

Brussels, 5 May 2025
(OR. en)

8533/25

**Interinstitutional File:
2024/0071 (COD)**

**ECOFIN 496
FIN 466
MAMA 82
RELEX 519
CODEC 530
ECB
*EIB***

NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Proposal for a DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on providing macro-financial assistance to the Arab Republic of Egypt- 4-Column Table

Delegations will find attached the initial 4-column table in view of the forthcoming interinstitutional negotiations of the Proposal for a Decision of the European Parliament and of the Council on providing macro-financial assistance to the Arab Republic of Egypt.

Proposal for a **DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL** on providing macro-financial assistance to the Arab Republic of Egypt

2024/0071(COD)

[Version for Trilogue on May 6, 2025]

01-05-2025 at 23h11

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Formula				
1	2024/0071 (COD)	2024/0071 (COD)	2024/0071 (COD)	
Document Stage				
2	Proposal for a	Proposal for a	Proposal for a	
Document Type				
3	DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL	DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL	DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL	
Document Purpose				
4	on providing macro-financial assistance to the Arab Republic of Egypt	on providing macro-financial assistance to the Arab Republic of Egypt	on providing macro-financial assistance to the Arab Republic of Egypt	
Formula				
5	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,	
Citation 1				
6	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 212 thereof,	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 212 thereof,	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 212 thereof,	

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Citation 2				
7	Having regard to the proposal from the European Commission,	Having regard to the proposal from the European Commission,	Having regard to the proposal from the European Commission,	
Citation 3				
8	After transmission of the draft legislative act to the national parliaments,	After transmission of the draft legislative act to the national parliaments,	After transmission of the draft legislative act to the national parliaments,	
Citation 4				
9	Acting in accordance with the ordinary legislative procedure,	Acting in accordance with the ordinary legislative procedure,	Acting in accordance with the ordinary legislative procedure,	
Formula				
10	Whereas:	Whereas:	Whereas:	
Recital 1				
11	(1) Relations between the European Union and the Arab Republic of Egypt ('Egypt') are developed within the framework of the EU-Egypt Association Agreement, in force since 2004. The EU and Egypt adopted the latest EU-Egypt Partnership Priorities (2021-2027) at the ninth EU-Egypt Association Council on 19 June 2022. The Partnership Priorities reconfirm the joint aim to address common challenges facing the EU and Egypt, promote joint interests and guarantee long-term stability and sustainable development on both sides of the	(1) Relations between the European Union and the Arab Republic of Egypt ('Egypt') are developed within the framework of the EU-Egypt Association Agreement, in force since 2004. The EU and Egypt adopted the latest EU-Egypt Partnership Priorities (2021-2027) at the ninth EU-Egypt Association Council on 19 June 2022. The Partnership Priorities reconfirm the joint aim to address common challenges facing the EU and Egypt, promote joint interests and guarantee long-term stability and sustainable development on both sides of the	(1) Relations between the European Union and the Arab Republic of Egypt ('Egypt') are developed within the framework of the EU-Egypt Association Agreement, in force since 2004. The EU and Egypt adopted the latest EU-Egypt Partnership Priorities (2021-2027) at the ninth EU-Egypt Association Council on 19 June 2022. The Partnership Priorities reconfirm the joint aim to address common challenges facing the EU and Egypt, promote joint interests and guarantee long-term stability and sustainable development on both sides of the	

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	Mediterranean. The shared commitment to the universal values of democracy, rule of law and respect for human rights continues to underpin the Partnership Priorities, as also reflected in the EU-Egypt Multi-Annual Indicative Programme for the period of 2021-2027.	Mediterranean. The shared commitment to the universal values of democracy, rule of law and respect for human rights continues to underpin the Partnership Priorities, as also reflected in the EU-Egypt Multi-Annual Indicative Programme for the period of 2021-2027.	Mediterranean. The shared commitment to the universal values of democracy, rule of law and respect for human rights continues to underpin the Partnership Priorities, as also reflected in the EU-Egypt Multi-Annual Indicative Programme for the period of 2021-2027.	
Recital 1a				
11a		<u><i>(1a) This Decision has implications for the Union budget. Accordingly, the European Parliament's Committee on Budgets adopted a budgetary assessment, which forms an integral part of Parliament's mandate for negotiations.</i></u>		
Recital 2				
12	(2) The Partnership Priorities reflect the shared commitment of the EU and Egypt to reinforce cooperation in support of Egypt's 'Sustainable Development Strategy Vision 2030' and the EU's determination to act on renewed impetus to strengthen the partnership with its Southern Neighbourhood. Namely, in the	(2) The Partnership Priorities reflect the shared commitment of the EU and Egypt to reinforce cooperation in support of Egypt's 'Sustainable Development Strategy Vision 2030' and the EU's determination to act on renewed impetus to strengthen the partnership with its Southern Neighbourhood. Namely, in the	(2) The Partnership Priorities reflect the shared commitment of the EU and Egypt to reinforce cooperation in support of Egypt's 'Sustainable Development Strategy Vision 2030' and the EU's determination to act on renewed impetus to strengthen the partnership with its Southern Neighbourhood. Namely, in the	

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	<p>European Council Conclusions of 10-11 December 2020¹, the EU stated its strategic priority for a democratic, more stable, greener and more prosperous Southern Neighbourhood as a strategic priority. The EU Agenda for the Mediterranean and its Economic and Investment Plan for the Southern Neighbours set out in the EU Joint Communication on the Southern Neighbourhood of 9 February 2021 present the EU's objectives to achieve long-term, sustainable socioeconomic recovery and resilience and to advance the twin green and digital transitions in the region.</p> <p>¹ European Council meeting, Brussels, 10-11 December 2022, EUCO 22/10, https://www.consilium.europa.eu/en/press/press-releases/2020/12/11/european-council-conclusions-10-11-december-2020/</p>	<p>European Council Conclusions of 10-11 December 2020¹, the EU stated its strategic priority for a democratic, more stable, greener and more prosperous Southern Neighbourhood as a strategic priority. The EU Agenda for the Mediterranean and its Economic and Investment Plan for the Southern Neighbours set out in the EU Joint Communication on the Southern Neighbourhood of 9 February 2021 present the EU's objectives to achieve long-term, sustainable socioeconomic recovery and resilience and to advance the twin green and digital transitions in the region.</p> <p>¹ European Council meeting, Brussels, 10-11 December 2022, EUCO 22/10, https://www.consilium.europa.eu/en/press/press-releases/2020/12/11/european-council-conclusions-10-11-december-2020/</p>	<p>European Council Conclusions of 10-11 December 2020¹, the EU stated its strategic priority for a democratic, more stable, greener and more prosperous Southern Neighbourhood as a strategic priority. The EU Agenda for the Mediterranean and its Economic and Investment Plan for the Southern Neighbours set out in the EU Joint Communication on the Southern Neighbourhood of 9 February 2021 present the EU's objectives to achieve long-term, sustainable socioeconomic recovery and resilience and to advance the twin green and digital transitions in the region.</p> <p>¹ European Council meeting, Brussels, 10-11 December 2022, EUCO 22/10, https://www.consilium.europa.eu/en/press/press-releases/2020/12/11/european-council-conclusions-10-11-december-2020/</p>	
Recital 2a				
12a		<p><u><i>(2a) On 17 March 2024, Egypt and the European Union jointly decided to upgrade their relations to a strategic and comprehensive partnership, based on the values of equity and mutual respect and trust in order to strengthen their common stability, peace and</i></u></p>		

