** *The Union’s macro-financial assistance shall be made available for a period of two and a half years, starting from the first day after the entry into force of the Memorandum of Understanding referred to in Article 3(1).*

*deleted*

Or. fr

**Amendment 34**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Article 1 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

**5.** *If the financing needs of Ukraine decrease fundamentally during the period of the disbursement of the Union’s macro-financial assistance compared to the initial projections, the Commission, acting in accordance with the examination procedure referred to in Article 7(2), shall reduce the amount of the assistance or suspend or cancel it.*

*deleted*

Or. fr

**Amendment 35**  
**James Carver**

**Proposal for a decision**  
**Article 1 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

**5.** If the financing needs of Ukraine decrease fundamentally during the period of the disbursement of the Union’s macro-

**5.** If the financing needs of Ukraine decrease fundamentally during the period of the disbursement of the Union’s macro-

financial assistance compared to the initial projections, the Commission, acting in accordance with the examination procedure referred to in Article 7(2), shall **reduce the amount of the assistance or suspend or** cancel it.

financial assistance compared to the initial projections, the Commission, acting in accordance with the examination procedure referred to in Article 7(2), shall cancel it.

Or. en

## **Amendment 36** **Jean-Luc Schaffhauser**

### **Proposal for a decision** **Article 2 – paragraph 1**

*Text proposed by the Commission*

1. *A pre-condition for granting the Union’s macro-financial assistance shall be that Ukraine respects effective democratic mechanisms – including a multi-party parliamentary system – and the rule of law, and guarantees respect for human rights.*

*Amendment*

1. *Macro-financial assistance may be restored once Ukraine has:*  
– *taken substantive decisions to stamp out conflicts of interest at the highest echelons of the State;*  
– *passed legislation, including constitutional amendments, making it possible to implement points 4 to 8 of the package of measures for the implementation of the Minsk agreements, as part of a constructive dialogue with the de facto authorities in Donetsk and Luhansk;*  
– *brought to justice those responsible for the politically motivated murders of Oles Buzina and Pavel Sheremet, and the mass murders in Kiev and Odessa in February and May 2014;*  
– *brought to justice those responsible for torture and illegal detention in the east of the country;*  
– *dissolved the special battalions, ‘national militia’, ‘volunteer corps’ and other paramilitary groups exerting constant armed pressure on institutions, including the courts.*

Or. fr

**Amendment 37**  
**Michael Gahler**

**Proposal for a decision**  
**Article 2 – paragraph 1**

*Text proposed by the Commission*

1. A *pre-condition* for granting the Union's *macro-financial assistance* shall be that Ukraine *respects* effective democratic mechanisms – including a multi-party parliamentary system – and the rule of law, and guarantees respect for human rights.

*Amendment*

1. A *precondition* for granting the Union's *MFA* shall be that Ukraine *fulfils the conditions attached to past and forthcoming MFA programmes, notably those related to the fight against corruption*, effective democratic mechanisms, including a multi-party parliamentary system and the rule of law and guarantees respect for human rights.

Or. en

**Amendment 38**  
**Andrea Bocskor**

**Proposal for a decision**  
**Article 2 – paragraph 1**

*Text proposed by the Commission*

1. A pre-condition for granting the Union's macro-financial assistance shall be that Ukraine respects effective democratic mechanisms – including a multi-party parliamentary system – and the rule of law, and guarantees respect for human rights.

*Amendment*

1. A pre-condition for granting the Union's macro-financial assistance shall be that Ukraine respects effective democratic mechanisms – including a multi-party parliamentary system – and the rule of law, and guarantees respect for human rights *including ensuring respect for rights already exercised of persons belonging to national minorities*.

Or. en

**Amendment 39**  
**Dobromir Sośnierz**

**Proposal for a decision**  
**Article 2 – paragraph 1**

*Text proposed by the Commission*

1. A pre-condition for granting the Union's macro-financial assistance shall be that Ukraine respects effective democratic mechanisms – including a multi-party parliamentary system – and the rule of law, and guarantees respect for human rights.

