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AMENDMENTS

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Draft opinion

Annemie Neyts-Uyttebroeck

(PE516.728v01-00)

of the Committee on Foreign Affairs

for the Committee on International Trade

on the proposal for a decision of the European Parliament and of the Council
providing macro-financial assistance to the Hashemite Kingdom of Jordan

Proposal for a decision

(COM(2013)0242 – C7-0119/2013 – 2013/0128(COD))

AM_Com_LegOpinion

Amendment 6
Laurence J.A.J. Stassen

Proposal for a decision
Recital 2

Text proposed by the Commission

(2) Jordan's economy has been significantly affected by domestic events related to the events in the Southern Mediterranean since the end of 2010, known as the "**Arab Spring**", and by the ongoing regional unrest, notably in neighbouring Egypt and Syria. Combined with a weaker global environment, the repeated disruptions to the flow of natural gas from Egypt, which have forced Jordan to replace gas imports from Egypt with more expensive fuels for electricity generation, and the important inflow of refugees from Syria have resulted in important external and budgetary financial gaps.

Amendment

(2) Jordan's economy has been significantly affected by domestic events related to the events in the Southern Mediterranean since the end of 2010, known as the "**Islamic Winter**", and by the ongoing regional unrest, notably in neighbouring Egypt and Syria. Combined with a weaker global environment, the repeated disruptions to the flow of natural gas from Egypt, which have forced Jordan to replace gas imports from Egypt with more expensive fuels for electricity generation, and the important inflow of refugees from Syria have resulted in important external and budgetary financial gaps.

Or. nl

Amendment 7
Adam Bielan

Proposal for a decision
Recital 2

Text proposed by the Commission

(2) Jordan's economy has been significantly affected by domestic events related to the events in the Southern Mediterranean since the end of 2010, known as the "**Arab Spring**", and by the ongoing regional unrest, notably in neighbouring Egypt and Syria. Combined with a weaker global environment, the repeated disruptions to the flow of natural gas from Egypt, which have forced Jordan

Amendment

(2) Jordan's economy has been significantly affected by domestic events related to the events in the Southern Mediterranean since the end of 2010, known as the '**Arab Spring**', and by the ongoing regional unrest, notably in neighbouring Egypt and Syria. Combined with a weaker global environment, the repeated disruptions to the flow of natural gas from Egypt, which have forced Jordan

to replace gas imports from Egypt with more expensive fuels for electricity generation, and the important inflow of refugees from Syria have resulted in important external and budgetary financial gaps.

to replace gas imports from Egypt with more expensive fuels for electricity generation, and the important inflow of refugees from Syria have resulted in important external and budgetary financial gaps *and become a cause of social unrest.*

Or. pl

Amendment 8
Laurence J.A.J. Stassen

Proposal for a decision
Recital 3

Text proposed by the Commission

(3) Since the *Arab Spring* began, the Union has declared on various occasions its commitment to support Jordan in its economic and political reform process. This commitment was reaffirmed in the conclusions of the 10th meeting of the Association Council between the Union and Jordan in December 2012.

Amendment

(3) Since the *Islamic Winter* began, the Union has, *regrettably and reprehensibly*, declared on various occasions its commitment to support Jordan in its economic and political reform process. *Regrettably*, this *reprehensible* commitment was reaffirmed in the conclusions of the 10th meeting of the Association Council between the Union and Jordan in December 2012, *and it should immediately be revoked.*

Or. nl

Amendment 9
Laurence J.A.J. Stassen

Proposal for a decision
Recital 4

Text proposed by the Commission

(4) Jordan has embarked on a series of political reforms, most notably leading to the adoption by the Jordanian Parliament in September 2011 of over 40 constitutional amendments, *representing a significant*

Amendment

(4) Jordan has embarked on a series of political reforms, most notably leading to the adoption by the Jordanian Parliament in September 2011 of over 40 constitutional amendments. *However, it should not be a*

step towards a fully-fledged democratic system. Political and economic support from the Union to Jordan's reform process is consistent with the Union's policy towards the Southern Mediterranean region, as set out in the context of the ENP.

task of the Union to lend political and/or financial support to Jordan or its reform process.

