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Committee on Foreign Affairs

2011/0176(COD)

6.3.2012

DRAFT OPINION

of the Committee on Foreign Affairs

for the Committee on International Trade

on the proposal for a regulation of the European Parliament and of the Council
laying down general provisions for Macro-Financial Assistance to third
countries
(COM(2011)0396 – C7-0187/2011 – 2011/0176(COD))

Rapporteur: Inese Vaidere

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AMENDMENTS

The Committee on Foreign Affairs calls on the Committee on International Trade, as the committee responsible, to incorporate the following amendments in its report:

Amendment 1

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) A framework for delivering macro-financial assistance to **third** countries **with which the Union has important political, economic and commercial ties** should make the assistance more effective. In particular, it should be possible to provide macro-financial assistance to **third** countries to encourage them to adopt economic policy measures likely to solve a balance of payments crisis.

Amendment

(3) A framework for delivering macro-financial assistance to **candidate, potential candidate and neighbourhood** countries should make the assistance more effective. In particular, it should be possible to provide macro-financial assistance to **these** countries to encourage them to adopt economic policy measures likely to solve a balance of payments crisis.

Or. en

Amendment 2

Proposal for a regulation

Recital 9

Text proposed by the Commission

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

Amendment

(9) The Commission, **in close cooperation with the EEAS**, should ensure that macro-financial assistance is in line with the key principles, objectives and measures taken within the different areas of external action and other relevant Union policies.

Or. en

Amendment 3

Proposal for a regulation Recital 9 a (new)

Text proposed by the Commission

Amendment

(9a) Macro-financial assistance is also a tool of Union foreign policy and should serve to enhance the visibility and influence of the Union beyond its borders. The close involvement of the EEAS for the purpose of coordination and the consistency of the Union's external policy should be ensured throughout the whole macro-financial assistance operation.

Or. en

Amendment 4

Proposal for a regulation Recital 10 a (new)

Text proposed by the Commission

Amendment

(10a) In case of determining role in regional stability and of strategic importance for the Union, and under the condition that it is politically, economically and geographically close to the Union, a third country could, in exceptional and duly justified cases, be considered eligible to benefit from macro-financial assistance operation.

Or. en

Amendment 5

Proposal for a regulation Recital 10 b (new)

Text proposed by the Commission

Amendment

(10b) In order to allow for flexibility in the use of macro-financial assistance as part of the Union's external action, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of determining the eligibility of third countries that are neither candidate, nor potential candidate, nor neighbourhood countries. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.

Or. en

Amendment 6

Proposal for a regulation Article 2

Text proposed by the Commission

Amendment

Eligible countries

The third countries and territories eligible for macro-financial assistance shall be:

- (a) Candidate and potential candidate countries as listed in Point 1 of Annex I to this Regulation,
- (b) Countries and territories covered by the European Neighbourhood Policy as listed

Eligible countries

The third countries and territories eligible for macro-financial assistance shall be:

- (a) Candidate and potential candidate countries as listed in Point 1 of Annex I to this Regulation,
- (b) Countries and territories covered by the European Neighbourhood Policy as listed

in Point 2 of Annex I to this Regulation,
(c) Other third countries in exceptional and duly justified circumstances. Such countries must be politically, economically and geographically close to the European Union.

in Point 2 of Annex I to this Regulation,

Or. en

Amendment 7

Proposal for a regulation Article 5 – paragraph 1

Text proposed by the Commission

1. The amount of the assistance shall be based on the residual external financing needs of the beneficiary country. These shall be established by the Commission in cooperation with international financial institutions, based on a comprehensive and well documented quantitative assessment. In particular, the Commission will draw on the latest balance of payments projections for the country in question produced by the IMF and take into account the expected financial contributions from multilateral donors.