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		<u>prosperity.</u>		
Recital 3				
13	<p>(3) In line with the Partnership Priorities, the EU and Egypt are committed to ensuring accountability, the rule of law, the full respect of human rights, fundamental freedoms, promoting democracy, gender equality and equal opportunities as constitutional rights of all their citizens. These commitments contribute to the advancement of the partnership and to Egypt's sustainable development and stability. The increased and constructive engagement between the EU and Egypt in the last period has opened the path to more meaningful dialogue on human rights related issues. The subcommittee on Political Matters, Human Rights and Democracy, International and Regional issues of December 2022 and the Association Committee of May 2023 provided the institutional platforms to exchange on an array of human rights issues, which the EU would like to continue and build on. The improvement of the human rights situation in Egypt will have a positive impact on EU-</p>	<p>(3) In line with the Partnership Priorities, the EU and Egypt are committed to ensuring accountability, the rule of law, the full respect of human rights, fundamental freedoms, promoting democracy, gender equality and equal opportunities as constitutional rights of all their citizens. These commitments contribute to the advancement of the partnership and to Egypt's sustainable <u>social and economic development, good governance and socio-economic</u> and stability. The increased and constructive engagement between the EU and Egypt in the last period has opened the path to more meaningful dialogue on human rights related issues. The subcommittee on Political Matters, Human Rights and Democracy, International and Regional issues of December 2022 and the Association Committee of May 2023 provided the institutional platforms to exchange on an array of human rights issues, which the EU would like to continue and build on. The <u>A steady future</u> improvement of the human</p>	<p>(3) In line with the Partnership Priorities, the EU and Egypt are committed to ensuring accountability, the rule of law, the full respect of human rights, fundamental freedoms, promoting democracy, gender equality and equal opportunities as constitutional rights of all their citizens. These commitments contribute to the advancement of the partnership and to Egypt's sustainable development and stability. The increased and constructive engagement between the EU and Egypt in the last period has opened the path to more meaningful dialogue on human rights related issues. The subcommittee on Political Matters, Human Rights and Democracy, International and Regional issues of December 2022 and the Association Committee of May 2023 provided the institutional platforms to exchange on an array of human rights issues, which the EU would like to continue and build on. The improvement of the human rights situation in Egypt will have a positive impact on EU-</p>	

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	Egypt relations.	rights situation, <u>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</u> in Egypt will have a positive impact on EU-Egypt relations.	Egypt relations.	
Recital 3a				
13a		<u>(3a) Egypt's economic and financial situation has been marked by several macroeconomic adjustment programmes implemented under the aegis of the IMF in exchange for credit facilities (USD 12 billion from 2016 to 2019 and USD 3 billion in 2022, rising to USD 8 billion in March 2024).</u>		
Recital 4				
14	(4) Assistance to Egypt is funded mainly through the new Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI-GE). The Union's	(4) Assistance to Egypt is funded mainly through the new Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI-GE). The Union's	(4) Assistance to Egypt is funded mainly through the new Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI-GE). The Union's	

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	indicative allocation for Egypt under the NDICI for the first period (2021-2024) of the Multiannual Indicative Programme (MIP) is EUR 240 million. This is in addition to the ongoing cooperation portfolio of EUR 1.3 billion and other budget support and emergency measures in response to the pandemic and Russia's war on Ukraine amounting to EUR 307 million. The partnership priorities for 2021-2027 are set out in the EU-Egypt MIP, which has been prepared in close consultation with all relevant stakeholders, and cover three broad areas: i) Sustainable Modern Economy and Social Development; ii) Partnering in Foreign Policy, and iii) Enhancing Stability. The NDICI instruments replaces the European Neighbourhood Instrument (ENI) under which the EU's bilateral assistance to Egypt for the period 2014 – 2020 amounted to EUR 756 million.	indicative allocation for Egypt under the NDICI for the first period (2021-2024) of the Multiannual Indicative Programme (MIP) is EUR 240 million. This is in addition to the ongoing cooperation portfolio of EUR 1.3 billion and other budget support and emergency measures in response to the pandemic and Russia's war on Ukraine amounting to EUR 307 million. The partnership priorities for 2021-2027 are set out in the EU-Egypt MIP, which has been prepared in close consultation with all relevant stakeholders, and cover three broad areas: i) Sustainable Modern Economy and Social Development; ii) Partnering in Foreign Policy, and iii) Enhancing Stability. The NDICI instruments replaces the European Neighbourhood Instrument (ENI) under which the EU's bilateral assistance to Egypt for the period 2014 – 2020 amounted to EUR 756 million.	indicative allocation for Egypt under the NDICI for the first period (2021-2024) of the Multiannual Indicative Programme (MIP) is EUR 240 million. This is in addition to the ongoing cooperation portfolio of EUR 1.3 billion and other budget support and emergency measures in response to the pandemic and Russia's war on Ukraine amounting to EUR 307 million. The partnership priorities for 2021-2027 are set out in the EU-Egypt MIP, which has been prepared in close consultation with all relevant stakeholders, and cover three broad areas: i) Sustainable Modern Economy and Social Development; ii) Partnering in Foreign Policy, and iii) Enhancing Stability. The NDICI instruments replaces the European Neighbourhood Instrument (ENI) under which the EU's bilateral assistance to Egypt for the period 2014 – 2020 amounted to EUR 756 million.	
Recital 5				
15	(5) The EU recognises Egypt's key role for regional security and stability. Terrorism, organised crime and conflicts are common threats against our security and the	(5) The EU recognises Egypt's key role for regional security and stability, <u>and has a strong interest in preventing short-term economic instability in the country that</u>	(5) The EU recognises Egypt's key role for regional security and stability. Terrorism, organised crime and conflicts are common threats against our security and the	

