

Macro-financial assistance to Ukraine

2009/0162(COD) - 18/05/2010 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 604 votes to 37 with 16 abstentions a resolution setting out its position at first reading under the ordinary legislative procedure (formerly known as the codecision procedure) on the proposal for a decision of the European Parliament and of the Council providing macro-financial assistance to Ukraine. Following agreement with the Council, it made some amendments:

Conditions of assistance: Parliament stressed that the Commission will manage the assistance not only in a manner consistent with the agreements reached between the IMF and Ukraine but also with the key principles and objectives of economic reform set out in the EU-Ukraine Association Agenda. The Commission shall regularly inform the European Parliament and the Economic and Financial Committee of the developments in the management of the assistance and provide them with the relevant documents.. There must be a timeframe for the fulfilment of the conditions in the Memorandum of Understanding. Those conditions shall be consistent with the agreements or understandings reached between the IMF and Ukraine and with the key principles and objectives of economic reform set out in the EU-Ukraine Association Agenda .These principles and objectives aim at strengthening the efficiency, transparency and accountability of the assistance, including in particular public finance management systems in Ukraine. Progress in attaining these objectives will be regularly monitored by the Commission. .

Ex post evaluation: Members add that no later than two years after the expiry of the availability period (2 years after entry into force of the Memorandum of Understanding) the Commission shall submit to the European Parliament and to the Council an ex post evaluation report.

Availability of assistance: the Union financial assistance shall be made available for two years and six months starting from the first day after the entry into force of the Memorandum of Understanding

Parliament added in the recitals that Union macro-financial assistance should not merely supplement programmes and resources from the IMF and the World Bank but should ensure the added value of EU involvement. The Commission should ensure that 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. Union macro-financial assistance can only contribute to economic stabilisation if the main political forces in Ukraine ensure political stability and establish a broad consensus on a rigorous implementation of the necessary structural reforms.