Or. nl

Amendment 10
Marietje Schaake

Proposal for a decision
Recital 4

Text proposed by the Commission

(4) Jordan has embarked on a series of political reforms, most notably leading to the adoption by the Jordanian Parliament in September 2011 of over 40 constitutional amendments, representing a significant step towards a fully-fledged democratic system. Political and economic support from the Union to Jordan's reform process *is* consistent with the Union's policy towards the Southern *Mediterranean* region, as set out in the context of the ENP.

Amendment

(4) Jordan has embarked on a series of political reforms, most notably leading to the adoption by the Jordanian Parliament in September 2011 of over 40 constitutional amendments, representing a significant step towards a fully-fledged democratic system. ***Challenges to human rights and fundamental freedom still exist, particularly regarding freedom of expression and digital freedoms.*** Political and economic support from the Union to Jordan's reform process ***should be*** consistent with the Union's policy towards the Southern *Mediterranean* region, as set out in the context of the ENP.

Or. en

Amendment 11
Laurence J.A.J. Stassen

Proposal for a decision
Recital 5

Text proposed by the Commission

(5) In August 2012, the Jordanian authorities and the International Monetary

Amendment

(5) In August 2012, the Jordanian authorities and the International Monetary

Fund (IMF) agreed on a three-year Stand-By-Arrangement of SDR 1,364 million in support of Jordan's economic adjustment and reform programme.

Fund (IMF) ***regrettably*** agreed on a ***reprehensible*** three-year Stand-By-Arrangement of SDR 1,364 million in support of Jordan's economic adjustment and reform programme. ***This reprehensible agreement should immediately be revoked.***

Or. nl

Amendment 12
Laurence J.A.J. Stassen

Proposal for a decision
Recital 6

Text proposed by the Commission

(6) The Union has made available EUR 293 million in grants for the period 2011-13 under its regular cooperation programme in support of Jordan's political and economic reform agenda. In addition, EUR 70 million has been allocated to Jordan in 2012 under the "Support for partnership, reforms and inclusive growth" (SPRING) programme, and EUR 10 million in Union humanitarian aid to support Syrian refugees.

Amendment

(6) The Union has ***regrettably*** made available EUR 293 million in grants for the period 2011-13 under its regular cooperation programme in support of Jordan's political and economic reform agenda. In addition, EUR 70 million has ***regrettably*** been allocated to Jordan in 2012 under the "Support for partnership, reforms and inclusive growth" (SPRING) programme, and EUR 10 million in Union humanitarian aid to support Syrian refugees.

Or. nl

Amendment 13
Laurence J.A.J. Stassen

Proposal for a decision
Recital 8

Text proposed by the Commission

(8) Given that, after taking into account macroeconomic support from the IMF and the World Bank, a residual financing

Amendment

(8) The Union should not give Jordan any political and/or financial support whatsoever.

gap remains in Jordan's balance of payments, and given the vulnerability of Jordan's external financial position to exogenous shocks, which requires maintaining an appropriate level of the foreign exchange reserves, macro-financial assistance is considered an appropriate response to Jordan's request under the current exceptional circumstances. The Union macro-financial assistance to Jordan ("the Union macro-financial assistance") would support the economic stabilisation and the structural reform agenda of Jordan, supplementing resources made available under the IMF's financial arrangement.

Or. nl

Amendment 14
Laurence J.A.J. Stassen

Proposal for a decision
Recital 9

Text proposed by the Commission

Amendment

(9) The Union macro-financial assistance should not merely supplement programmes and resources from the IMF and the World Bank, but should also ensure the added value of Union's involvement. The Commission should ensure that the Union macro-financial assistance is legally and substantially in line with the measures taken within the different areas of external action and other relevant Union policies.

deleted

Or. nl

Amendment 15
Adam Bielan

Proposal for a decision
Recital 9

Text proposed by the Commission

(9) The Union macro-financial assistance should not merely supplement programmes and resources from the IMF and the World Bank, but should also ensure the added value of Union's involvement. The Commission should ensure that the Union macro-financial assistance is legally and substantially in line with the measures taken within the different areas of external action and other relevant Union policies.