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	<p>social fabric of nations across both sides of the Mediterranean.</p> <p>Therefore, the EU and Egypt have a common interest in strengthening cooperation highlighted in the Partnership Priorities, in full compliance with international law, including human rights and international humanitarian law.</p>	<p><u>could have broader consequences as well as benefit geopolitical rivals.</u> Terrorism, organised crime, <u>such as human trafficking, irregular migration, disinformation,</u> and conflicts <u>and the persecution of religious and ethnic minorities,</u> are common threats against our security and the social fabric of nations across both sides of the Mediterranean.</p> <p><u>Similarly, energy is also one of the most pressing challenges facing countries on both sides of the Mediterranean. Energy cooperation between the EU and Egypt in the Eastern Mediterranean could not only offer a source of economic prosperity for the region but also strengthen energy security for the EU by diversifying energy supplies and encouraging regional collaboration. In that respect, the East Mediterranean Gas Forum serves as a platform of positive regional cooperation.</u> Therefore, the EU and Egypt have a common interest in strengthening cooperation highlighted in the Partnership Priorities, in full compliance with international law, including <u>the International Law of the Sea,</u> human rights and</p>	<p>social fabric of nations across both sides of the Mediterranean.</p> <p>Therefore, the EU and Egypt have a common interest in strengthening cooperation highlighted in the Partnership Priorities, in full compliance with international law, including human rights and international humanitarian law.</p>	

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		international humanitarian law, <u>as well as in promoting joint interests and addressing common challenges</u> .		
Recital 6				
16	(6) Recalling the geo-political challenges, such as the consequences of Hamas terrorist attacks across Israel on 7 October 2023 as well as the conflict in Sudan, and the strategic importance of Egypt as the largest country in the region and a pillar of stability for the whole Middle East, the Union is embarking on concluding a Strategic and Comprehensive partnership with Egypt as outlined in the Joint Declaration.	(6) Recalling the <u>global and regional</u> geo-political challenges, such as the consequences of humanitarian crisis in Gaza, <u>resulting from the aftermath of the</u> Hamas terrorist attacks across Israel on 7 October 2023, <u>the escalating tensions in the Horn of Africa and the safety of navigation in the Red Sea and the Suez Canal,</u> as well as <u>migratory pressure from</u> the conflict in Sudan, <u>uncertainties in Syria, the instability in Libya, Egypt's responsibilities as a host to large numbers of refugees and migrants</u> and the strategic importance of Egypt as the largest country in the region and a pillar of stability for the whole Middle East, the Union is embarking on concluding <u>embarked on</u> a Strategic and Comprehensive partnership with Egypt as outlined in the Joint Declaration.	(6) Recalling the geo-political challenges, such as the consequences of Hamas terrorist attacks across Israel on 7 October 2023 as well as the conflict in Sudan, and the strategic importance of Egypt as the largest country in the region and a pillar of stability for the whole Middle East, the Union is embarking on concluding a Strategic and Comprehensive partnership with Egypt as outlined in the Joint Declaration.	
Recital 7				
17	(7) The objective of the	(7) The objective of the	(7) The objective of the	

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	<p>Strategic and Comprehensive Partnership with Egypt is to elevate the EU-Egypt political relations to a strategic partnership and enable Egypt to fulfil its key role of providing stability in the region. The partnership aims to contribute to support Egypt's macroeconomic resilience and enable the implementation of ambitious socio-economic reforms in a manner that complements and reinforces the reform process foreseen under the IMF programme for Egypt. As outlined in the Joint Declaration, the partnership will address a wide set of policy measures clustered across six pillars of intervention, namely: political relations; economic stability; investment and trade; migration; security and law enforcement cooperation; demography and human capital.</p>	<p>Strategic and Comprehensive Partnership with Egypt is to elevate the EU-Egypt political relations to a strategic partnership and enable Egypt to fulfil its key role of providing stability in the region. <u>the Middle East and North Africa.</u> The partnership aims to contribute to support Egypt's macroeconomic resilience and enable the implementation of ambitious socio-economic reforms in a manner that complements and reinforces the reform process foreseen under the IMF programme for Egypt. As outlined in the Joint Declaration, the partnership will address a wide set of policy measures clustered across six pillars of intervention, namely: political relations; economic stability; investment and trade; <u>irregular migration and mobility in respect of human rights</u>; security and law enforcement cooperation; demography and human capital. <u>Such Strategic and Comprehensive Partnership should be developed in line with initiatives at Union and Member State level such as the Global Gateway and the Mattei Plan for Africa.</u></p>	<p>Strategic and Comprehensive Partnership with Egypt is to elevate the EU-Egypt political relations to a strategic partnership and enable Egypt to fulfil its key role of providing stability in the region. The partnership aims to contribute to support Egypt's macroeconomic resilience and enable the implementation of ambitious socio-economic reforms in a manner that complements and reinforces the reform process foreseen under the IMF programme for Egypt. As outlined in the Joint Declaration, the partnership will address a wide set of policy measures clustered across six pillars of intervention, namely: political relations; economic stability; investment and trade; migration; security and law enforcement cooperation; demography and human capital.</p>	
Recital 8				