*Amendment*

1. A pre-condition for granting the Union's macro-financial assistance shall be that Ukraine respects effective democratic mechanisms – including a multi-party parliamentary system – and the rule of law, and guarantees respect for human rights ***and rights of national minorities.***

Or. en

**Amendment 40**  
**Tonino Picula**

**Proposal for a decision**  
**Article 2 – paragraph 1 – subparagraph 1 (new)**

*Text proposed by the Commission*

*Amendment*

***The Memorandum of Understanding between the European Union and Ukraine shall therefore indicate as preconditions for the disbursement of instalments under the MFA IV programme, amongst others, that:***

***(a) legislation is adopted on the establishment and functioning of the anti-corruption court, which is in line with the recommendations of the Venice Commission, most notably on the competences of the court, the eligibility and competences of candidates for the post of judge, the candidate selection process, which shall involve the participation of international experts and the status of the judges;***

***(b) establishment of an effective verification system of asset declarations made by public officials, while ensuring that civil society activists working in the***

*field of anti-corruption are exempted from e-declarations of assets;*

*(c) the composition of the Central Election Commission of Ukraine reflects a political balance representing all relevant political forces, notably those represented in the Verkhovna Rada, and is replicated in the composition of all District Election Commissions as well as in all Precinct Election Commissions.*

Or. en

**Amendment 41**  
**Michael Gahler**

**Proposal for a decision**  
**Article 2 – paragraph 1 – subparagraph 1 (new)**

*Text proposed by the Commission*

*Amendment*

*The Memorandum of Understanding between the European Union and Ukraine shall therefore indicate as preconditions for the disbursement of instalments under the MFA IV programme, amongst others, that: (a) legislation is adopted on the establishment and functioning of the anti-corruption court, which is in line with the recommendations of the Venice Commission, most notably on the competences of the court, the eligibility and competences of candidates for the post of judge, the candidate selection process, which shall involve the participation of international experts and the status of the judges; (b) civil society activists working in the field of anti-corruption are exempted from e-declarations of assets; (c) the composition of the Central Election Commission of Ukraine reflects a political balance representing all relevant political forces, notably those represented in the Verkhovna Rada, and is replicated in the*

*composition of all District Election Commissions as well as in all Precinct Election Commissions;*

Or. en

**Amendment 42**  
**Andrea Bocskor**

**Proposal for a decision**  
**Article 2 – paragraph 1 – subparagraph 1 (new)**

*Text proposed by the Commission*

*Amendment*

*The Memorandum of Understanding between the European Union and Ukraine shall therefore indicate as preconditions for the disbursement of instalments under the MFA IV programme, amongst others, that, in accordance with Ukraine's commitment to fully implement the opinion of the Venice Commission, a meaningful dialogue shall be conducted with regard to the law on education and an agreement shall be reached with the representatives of the European minorities concerned on the modalities of the implementation of that law.*

Or. en

**Amendment 43**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Article 2 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. The *Commission and the* European External Action Service *shall monitor the fulfilment of this pre-condition throughout the life-cycle* of the *Union's*

2. The European External Action Service, *together with the diplomatic services of the Member States, shall monitor the implementation* of the



*macro-financial assistance.*

*conditions laid down in paragraph 1 and report to the Council as soon as they are met.*

Or. fr

**Amendment 44**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Article 2 – paragraph 3**

*Text proposed by the Commission*

*Amendment*

**3. Paragraphs 1 and 2 of this Article shall be applied in accordance with Council Decision 2010/427/EU<sup>12</sup>.** *deleted*

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<sup>12</sup> *Council Decision 2010/427/EU of 26 July 2010 establishing the organisation and functioning of the European External Action Service (OJ L 201, 3.8.2010, p. 30).*

Or. fr

**Amendment 45**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Article 3 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

1. The *Commission, in accordance with the examination procedure referred to in Article 7(2)*, shall agree with the Ukrainian authorities on *clearly defined economic policy and financial conditions, focusing on structural reforms and sound public finances, to which the Union's macro-financial assistance is to be subject, to be laid down in a Memorandum of Understanding (“the*

1. The *Presidency of the Council* shall agree with the Ukrainian authorities on a timeframe for the fulfilment of *the* conditions *laid down* in Article 2.

***Memorandum of Understanding”)* which shall include a timeframe for the fulfilment of *those conditions*. *The economic policy and financial conditions set out in the Memorandum of Understanding shall be consistent with the agreements or understandings referred to in Article 1(3), including the macroeconomic adjustment and structural reform programmes implemented by Ukraine with the support of the IMF.***

Or. fr

## **Amendment 46** **Helmut Scholz**

### **Proposal for a decision** **Article 3 – paragraph 1**

#### *Text proposed by the Commission*

1. The Commission, in accordance with the examination procedure referred to in Article 7(2), shall agree with the Ukrainian authorities on clearly defined ***economic policy*** and financial conditions, focusing on structural reforms and sound public finances, to which the Union’s macro-financial assistance is to be subject, to be laid down in a Memorandum of Understanding (“the Memorandum of Understanding”) which shall include a timeframe for the fulfilment of those conditions. The ***economic policy*** and financial conditions set out in the Memorandum of Understanding shall be consistent with the agreements or understandings referred to in Article 1(3), including the macroeconomic adjustment and structural reform programmes implemented by Ukraine with the support of the IMF.

