

Parliament votes for €1 billion in aid to Ukraine

- €1 billion loan to cover an external financing gap in 2018-2019
- To be disbursed in two instalments over 2.5 years, provided Ukraine takes certain policy measures
- Parliament insists that Ukraine must take tough anti-corruption measures, including setting up of an anti-corruption court before disbursement

A €1 billion macro-financial loan to help Ukraine cover part of its external financing needs in 2018-2019 was approved by Parliament on Wednesday.

MEPs agreed to an EU [Commission proposal](#) to provide Kiev with another package of [macro-financial assistance \(MFA\)](#), which is an exceptional emergency resource for EU neighbourhood countries struggling to pay their bills.

They nevertheless insisted that Parliament, the Council, and the Commission issue a joint statement on policy conditions that Ukraine must fulfil, due to concerns over the pace of reforms and the fight against corruption in the country.

This statement, annexed to the decision, stresses that as a precondition for granting the loan, Ukraine must respect effective democratic mechanisms - including a multi-party parliamentary system - the rule of law, and human rights. It also underlines that the use of the EU aid must help reduce poverty and create jobs in Ukraine.

MEPs also insist that the loan is conditional upon progress in fighting corruption, and in particular, the setting up of a specialised anti-corruption court in line with the Council of Europe's Venice Commission recommendations. (Ukraine's parliament voted on 7 June to set up this court).

The Commission and the European External Action Service are to check that these preconditions are met throughout the process, and make their findings public. If they are not met, then the Commission should temporarily suspend or cancel disbursement, say MEPs.

The resolution was backed by 527 votes to 124, with 29 abstentions.

Quote

[Jaroslaw Walesa](#) (EPP,PL), rapporteur, said: “The purpose of this aid is to make the country more economically stable, and there are firm conditions in place to ensure that the money will serve this goal. The country also has to take drastic measures to address corruption before the funds are delivered. I welcome with great satisfaction last week’s adoption of the law on the High Anti-corruption Court in Ukraine: it means that Ukrainians take their commitment seriously.”

Next steps

After Parliament’s vote, the Council is expected to approve the aid on 26 June.

Background

EU macro-financial assistance is an exceptional emergency instrument for tackling severe financial difficulties in EU neighbourhood countries. Since the onset of the 2014 crisis in Ukraine, this has been the [fourth such programme](#), in addition to [other types of EU financial support](#) to the country. So far, a total of €2.8 billion has been disbursed, but an additional €600 million tranche was cancelled in January 2018 due to Ukraine’s failure to take the measures that the loan had been conditional on.

The International Monetary Fund (IMF) has identified a \$4.5 billion (€3.6 billion) gap in Ukraine’s financing needs for 2018 and early 2019.

The EU is Ukraine's largest trading partner, whereas Ukraine accounts for 0.8% of the EU's total trade.

Further information

[Adopted text will be available here \(13.06.2018\)](#)

[Video recording of the debate \(12.06.2018\)](#)

[Procedure file](#)

[Profile of rapporteur: Jaroslaw Waleša \(EPP, PL\)](#)

[EU-Ukraine trade relations in a nutshell \(EC\)](#)

[EP research: Brief on MFA IV](#)

[EP Research: The EU's Eastern Partnership](#)

[What is macrofinancial assistance? \(European Commission\)](#)

[MFA in Ukraine \(EC\)](#)

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