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18	<p>(8) Underpinning the partnership will be a financial package of EUR 7.4 billion consisting of short- and longer-term support for the necessary macro-fiscal and socio-economic reform agenda, as well as increased amounts available to support investments in Egypt and targeted support for the implementation of the different strategic priorities. Part of the support package is the EU MFA package of up to EUR 5 billion in loans, composed of two MFA operations, one short-term for up to EUR 1 billion and a regular, more medium-term one for up to EUR 4 billion, financial instruments, such as guarantees and blending instruments, aimed at mobilising public and private investments with the objective of generating substantial new investments. This will be complemented by programmes to support specific priorities under the Strategic and Comprehensive Partnership through individual projects and technical assistance implemented under the Neighbourhood, Development and International Cooperation Instrument¹.</p>	<p>(8) Underpinning the partnership will be a financial package of EUR 7.4 billion consisting of short- and longer-term support for the necessary macro-fiscal and socio-economic reform agenda, as well as increased amounts available to support investments in Egypt and targeted support for the implementation of the different strategic priorities, <u>particularly in terms of irregular migration and renewable energy</u>. Part of the support package is the EU MFA package of up to EUR 5 billion in <u>concessional</u> loans, composed of two MFA operations, one short-term for up to EUR 1 billion and a regular, more medium-term one for up to EUR 4 billion, financial instruments, such as guarantees and blending instruments, aimed at mobilising public and private investments <u>that benefit the majority of Egyptians</u> with the objective of generating substantial new investments. This will be complemented by programmes to support specific priorities under the Strategic and Comprehensive Partnership through individual projects and technical assistance implemented under the Neighbourhood,</p>	<p>(8) Underpinning the partnership will be a financial package of EUR 7.4 billion consisting of short- and longer-term support for the necessary macro-fiscal and socio-economic reform agenda, as well as increased amounts available to support investments in Egypt and targeted support for the implementation of the different strategic priorities. Part of the support package is the EU MFA package of up to EUR 5 billion in loans, composed of two MFA operations, one short-term for up to EUR 1 billion and a regular, more medium-term one for up to EUR 4 billion, financial instruments, such as guarantees and blending instruments, aimed at mobilising public and private investments with the objective of generating substantial new investments. This will be complemented by programmes to support specific priorities under the Strategic and Comprehensive Partnership through individual projects and technical assistance implemented under the Neighbourhood, Development and International Cooperation Instrument¹.</p>	

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	1. Established by Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe, amending and repealing Decision No 466/2014/EU and repealing Regulation (EU) 2017/1601 and Council Regulation (EC, Euratom) No 480/2009 (OJ L 209, 14.6.2021, p. 1)	Development and International Cooperation Instrument ¹ . 1. Established by Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe, amending and repealing Decision No 466/2014/EU and repealing Regulation (EU) 2017/1601 and Council Regulation (EC, Euratom) No 480/2009 (OJ L 209, 14.6.2021, p. 1)	1. Established by Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe, amending and repealing Decision No 466/2014/EU and repealing Regulation (EU) 2017/1601 and Council Regulation (EC, Euratom) No 480/2009 (OJ L 209, 14.6.2021, p. 1)	
Recital 9				
19	(9) Egypt's macro-fiscal situation has faced significant challenges and deteriorated substantially over recent months, as external pressures have intensified and public debt has increased further, with substantial downside risks to the economic outlook persisting. The repercussions of Russia's war on Ukraine and of Hamas terrorist attacks against Israel have led to protracted capital outflows and lower foreign currency receipts, notably due to sharply falling income from tourism and Suez Canal proceeds. This is particularly challenging amid Egypt's difficult fiscal situation, which is characterised by constant fiscal deficits and high and growing debt	(9) Egypt's macro-fiscal situation has faced significant challenges and deteriorated substantially over recent months, as external pressures have intensified and public debt has increased further, with substantial downside risks to the economic outlook persisting. The repercussions of Russia's war on Ukraine and of Hamas terrorist attacks against Israel <u>the geopolitical tensions and conflicts in the Middle East</u> have led to protracted capital outflows and lower foreign currency receipts, notably due to sharply falling income from tourism and <u>and gas production and loss of confidence among foreign investors</u> . This is	(9) Egypt's macro-fiscal situation has faced significant challenges and deteriorated substantially over recent months, as external pressures have intensified and public debt has increased further, with substantial downside risks to the economic outlook persisting. The repercussions of Russia's war on Ukraine and of Hamas terrorist attacks against Israel have led to protracted capital outflows and lower foreign currency receipts, notably due to sharply falling income from tourism and Suez Canal proceeds. This is particularly challenging amid Egypt's difficult fiscal situation, which is characterised by constant fiscal deficits and high and growing debt	

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	to GDP ratios.	particularly challenging amid Egypt's difficult fiscal situation, which is characterised by constant fiscal deficits and high and growing debt to GDP ratios. <u><i>Despite that difficult external context, in 2024 Egypt was able to implement reforms, such as the unification of exchange rates and making progress in tightening monetary policy, to help preserve macroeconomic stability.</i></u>	to GDP ratios.	
Recital 10				
20	(10) Egypt made considerable reform efforts during its engagement with the IMF in 2016-2021. Reforms included a significant currency devaluation, accompanied by monetary policy reforms focused on an inflation target corridor. Fuel subsidy reform was coupled with a significant strengthening of a targeted social transfer system. Public finance management was strengthened by developing medium-term revenue and debt management strategies. The authorities also began improving the governance of state-owned enterprises (SOEs).	(10) Egypt made considerable reform efforts during its engagement with the IMF in 2016-2021. Reforms included a significant currency devaluation, accompanied by monetary policy reforms focused on an inflation target corridor. Fuel subsidy reform was coupled with a significant strengthening of a targeted social transfer system. Public finance management was strengthened by developing medium-term revenue and debt management strategies. The authorities also began improving the governance of state-owned enterprises (SOEs).	(10) Egypt made considerable reform efforts during its engagement with the IMF in 2016-2021. Reforms included a significant currency devaluation, accompanied by monetary policy reforms focused on an inflation target corridor. Fuel subsidy reform was coupled with a significant strengthening of a targeted social transfer system. Public finance management was strengthened by developing medium-term revenue and debt management strategies. The authorities also began improving the governance of state-owned enterprises (SOEs).	
Recital 11				