#### *Amendment*

1. The Commission, in accordance with the examination procedure referred to in Article 7(2), shall agree with the Ukrainian authorities on clearly defined ***political*** and financial conditions, focusing on ***socially responsible*** structural reforms and sound public finances, to which the Union's macro-financial assistance is to be subject, to be laid down in a Memorandum of Understanding (“the Memorandum of Understanding”) which shall include a ***precise*** timeframe ***and specific measurement criteria*** for the fulfilment of those conditions. The ***political*** and financial conditions set out in the Memorandum of Understanding shall be consistent with the agreements or understandings referred to in Article 1(3), including the macroeconomic adjustment and structural reform programmes implemented by Ukraine with the support of the IMF.

Or. de

**Amendment 47**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Article 3 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

**2. The conditions referred to in paragraph 1 shall aim, in particular, at enhancing the efficiency, transparency and accountability of the public finance management systems in Ukraine, including for the use of the Union’s macro-financial assistance. Progress in mutual market opening, the development of rules-based and fair trade, and other priorities in the context of the Union’s external policy shall also be duly taken into account when designing the policy measures. Progress in attaining those objectives shall be regularly monitored by the Commission.**

*deleted*

Or. fr

**Amendment 48**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Article 3 – paragraph 3**

*Text proposed by the Commission*

*Amendment*

**3. The detailed financial terms of the Union’s macro-financial assistance shall be laid down in a Loan Agreement to be concluded between the Commission and the Ukrainian authorities.**

*deleted*

Or. fr

**Amendment 49**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Article 3 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

**4.** *The Commission shall verify, at regular intervals, that the conditions referred to in Article 4(3) continue to be met, including whether the economic policies of Ukraine are in accordance with the objectives of the Union’s macro-financial assistance. In so doing, the Commission shall coordinate closely with the IMF and the World Bank, and, where necessary, with the European Parliament and the Council.*

*deleted*

Or. fr

**Amendment 50**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Article 4**

*Text proposed by the Commission*

*Amendment*

**Article 4**

*deleted*

**1.** *Subject to the conditions referred to in paragraph 3, the Union’s macro-financial assistance shall be made available by the Commission in two loan instalments. The size of each instalment shall be laid down in the Memorandum of Understanding referred to in Article 3.*

**2.** *The amounts of the Union’s macro-financial assistance shall be provisioned, where required, in accordance with Council Regulation (EC, Euratom) No 480/2009.<sup>13</sup>*

**3.** *The Commission shall decide on the release of the instalments subject to the*

***fulfilment of all of the following conditions:***

***(a) the pre-condition set out in Article 2;***

***(b) a continuous satisfactory track record of implementing a policy programme that contains strong adjustment and structural reform measures supported by a non-precautionary IMF credit arrangement; and***

***(c) the satisfactory implementation of the economic policy and financial conditions agreed in the Memorandum of Understanding.***

***The release of the second instalment shall not, in principle, take place earlier than three months after the release of the first instalment.***

***4. Where the Commission finds that the conditions laid down in paragraph 3 are not met, it shall temporarily suspend or cancel the disbursement of the Union's macro-financial assistance. In such cases, it shall inform the European Parliament and the Council of the reasons for that suspension or cancellation.***

***5. The Union's macro-financial assistance shall be disbursed to the National Bank of Ukraine. Subject to the provisions to be agreed in the Memorandum of Understanding, including a confirmation of residual budgetary financing needs, the Union funds may be transferred to the Ukrainian Ministry of Finance as the final beneficiary.***

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***<sup>13</sup> Council Regulation (EC, Euratom) No 480/2009 of 25 May 2009 establishing a Guarantee Fund for external actions (OJ L 145, 10.6.2009, p. 10).***

