

Macro-financial assistance to Egypt

2024/0071(COD) - 01/04/2025 - Text adopted by Parliament, partial vote at 1st reading/single reading

The European Parliament adopted by 452 votes to 182, with 40 abstentions, **amendments** to the proposal for a decision of the European Parliament and of the Council on providing macro-financial assistance to the Arab Republic of Egypt.

The matter was referred to the relevant committee for interinstitutional negotiations.

Amount and objectives of macro-financial assistance (MFA)

Parliament specifies that the Union will make macro-financial assistance in the form of **concessional loans** of a maximum amount of up to **EUR 4 billion** available to Egypt, with a view to supporting Egypt's socio-economic stabilisation and a substantive structural reform agenda, as well as its responsibility to mitigate the effects of irregular migration and managing migratory flows. Macro-financial assistance may, as far as possible, contribute to the Union's growth and economic resilience.

Transparency

The Union will ensure that effective and independent control and audit mechanisms are put in place to prevent any misappropriation and ensure transparent management of the funds allocated.

Control and monitoring

The Commission services and the European External Action Service will monitor compliance with the precondition of Egypt's respect for effective democratic mechanisms and the rule of law throughout the duration of the MFA and will **report to the European Parliament and the Council**, regularly and in writing, on compliance with the economic policy and financial conditions set out in the Memorandum of Understanding.

Economic policy conditions and financial conditions

Progress in mutual market opening, including for SMEs, the development of rules-based and fair trade, sustainable development, good governance and other priorities in the context of the Union's external policy shall also be duly taken into account when designing the policy measures.

Democracy and human rights

The Commission will decide on the release of the instalments subject to the satisfactory implementation of the economic policy conditions, financial conditions, and democracy, rule of law and human rights conditions, agreed in the Memorandum of Understanding.

Parliament stressed, in this regard, that a steady future improvement of the human rights situation, such as improving the rights to freedom of expression, association and peaceful assembly, introducing a moratorium on the death penalty, combating torture and enforced disappearances, and improving the conditions of prisons, and women's rights and fundamental freedoms due to an active, coherent and proactive policy in that area in Egypt will have a positive impact on EU-Egypt relations.

The implementation report will be expected to indicate the connection between Egypt's economic policy reforms under the Memorandum of Understanding, its fiscal performance, and the release of Union macro-

financial assistance, while outlining steps taken towards democratic mechanisms, the rule of law and human rights.