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21	(11) After the adoption of a follow-up IMF programme in December 2022, reform progress was less noticeable, although Egypt has implemented steps to level the playing field between public and private companies through a law to abolish tax privileges of SOEs, albeit with exemptions on the basis of national security, and through the adoption of a state ownership policy, aiming at reducing the presence of the state in the economy, which remains large and distorting despite recent limited progress and clarifying the rationale of continued state involvement in certain strategic sectors. However, Egypt did not implement its commitment to make the currency durably flexible in 2023, leading to a largely stable official exchange rate and a substantial parallel currency market with a significantly depreciated and highly volatile exchange rate. This fragmentation weighed heavily on foreign investment and domestic business activity.	(11) After the adoption of a follow-up IMF programme in December 2022, reform progress was less noticeable, although Egypt has implemented steps to level the playing field between public and private companies through a law to abolish tax privileges of SOEs, albeit with exemptions on the basis of national security, and through the adoption of a state ownership policy, aiming at reducing the presence of the state in the economy, which remains large and distorting despite recent limited progress and clarifying the rationale of continued state involvement in certain strategic sectors. However, Egypt did not implement its commitment to make the currency durably flexible in 2023, leading to a largely stable official exchange rate and a substantial parallel currency market with a significantly depreciated and highly volatile exchange rate. This fragmentation weighed heavily on foreign investment and domestic business activity.	(11) After the adoption of a follow-up IMF programme in December 2022, reform progress was less noticeable, although Egypt has implemented steps to level the playing field between public and private companies through a law to abolish tax privileges of SOEs, albeit with exemptions on the basis of national security, and through the adoption of a state ownership policy, aiming at reducing the presence of the state in the economy, which remains large and distorting despite recent limited progress and clarifying the rationale of continued state involvement in certain strategic sectors. However, Egypt did not implement its commitment to make the currency durably flexible in 2023, leading to a largely stable official exchange rate and a substantial parallel currency market with a significantly depreciated and highly volatile exchange rate. This fragmentation weighed heavily on foreign investment and domestic business activity.	
Recital 12				
22	(12) Egypt re-engaged with the IMF in early 2024 and reached a	(12) Egypt re-engaged with the IMF in early 2024 and reached a	(12) Egypt re-engaged with the IMF in early 2024 and reached a	

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	<p>staff-level agreement on 6 March 2024 on a revamped Extended Fund Facility programme scaled up to USD 8 billion. The new programme is expected to be adopted by IMF Executive Board decision in March 2024 and aims to address the areas of 1) credible exchange rate flexibility, 2) sustainable tightening of monetary policy, 3) fiscal consolidation to preserve debt sustainability, 4) a new framework to rein in infrastructure spending, 5) providing adequate levels of social spending to protect vulnerable groups, and 6) implementation of the State Ownership Policy and reforms to level the playing field. Together with the staff level agreement's signature, Egypt also enacted a flexibilisation of the exchange rate, and raised the central bank's key policy rate by a sizeable 600 basis points, in line with the IMF programme's priorities.</p>	<p>staff-level agreement on 6 March 2024 on a revamped Extended Fund Facility programme scaled up to USD 8 billion. <u>Negotiations at expert level on the fourth revision of Egypt's economic reform programme were concluded in December 2024.</u> The new programme is expected to be adopted by IMF Executive Board decision in March 2024 and aims to address the areas of 1) credible exchange rate flexibility, 2) sustainable tightening of monetary policy, 3) fiscal consolidation to preserve debt sustainability, 4) a new framework to rein in infrastructure spending, 5) providing adequate levels of social spending to protect vulnerable groups <u>from the cost of living and energy price rises</u>, and 6) implementation of the State Ownership Policy and reforms to level the playing field <u>by promoting the development of the private sector in the economy.</u> Together with the staff level agreement's signature, Egypt also enacted a flexibilisation of the exchange rate, and raised the central bank's key policy rate by a sizeable 600 basis points, in line with the IMF programme's</p>	<p>staff-level agreement on 6 March 2024 on a revamped Extended Fund Facility programme scaled up to USD 8 billion. The new programme is expected to be adopted by IMF Executive Board decision in March 2024 and aims to address the areas of 1) credible exchange rate flexibility, 2) sustainable tightening of monetary policy, 3) fiscal consolidation to preserve debt sustainability, 4) a new framework to rein in infrastructure spending, 5) providing adequate levels of social spending to protect vulnerable groups, and 6) implementation of the State Ownership Policy and reforms to level the playing field. Together with the staff level agreement's signature, Egypt also enacted a flexibilisation of the exchange rate, and raised the central bank's key policy rate by a sizeable 600 basis points, in line with the IMF programme's priorities.</p>	