Or. fr

**Amendment 51**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Article 5**

*Text proposed by the Commission*

*Amendment*

*Article 5*

*deleted*

*1. The borrowing and lending operations related to the Union's macro-financial assistance shall be carried out in euro using the same value date and shall not involve the Union in the transformation of maturities, or expose it to any exchange or interest rate risk, or to any other commercial risk.*

*2. Where the circumstances permit, and if Ukraine so requests, the Commission may take the steps necessary to ensure that an early repayment clause is included in the loan terms and conditions and that it is matched by a corresponding clause in the terms and conditions of the borrowing operations.*

*3. Where circumstances permit an improvement of the interest rate of the loan and if Ukraine so requests, the Commission may decide to refinance all or part of its initial borrowings or may restructure the corresponding financial conditions. Refinancing or restructuring operations shall be carried out in accordance with paragraphs 1 and 4 and shall not have the effect of extending the maturity of the borrowings concerned or of increasing the amount of capital outstanding at the date of the refinancing or restructuring.*

*4. All costs incurred by the Union which relate to the borrowing and lending operations under this Decision shall be borne by Ukraine.*

*5. The Commission shall inform the European Parliament and the Council of developments in the operations referred to*

*in paragraphs 2 and 3.*

Or. fr

**Amendment 52**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Article 6**

*Text proposed by the Commission*

*Amendment*

*Article 6*

*deleted*

***1. The Union's macro-financial assistance shall be implemented in accordance with Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council<sup>415</sup> Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 on the financial rules applicable to the general budget of the Union (OJ L 362, 31.12.2012, p. 1).***

***2. The Union's macro-financial assistance shall be implemented under direct management.***

***3. The Loan Agreement referred to in Article 3(3) shall contain provisions:***

***(a) ensuring that Ukraine regularly checks that financing provided from the budget of the Union has been properly used, takes appropriate measures to prevent irregularities and fraud, and, if necessary, takes legal action to recover any funds provided under this Decision that have been misappropriated;***

***(b) ensuring the protection of the Union's financial interests, in particular providing for specific measures in relation to the prevention of, and fight against, fraud, corruption and any other irregularities affecting the Union's macro-financial***

*assistance, in accordance with Council Regulation (EC, Euratom) No 2988/95<sup>161718</sup> and Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council*

*(c) expressly authorising the Commission, including the European Anti-Fraud Office, or its representatives to carry out checks, including on-the-spot checks and inspections;*

*(d) expressly authorising the Commission and the Court of Auditors to perform audits during and after the availability period of the Union's macro-financial assistance, including document audits and on-the-spot audits, such as operational assessments;*

*(e) ensuring that the Union is entitled to early repayment of the loan where it has been established that, in relation to the management of the Union's macro-financial assistance, Ukraine has engaged in any act of fraud or corruption or any other illegal activity detrimental to the financial interests of the Union.*

*4. Before the implementation of the Union's macro-financial assistance, the Commission shall assess, by means of an operational assessment, the soundness of Ukraine's financial arrangements, the administrative procedures, and the internal and external control mechanisms which are relevant to the assistance.*

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<sup>14</sup> *Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).*

<sup>15</sup> *and Commission Delegated Regulation (EU) No 1268/2012.*

<sup>16</sup> *Council Regulation (EC, Euratom) No*



*2988/95 of 18 December 1995 on the protection of the European Communities financial interests (OJ L 312, 23.12.1995, p. 1).*

*<sup>17</sup>, Council Regulation (EC, Euratom) No 2185/96*

*<sup>18</sup> Council Regulation (EC, Euratom) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission to protect the Communities' financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2).*

Or. fr

**Amendment 53**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Article 7**

*Text proposed by the Commission*

*Amendment*

*Article 7*

*deleted*

*1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.*

*2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.*

Or. fr

**Amendment 54**  
**Jean-Luc Schaffhauser**

**Proposal for a decision**  
**Article 8**

*Text proposed by the Commission*

*Amendment*

**Article 8**

*deleted*

**1. By 30 June of each year, the Commission shall submit to the European Parliament and to the Council a report on the implementation of this Decision in the preceding year, including an evaluation of that implementation. The report shall:**

**(a) examine the progress made in implementing the Union's macro-financial assistance;**

**(b) assess the economic situation and prospects of Ukraine, as well as progress made in implementing the policy measures referred to in Article 3(1);**

**(c) indicate the connection between the economic policy conditions laid down in the Memorandum of Understanding, Ukraine's on-going economic and fiscal performance and the Commission's decisions to release the instalments of the Union's macro-financial assistance.**

**2.**

Or. fr