Amendment

(9) The Union macro-financial assistance should not merely supplement programmes and resources from the IMF and the World Bank, but should also ensure the added value of Union's involvement. The Commission should ensure that the Union macro-financial assistance is legally and substantially in line with the measures taken within the different areas of external action and other relevant Union policies, ***and, as far as is possible, with the actions of other cooperating international institutions.***

Or. pl

Amendment 16
Tokia Saïfi

Proposal for a decision
Recital 9 a (new)

Text proposed by the Commission

Amendment

(9a) EU macro-financial assistance to Jordan must be in keeping with the general principles underpinning EU external action and support the fundamental rights and values that the EU promotes through its external action, such as democracy, the rule of law, good governance and human rights.

Or. fr

Amendment 17
Tokia Saïfi

Proposal for a decision
Recital 9 b (new)

Text proposed by the Commission

Amendment

(9b) In order to ensure the coherence of the steps taken, the Commission and the EEAS should consult each other before implementing any macro-financial assistance operations.

Or. fr

Amendment 18
Laurence J.A.J. Stassen

Proposal for a decision
Recital 10

Text proposed by the Commission

Amendment

(10) The specific objectives of the Union macro-financial assistance should be to strengthen efficiency, transparency and accountability of the public finance management systems in Jordan and to promote structural reforms aimed at supporting sustainable and inclusive growth, employment creation and fiscal consolidation. These objectives should be regularly monitored by the Commission.

deleted

Or. nl

Amendment 19
Adam Bielan

Proposal for a decision
Recital 10

Text proposed by the Commission

Amendment

(10) The specific objectives of the Union macro-financial assistance should be to strengthen efficiency, transparency and accountability of the public finance

(10) The specific objectives of the Union macro-financial assistance should be to strengthen efficiency, transparency and accountability of the public finance

management systems in Jordan and to promote structural reforms aimed at supporting sustainable and inclusive growth, employment creation and fiscal consolidation. These objectives should be regularly monitored by the Commission.

management systems in Jordan and to promote structural reforms aimed at supporting sustainable and inclusive growth, employment creation and fiscal consolidation. The **implementation of** these objectives should be regularly monitored by the Commission.

Or. pl

Amendment 20
Laurence J.A.J. Stassen

Proposal for a decision
Article 1

Text proposed by the Commission

- 1. The Union shall make available to Jordan macro-financial assistance of a maximum amount of EUR 180 million, with a view to supporting Jordan's economic stabilisation and reforms. The assistance shall contribute to covering Jordan's balance of payments needs as identified in the current IMF programme.***
- 2. The full amount of the macro-financial assistance shall be provided to Jordan 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 in order to onlend them to Jordan. The loans shall have a maximum maturity of 15 years.***
- 3. The release of the Union macro-financial assistance shall be managed by the Commission in a manner consistent with the agreements or understandings reached between the IMF and Jordan and with the key principles and objectives of economic reforms set out in the EU-Jordan Association Agreement and the EU-Jordan Action Plan for 2010-2015 agreed under the European Neighbourhood Policy. The Commission shall regularly inform the European***

Amendment

The Union should not give Jordan any political and/or financial support whatsoever.

Parliament and the Economic and Financial Committee of developments in the management of the Union macrofinancial assistance and provide them with relevant documents.

4. The Union macro-financial assistance shall be made available for a period of two years from the first day after the entry into force of the Memorandum of Understanding referred to in Article 2(1).

Or. nl

Amendment 21
Laurence J.A.J. Stassen

Proposal for a decision
Article 2

Text proposed by the Commission

1. The Commission, acting in accordance with the examination procedure referred to in Article 6(2), shall be empowered to agree with the authorities of Jordan on the economic policy and financial conditions attached to the Union macro-financial assistance, to be laid down in a Memorandum of Understanding which shall include a timeframe for their fulfilment (hereafter the 'Memorandum of Understanding'). The economic policy and financial conditions shall be consistent with the agreements or understandings referred to in Article 1(3). Those conditions shall aim, in particular, at strengthening the efficiency, transparency and accountability of public finance management systems in Jordan, including for the use of the Union macro-financial assistance. Progress in attaining these objectives shall be regularly monitored by the Commission.