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		priorities.		
Recital 13				
23	(13) In view of a worsening economic situation and outlook clouded by substantial downside risks in relation to ongoing external shocks, Egypt requested complementary macro-financial assistance from the Union on 12 March 2024.	(13) In view of a worsening economic situation and outlook clouded by substantial downside risks in relation to ongoing external shocks, Egypt requested complementary macro-financial assistance from the Union on 12 March 2024.	(13) In view of a worsening economic situation and outlook clouded by substantial downside risks in relation to ongoing external shocks, Egypt requested complementary macro-financial assistance from the Union on 12 March 2024.	
Recital 14				
24	(14) Given that Egypt is a country covered by the European Neighbourhood Policy, it should be considered to be eligible to receive macro-financial assistance from the Union.	(14) Given that Egypt is a country covered by the European Neighbourhood Policy, it should be considered to be eligible to receive macro-financial assistance from the Union.	(14) Given that Egypt is a country covered by the European Neighbourhood Policy, it should be considered to be eligible to receive macro-financial assistance from the Union.	
Recital 15				
25	(15) The Union's macro-financial assistance should be an exceptional instrument of untied and undesignated balance-of-payments support, which aims at addressing the beneficiary's immediate external financing needs and should underpin the implementation of a policy programme containing strong immediate adjustment and structural reform measures designed to improve the balance-	(15) The Union's macro-financial assistance should be an exceptional instrument of untied and undesignated balance-of-payments support, which aims at addressing the beneficiary's immediate external financing needs and should underpin the implementation of a policy programme containing strong immediate adjustment and structural reform measures designed to improve the balance-	(15) The Union's macro-financial assistance should be an exceptional instrument of untied and undesignated balance-of-payments support, which aims at addressing the beneficiary's immediate external financing needs and should underpin the implementation of a policy programme containing strong immediate adjustment and structural reform measures designed to improve the balance-	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	of-payments position	of-payments position	of-payments position	
Recital 16				
26	(16) Given that there is still a significant residual external financing gap in Egypt's balance of payments over and above the resources provided by the IMF and other multilateral institutions, the Union macro-financial assistance to be provided to Egypt is, under the current exceptional circumstances, considered to be an appropriate response to Egypt's request for support to the economic stabilisation, in conjunction with the IMF programme. The Union's macro-financial assistance package, including the MFA of up to EUR 4 billion under this proposal, would support the economic stabilisation and the structural reform agenda of Egypt, supplementing resources made available under the IMF's financial arrangement.	(16) Given that there is still a significant residual external financing gap in Egypt's balance of payments over and above the resources provided by the IMF and other multilateral institutions <u>and regional partners</u> , the Union macro-financial assistance to be provided to Egypt is, under the current exceptional circumstances, considered to be an appropriate response to Egypt's request for support to the economic stabilisation, in conjunction with the IMF programme. The Union's macro-financial assistance package, including the MFA of up to EUR 4 billion under this proposal, would support the economic stabilisation and the structural reform agenda of Egypt, supplementing resources made available under the IMF's financial arrangement.	(16) Given that there is still a significant residual external financing gap in Egypt's balance of payments over and above the resources provided by the IMF and other multilateral institutions, the Union macro-financial assistance to be provided to Egypt is, under the current exceptional circumstances, considered to be an appropriate response to Egypt's request for support to the economic stabilisation, in conjunction with the IMF programme. The Union's macro-financial assistance package, including the MFA of up to EUR 4 billion under this proposal, would support the economic stabilisation and the structural reform agenda of Egypt, supplementing resources made available under the IMF's financial arrangement.	
Recital 17				
27	(17) The Union's macro-financial assistance should aim to support the restoration of a sustainable external financing situation for Egypt thereby	(17) The Union's macro-financial assistance should aim to support the restoration of a sustainable external financing situation for Egypt thereby	(17) The Union's macro-financial assistance should aim to support the restoration of a sustainable external financing situation for Egypt thereby	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	supporting its economic and social development.	supporting its economic and social development.	supporting its economic and social development.	
Recital 18				
28	(18) The determination of the amount of the Union's macro-financial assistance is based on a complete quantitative assessment of Egypt's residual external financing needs and takes into account its capacity to finance itself with its own resources, in particular the international reserves at its disposal. The Union's macro-financial assistance is part of an international joint effort, effectively complementing the programmes and resources provided by the IMF and the World Bank. The determination of the amount of the assistance also takes into account expected financial contributions from multilateral donors and the need to ensure fair burden sharing between the Union and other donors, as well as the pre-existing deployment of the Union's other external financing instruments in Egypt and the added value of the overall Union involvement.	(18) The determination of the amount of the Union's macro-financial assistance is based on a complete quantitative assessment of Egypt's residual external financing needs and takes into account its capacity to finance itself with its own resources, in particular the international reserves at its disposal. The Union's macro-financial assistance is part of an international joint effort, effectively complementing the programmes and resources provided by the IMF and the World Bank. The determination of the amount of the assistance also takes into account expected financial contributions from multilateral donors and the need to ensure fair burden sharing between the Union and other donors, as well as the pre-existing deployment of the Union's other external financing instruments in Egypt and the added value of the overall Union involvement.	(18) The determination of the amount of the Union's macro-financial assistance is based on a complete quantitative assessment of Egypt's residual external financing needs and takes into account its capacity to finance itself with its own resources, in particular the international reserves at its disposal. The Union's macro-financial assistance is part of an international joint effort, effectively complementing the programmes and resources provided by the IMF and the World Bank. The determination of the amount of the assistance also takes into account expected financial contributions from multilateral donors and the need to ensure fair burden sharing between the Union and other donors, as well as the pre-existing deployment of the Union's other external financing instruments in Egypt and the added value of the overall Union involvement.	
Recital 19				
29	(19) The Commission should	(19) The Commission should	(19) The Commission should	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	ensure that the Union's macro-financial assistance is legally and substantially in line with the key principles, objectives and measures taken within the different areas of external action and with other relevant Union policies.	ensure that the Union's macro-financial assistance is legally and substantially in line with the key principles, objectives and measures taken within the different areas of external action and with other relevant Union policies, <u>including those relating to democracy, human rights and rule of law, in line with Article 2 of the EU-Egypt Association Agreement.</u>	ensure that the Union's macro-financial assistance is legally and substantially in line with the key principles, objectives and measures taken within the different areas of external action and with other relevant Union policies.	
Recital 20				
30	(20) The Union's macro-financial assistance should support the Union's external policy towards Egypt. The Commission services and the European External Action Service (EEAS) should work closely together throughout the macro-financial assistance operation in order to coordinate and ensure the consistency of the Union external policy.	(20) The Union's macro-financial assistance should support the Union's external policy towards Egypt. The Commission services and the European External Action Service (EEAS) should work closely together throughout the macro-financial assistance operation in order to coordinate and ensure the consistency of the Union external policy.	(20) The Union's macro-financial assistance should support the Union's external policy towards Egypt. The Commission services and the European External Action Service (EEAS) should work closely together throughout the macro-financial assistance operation in order to coordinate and ensure the consistency of the Union external policy.	
Recital 21				