Amendment

1. The amount of the assistance shall be based on the residual external financing needs of the beneficiary country. These shall be established by the Commission in cooperation with international financial institutions ***and the EEAS***, based on a comprehensive and well documented quantitative assessment. In particular, the Commission will draw on the latest balance of payments projections for the country in question produced by the IMF and take into account the expected financial contributions from multilateral donors.

Or. en

Amendment 8

Proposal for a regulation Article 6 – paragraph 1

Text proposed by the Commission

1. A pre-condition for granting macro-financial assistance shall be that the recipient country respects effective democratic mechanisms, including multi-

Amendment

1. A pre-condition for granting macro-financial assistance shall be that the recipient country respects effective democratic mechanisms, including multi-

party parliamentary systems, the rule of law and respect for human rights.

party parliamentary systems, the rule of law and respect for human rights. ***This assessment shall be entrusted to the EEAS.***

Or. en

Amendment 9

Proposal for a regulation Article 6 – paragraph 3

Text proposed by the Commission

3. The disbursement of the assistance shall be conditional on a satisfactory track record of an IMF programme. It shall also be conditional on the implementation, within a specific time frame, of a series of clearly defined economic policy measures focusing on structural reforms, to be agreed between the Commission and the beneficiary country and to be laid down in a Memorandum of Understanding.

Amendment

3. The disbursement of the assistance shall be conditional on a satisfactory track record of an IMF programme ***and of respect for the Genval political and value-based principles.*** It shall also be conditional on the implementation, within a specific time frame, of a series of clearly defined economic policy measures focusing on structural reforms, to be agreed between the Commission and the beneficiary country and to be laid down in a Memorandum of Understanding.

Or. en

Amendment 10

Proposal for a regulation Article 7

Text proposed by the Commission

Procedure

1. A country seeking to be granted macro-financial assistance shall request it in writing to the Commission.
2. If the conditions referred to in Article 1, Article 2, Article 4 and Article 6 are met, macro-financial assistance shall be granted

Amendment

Procedure

1. A country seeking to be granted macro-financial assistance shall request it in writing to the Commission.
2. If the conditions referred to in Article 1, Article 2, Article 4 and Article 6 are met, macro-financial assistance shall be granted

by the Commission acting in accordance with Article 14(2)

3. The decision to provide a loan shall specify the amount, the maximum average maturity, the maximum number of instalments of the macro-financial assistance. The decision to provide a grant shall specify the amount, and the maximum number of instalments. In both cases the availability period of the macro-financial assistance shall be defined. As a rule, it shall not exceed three years.

4. Following the approval of the decision granting macro-financial assistance, the Commission, acting in accordance with Article 14(3), shall agree the policy measures referred to in Article 6(3), (4), (5) and (6) with the beneficiary country.

5. Following the approval of the decision granting macro-financial assistance, the Commission shall agree the detailed financial terms of the assistance with the beneficiary country. These shall be laid down in a Grant or Loan Agreement.

6. The Commission shall inform the European Parliament and the Council of developments in country-specific assistance and provide them with the relevant documents.

by the Commission, ***in close cooperation with the EEAS***, acting in accordance with Article 14(2).

3. The decision to provide a loan shall specify the amount, the maximum average maturity, the maximum number of instalments of the macro-financial assistance. The decision to provide a grant shall specify the amount, and the maximum number of instalments. In both cases the availability period of the macro-financial assistance shall be defined. As a rule, it shall not exceed three years.

4. Following the approval of the decision granting macro-financial assistance, the Commission, ***in close cooperation with the EEAS***, acting in accordance with Article 14(3), shall agree the policy measures referred to in Article 6(3), (4), (5) and (6) with the beneficiary country.

5. Following the approval of the decision granting macro-financial assistance, the Commission shall agree the detailed financial terms of the assistance with the beneficiary country. These shall be laid down in a Grant or Loan Agreement.

6. The Commission, ***with the involvement of the EEAS***, shall inform the European Parliament and the Council of developments in country-specific assistance and provide them with the relevant documents.