2. The detailed financial terms of the assistance shall be laid down in a Loan

Amendment

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Agreement to be agreed between the Commission and the authorities of Jordan.

3. During the implementation of the Union macro-financial assistance, the Commission shall monitor the soundness of Jordan's financial arrangements, the administrative procedures and the internal and external control mechanisms which are relevant to the assistance, as well as the adherence to the agreed timeframe.

4. The Commission shall verify at regular intervals that the economic policies of Jordan are in accordance with the objectives of the Union macro-financial assistance and that the agreed economic policy conditions are being satisfactorily fulfilled. In doing so, the Commission shall coordinate closely with the IMF and the World Bank, and, when required, with the Economic and Financial Committee.

Or. nl

Amendment 22
Laurence J.A.J. Stassen

Proposal for a decision
Article 3

Text proposed by the Commission

Amendment

1. Subject to the conditions set out in paragraph 2, the Union financial assistance shall be made available by the Commission to Jordan in two loan instalments. The size of each instalment shall be laid down in the Memorandum of Understanding.

The Union should not give Jordan any political and/or financial support whatsoever.

2. The Commission shall decide on the release of the instalments subject to a satisfactory implementation of the IMF programme and the fulfilment of the economic policy and financial conditions

agreed in the Memorandum of Understanding. The disbursement of the second instalment shall not take place earlier than three months after the release of the first instalment.

3. The Union funds shall be paid to the Central Bank of Jordan. Subject to provisions to be agreed in the Memorandum of Understanding, including a confirmation of residual budgetary financing needs, the Union funds may be paid to the Jordanian Ministry of Finance as the final beneficiary.

Or. nl

Amendment 23
Laurence J.A.J. Stassen

Proposal for a decision
Article 4

Text proposed by the Commission

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

2. Upon request by Jordan, the Commission shall take the necessary steps to ensure that an early repayment clause is included in the loan terms and conditions. The early repayment clause shall be matched by a corresponding clause in the terms and conditions of the Commission's borrowing operations.

3. Upon request by Jordan and where circumstances permit an improvement of the interest rate of the loan, the Commission may refinance all or part of

Amendment

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its initial loan or restructure the corresponding financial conditions. Refinancing or restructuring operations shall be carried out in accordance with the conditions set out in paragraph 1 and shall not have the effect of extending the average maturity of the loan concerned or increasing the amount of capital outstanding at the date of the refinancing or restructuring.

4. All costs incurred by the Union in relation to the borrowing and lending operations under this Decision shall be borne by Jordan.

5. The Commission shall inform the European Parliament and the Economic and Financial Committee of developments in the operations referred to in paragraphs 2 and 3.

Or. nl

Amendment 24
Laurence J.A.J. Stassen

Proposal for a decision
Article 5

Text proposed by the Commission

1. The Union macro-financial assistance shall be implemented in accordance with 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 and its rules of application.

2. The Memorandum of Understanding and the Loan Agreement to be agreed with the authorities of Jordan shall provide for appropriate measures in relation to the prevention of, and the fight against, fraud, corruption and any other

Amendment

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irregularities in relation to the assistance. In order to ensure greater transparency in the management and disbursement of funds, the Memorandum of Understanding and the Loan Agreement shall also provide for controls, including on-the-spot checks and inspections, to be carried out by the Commission, including the European Anti-Fraud Office. Those documents shall in addition provide for audits, including where appropriate on-the-spot audits, by the Court of Auditors.

Or. nl

Amendment 25
Laurence J.A.J. Stassen

Proposal for a decision
Article 7

Text proposed by the Commission

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 thereof. The report shall indicate the connection between the economic policy conditions laid down in the Memorandum of Understanding, Jordan's on-going economic and fiscal performance and the Commission's decisions to release the instalments of the Union macro-financial assistance.

2. Not later than two years after the expiry of the availability period referred to in Article 1(4), the Commission shall submit to the European Parliament and to the Council an ex post evaluation report.

Amendment

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Or. nl