31	(21) The Union's macro-financial assistance should support Egypt's commitment to foster values shared with the Union, including democracy, the rule of law, good governance, respect for human rights, sustainable development and poverty	(21) The Union's macro-financial assistance should support Egypt's commitment to foster values shared with the Union, including democracy, the rule of law, good governance, respect for human rights, sustainable development and poverty	(21) The Union's macro-financial assistance should support Egypt's commitment to foster values shared with the Union, including democracy, the rule of law, good governance, respect for human rights, sustainable development and poverty	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	reduction, as well as its commitment to the principles of open, rules-based and fair trade.	reduction, as well as its commitment to the principles of open, rules-based and fair trade.	reduction, as well as its commitment to the principles of open, rules-based and fair trade.	
Recital 22				
32	(22) A pre-condition for granting the Union's macro-financial assistance to Egypt should be that the country continues to make concrete and credible steps towards respecting effective democratic mechanisms – including a multi-party parliamentary system – and the rule of law, and guarantees respect for human rights. In addition, the specific objectives of the Union's macro-financial assistance should strengthen the efficiency, transparency and accountability of the public finance management systems, the governance and supervision of the financial sector in Egypt and promote structural reforms aimed at supporting sustainable and inclusive growth, decent employment creation and fiscal consolidation. The fulfillment of the pre-condition and the achievement of the specific objectives should be regularly monitored by the Commission services and the European External Action Service.	(22) <u>Macro-financial assistance should remain an economic instrument. However,</u> a pre-condition for granting the Union's macro-financial assistance to Egypt should be that the country continues to make concrete and <u>and tangible</u> steps towards respecting <u>and strengthening</u> effective democratic mechanisms – including a multi-party parliamentary system – and the rule of law, and guarantees <u>guaranteeing</u> respect for human rights. In addition, the specific objectives of the Union's macro-financial assistance should strengthen the efficiency, transparency and accountability of the public finance management systems, the governance and supervision of the financial sector in Egypt and promote structural reforms aimed at supporting sustainable and inclusive growth, decent employment creation and fiscal consolidation. The fulfillment of the pre-condition and the achievement of the specific	(22) A pre-condition for granting the Union's macro-financial assistance to Egypt should be that the country continues to make concrete and credible steps towards respecting effective democratic mechanisms – including a multi-party parliamentary system – and the rule of law, and guarantees respect for human rights. In addition, the specific objectives of the Union's macro-financial assistance should strengthen the efficiency, transparency and accountability of the public finance management systems, the governance and supervision of the financial sector in Egypt and promote structural reforms aimed at supporting sustainable and inclusive growth, decent employment creation and fiscal consolidation. The fulfillment of the pre-condition and the achievement of the specific objectives should be regularly monitored by the Commission services and the European External Action Service.	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
		objectives should be regularly monitored by the Commission services and the European External Action Service.		
Recital 23				
33	(23) In order to ensure that the Union's financial interests linked to the Union's macro-financial assistance are protected efficiently, Egypt should take appropriate measures relating to the prevention of, and fight against, fraud, corruption and any other irregularities linked to the assistance. In addition, a loan agreement to be concluded between the Commission and the Egyptian authorities should contain provisions authorising European Anti-Fraud Office (OLAF) to carry out investigations, including on-the-spot checks and inspections, in accordance with the provisions and procedures laid down in Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council ¹ and Council Regulation (Euratom, EC) No 2185/96 ² , the Commission and the Court of Auditors to carry out audits and the European Public Prosecutor's Office to exercise its competences with regard to the provision of the	(23) <u><i>It is essential to underline that Egypt has to meet the necessary economic pre-condition for eligibility. Egypt has demonstrated its solvency and financial stability, which have been verified by the Commission.</i></u> <u><i>However,</i></u> in order to ensure that the Union's financial interests linked to the Union's macro-financial assistance are protected efficiently, Egypt should take appropriate measures relating to the prevention of, and fight against, fraud, corruption and any other irregularities linked to the assistance. In addition, a loan agreement to be concluded between the Commission and the Egyptian authorities should contain provisions authorising European Anti-Fraud Office (OLAF) to carry out investigations, including on-the-spot checks and inspections, in accordance with the provisions and procedures laid down in Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the	(23) In order to ensure that the Union's financial interests linked to the Union's macro-financial assistance are protected efficiently, Egypt should take appropriate measures relating to the prevention of, and fight against, fraud, corruption and any other irregularities linked to the assistance. In addition, a loan agreement to be concluded between the Commission and the Egyptian authorities should contain provisions authorising European Anti-Fraud Office (OLAF) to carry out investigations, including on-the-spot checks and inspections, in accordance with the provisions and procedures laid down in Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council ¹ and Council Regulation (Euratom, EC) No 2185/96 ² , the Commission and the Court of Auditors to carry out audits and the European Public Prosecutor's Office to exercise its competences with regard to the provision of the	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>Union's macro-financial assistance during and after its availability period</p> <p>1. Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1). 2. Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2).</p>	<p>Council¹ and Council Regulation (Euratom, EC) No 2185/96², the Commission and the Court of Auditors to carry out audits and the European Public Prosecutor's Office to exercise its competences with regard to the provision of the Union's macro-financial assistance during and after its availability period</p> <p>1. Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1). 2. Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2).</p>	<p>Union's macro-financial assistance during and after its availability period</p> <p>1. Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1). 2. Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2).</p>	
Recital 24				
34	(24) Release of the Union's macro-financial assistance is without prejudice to the powers of the European Parliament and the Council as budgetary authority.	(24) Release of the Union's macro-financial assistance is without prejudice to the powers of the European Parliament and the Council as budgetary authority.	(24) Release of the Union's macro-financial assistance is without prejudice to the powers of the European Parliament and the Council as budgetary authority.	
Recital 25				
35	(25) The amounts of the	(25) The amounts of the	(25) The amounts of the	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	provision required for macro-financial assistance in the form of loans should be consistent with the budgetary appropriations provided for in the multiannual financial framework.	provision required for macro-financial assistance in the form of loans should be consistent with the budgetary appropriations provided for in the multiannual financial framework.	provision required for macro-financial assistance in the form of loans should be consistent with the budgetary appropriations provided for in the multiannual financial framework.	
Recital 26				
36	(26) The Union's macro-financial assistance should be managed by the Commission. In order to ensure that the European Parliament and the Council are able to follow the implementation of this Decision, the Commission should regularly inform them of developments relating to the assistance and provide them with relevant documents.	(26) The Union's macro-financial assistance should be managed by the Commission. In order to ensure that the European Parliament and the Council are able to follow the implementation of this Decision, the Commission should regularly inform them <u>with an annual report</u> of developments relating to the assistance and <u>on respect for effective democratic mechanisms, as per the pre-conditions referred to in this Decision, and</u> provide them with relevant documents.	(26) The Union's macro-financial assistance should be managed by the Commission. In order to ensure that the European Parliament and the Council are able to follow the implementation of this Decision, the Commission should regularly inform them of developments relating to the assistance and provide them with relevant documents.	
Recital 27				
37	(27) In order to ensure uniform conditions for the implementation of this Decision, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council ¹ .	(27) In order to ensure uniform conditions for the implementation of this Decision, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council ¹ .	(27) In order to ensure uniform conditions for the implementation of this Decision, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council ¹ .	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	1. Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).	1. Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).	1. Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).	