Or. en

Amendment 11

Proposal for a regulation Article 9

Text proposed by the Commission

Disbursement of the assistance

1. Macro-financial assistance shall be

Amendment

Disbursement of the assistance

1. Macro-financial assistance shall be

disbursed to the central bank of the beneficiary country.

2. The assistance shall be disbursed in successive instalments, conditional upon the fulfilment of the conditions referred to in Article 6(2) and 6(3).

3. The Commission shall verify at regular intervals that the conditions referred to in Article 6(2) and 6(3) continue to be met.

4. In case the conditions referred to in Article 6(2) and 6(3) are not met, the Commission can temporarily suspend, reduce or cancel the disbursement of the assistance.

disbursed to the central bank of the beneficiary country.

2. The assistance shall be disbursed in successive instalments, conditional upon the fulfilment of the conditions referred to in Article **6(1)**, 6(2) and 6(3).

3. The Commission shall verify at regular intervals that the conditions referred to in Article 6(2) and 6(3) continue to be met.
The EEAS shall verify at regular intervals, and without delay in the case of unforeseen developments, that the conditions referred to in Article 6(1) continue to be met, and inform the Commission accordingly.

4. In case the conditions referred to in Article **6(1)**, 6(2) and 6(3) are not met, the Commission, ***in close cooperation with the EEAS***, can temporarily suspend, reduce or cancel the disbursement of the assistance.

4a. In these instances, and in case the suspension of the operation is lifted after consultation of the EEAS, the Commission shall inform the European Parliament and the Council of the reasons thereof.

Or. en

Amendment 12

Proposal for a regulation Article 11 a (new)

Text proposed by the Commission

Amendment

Article 11a

Decision on eligibility of third countries and exercise of the delegation

1. In case of determining role in regional stability and of strategic importance for the Union, and under the condition that it is politically, economically and

geographically close to the Union, a third country may, in exceptional and duly justified cases, be considered eligible to benefit from a macro-financial assistance operation.

2. The Commission shall be empowered to adopt delegated acts in order to supplement, when necessary, this Regulation with eligible countries that meet the criteria of paragraph 1. The power to adopt delegated acts is subject to the conditions laid down in this Article.

3. The power to adopt delegated acts referred to in paragraph 2 shall be conferred on the Commission for a period of applicability of this Regulation.

4. The delegation of power may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

6. A delegated act adopted pursuant to this article shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or the Council.

Amendment 13

Proposal for a regulation

Article 13 – paragraph 1

Text proposed by the Commission

1. The Commission shall examine the progress made on implementing the measures taken under this Regulation and shall submit annually a report on the implementation of macro-financial assistance to the European Parliament and the Council.

Amendment

1. The Commission, ***in close cooperation with the EEAS***, shall examine the progress made on implementing the measures taken under this Regulation and shall submit annually a report on the implementation of macro-financial assistance to the European Parliament and the Council.

Or. en

Amendment 14

Proposal for a regulation

Article 14 - paragraph 1

Text proposed by the Commission

Committee

1. The Commission shall be assisted by a Committee.

Amendment

Committee

1. The Commission shall be assisted by a Committee. ***The EEAS shall be invited to its meetings and entitled to participate to its work.***

Or. en

Amendment 15

Proposal for a regulation

Article 14 a (new)

Text proposed by the Commission

Amendment

Article 14a

Review

1. No later than, a report shall be prepared by the Commission, in close cooperation with the EEAS, on the implementation of this Regulation and the achievement of its objectives. The report shall review, inter alia, the implementation of Articles 3 and 6.*

2. This report shall be submitted to the European Parliament and to the Council, and shall be accompanied, if appropriate, by a legislative proposal introducing the necessary amendments to this Regulation.

** OJ: four years after the date of entry into force of this Regulation.*

Or. en

Amendment 16

Proposal for a regulation Article 15

Text proposed by the Commission

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union ***and shall expire on 31 December 2013.***

Amendment

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

Or. en