Recital 28				
38	(28) The Union's macro-financial assistance should be subject to economic policy conditions, to be laid down in a Memorandum of Understanding. In order to ensure uniform conditions of implementation and for reasons of efficiency, the Commission should be empowered to negotiate such conditions with the Egyptian authorities under the supervision of the committee of representatives of the Member States in accordance with Regulation (EU) No 182/2011. Under that Regulation, the advisory procedure should, as a general rule, apply in all cases other than as provided for in that Regulation. Considering the potentially important impact of assistance of more than EUR 90 million, it is appropriate that the examination procedure be used for operations above that threshold.	(28) The Union's macro-financial assistance should be subject to <u>sustainable economic policy reforms and democracy, rule of law and human rights</u> conditions, to be laid down in a Memorandum of Understanding. In order to ensure uniform conditions of implementation and for reasons of efficiency, the Commission should be empowered to negotiate such conditions with the Egyptian authorities under the supervision of the committee of representatives of the Member States in accordance with Regulation (EU) No 182/2011. Under that Regulation, the advisory procedure should, as a general rule, apply in all cases other than as provided for in that Regulation. Considering the potentially important impact of assistance of more than EUR 90 million, it is appropriate that the	(28) The Union's macro-financial assistance should be subject to economic policy conditions, to be laid down in a Memorandum of Understanding. In order to ensure uniform conditions of implementation and for reasons of efficiency, the Commission should be empowered to negotiate such conditions with the Egyptian authorities under the supervision of the committee of representatives of the Member States in accordance with Regulation (EU) No 182/2011. Under that Regulation, the advisory procedure should, as a general rule, apply in all cases other than as provided for in that Regulation. Considering the potentially important impact of assistance of more than EUR 90 million, it is appropriate that the examination procedure be used for operations above that threshold.	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	Considering the amount of the Union's macro-financial assistance to Egypt, the examination procedure should apply to the adoption of the Memorandum of Understanding, and to any reduction, suspension or cancellation of the assistance.	examination procedure be used for operations above that threshold. Considering the amount of the Union's macro-financial assistance to Egypt, the examination procedure should apply to the adoption of the Memorandum of Understanding, and to any reduction, suspension or cancellation of the assistance.	Considering the amount of the Union's macro-financial assistance to Egypt, the examination procedure should apply to the adoption of the Memorandum of Understanding, and to any reduction, suspension or cancellation of the assistance.	
Formula				
39	HAVE ADOPTED THIS DECISION:	HAVE ADOPTED THIS DECISION:	HAVE ADOPTED THIS DECISION:	
Article 1				
40	Article 1	Article 1	Article 1	
Article 1(1)				
41	1. The Union shall make macro-financial assistance of a maximum amount of up to EUR 4 billion available to Egypt ("the Union's macro-financial assistance"), with a view to supporting Egypt's economic stabilisation and a substantive reform agenda. The release of the Union's macro-financial assistance is subject to the approval of the Union budget for the relevant year by the European Parliament and the Council. The assistance shall	1. The Union shall make macro-financial assistance <u>in the form of concessional loans</u> of a maximum amount of up to EUR 4 billion available to Egypt ("the Union's macro-financial assistance"), with a view to supporting Egypt's <u>economic</u> socio-economic stabilisation and a substantive <u>structural</u> reform agenda, <u>as well as its responsibility to mitigate the effects of irregular migration and managing migratory flows</u> . The release of the	1. The Union shall make macro-financial assistance of a maximum amount of up to EUR 4 billion available to Egypt ("the Union's macro-financial assistance"), with a view to supporting Egypt's economic stabilisation and a substantive reform agenda. The release of the Union's macro-financial assistance is subject to the approval of the Union budget for the relevant year by the European Parliament and the Council. The assistance shall	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	contribute to covering Egypt's balance of payments needs as identified in the IMF programme.	Union's macro-financial assistance is subject to the approval of the Union budget for the relevant year by the European Parliament and the Council. The assistance shall contribute to covering Egypt's balance of payments needs as identified in the IMF programme.	contribute to covering Egypt's balance of payments needs as identified in the IMF programme.	
Article 1(2)				
42	2. In order to finance the Union's macro-financial assistance, the Commission shall be empowered, on behalf of the Union, to borrow the necessary funds in the capital markets or from financial institutions and to on-lend them to Egypt.	2. In order to finance the Union's macro-financial assistance, the Commission shall be empowered, on behalf of the Union, to borrow the necessary funds in the capital markets or from financial institutions and to on-lend them to Egypt.	2. In order to finance the Union's macro-financial assistance, the Commission shall be empowered, on behalf of the Union, to borrow the necessary funds in the capital markets or from financial institutions and to on-lend them to Egypt.	
Article 1(3), first subparagraph				
43	3. The release of the Union's macro-financial assistance shall be managed by the Commission in a manner consistent with the agreements or understandings reached between the IMF and Egypt, and with the key principles and objectives of economic reforms set out in the EU-Egypt Association Agreement.	3. The release of the Union's macro-financial assistance shall be managed by the Commission in a manner consistent with the agreements or understandings reached between the IMF and Egypt, and with the key principles and objectives of economic reforms set out in the EU-Egypt Association Agreement.	3. The release of the Union's macro-financial assistance shall be managed by the Commission in a manner consistent with the agreements or understandings reached between the IMF and Egypt, and with the key principles and objectives of economic reforms set out in the EU-Egypt Association Agreement.	
Article 1(3), second subparagraph				
44	The Commission shall regularly inform the European Parliament	The Commission shall regularly inform the European Parliament	The Commission shall regularly inform the European Parliament	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	and the Council of developments regarding the Union's macro-financial assistance, including disbursements thereof, and shall provide those institutions with the relevant documents in due time.	and the Council of developments regarding the Union's macro-financial assistance, including disbursements thereof, and shall provide those institutions with the relevant documents in due time.	and the Council of developments regarding the Union's macro-financial assistance, including disbursements thereof, and shall provide those institutions with the relevant documents in due time.	
Article 1(3), second subparagraph a				
44a		<u><i>The transparent management of funds allocated under this macro-financial assistance is essential in order to ensure that resources are used wisely, in accordance with the set objectives. The Union shall ensure that effective and independent control and audit mechanisms are put in place to prevent any misappropriation.</i></u>		
Article 1(3a)				
44b		<u><i>3a. Macro-financial assistance may, as far as possible, contribute to the Union's growth and economic resilience.</i></u>		
Article 1(4)				
45	4. The Union's macro-financial assistance shall be made available starting on the first day after the entry into force of the Memorandum of Understanding referred to in Article 3(1) for a period of two and a half years.	4. The Union's macro-financial assistance shall be made available starting on the first day after the entry into force of the Memorandum of Understanding referred to in Article 3(1) for a period of two and a half years.	4. The Union's macro-financial assistance shall be made available starting on the first day after the entry into force of the Memorandum of Understanding referred to in Article 3(1) for a period of two and a half years.	
Article 1(5)				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
46	5. Where the financing needs of Egypt decrease fundamentally during the period of the disbursement of the Union's macro-financial assistance compared to the initial projections, the Commission, acting in accordance with the examination procedure referred to in Article 7(2), shall reduce the amount of the assistance or suspend or cancel it.	5. Where the financing needs of Egypt decrease fundamentally during the period of the disbursement of the Union's macro-financial assistance compared to the initial projections, the Commission, acting in accordance with the examination procedure referred to in Article 7(2), shall reduce the amount of the assistance or suspend or cancel it.	5. Where the financing needs of Egypt decrease fundamentally during the period of the disbursement of the Union's macro-financial assistance compared to the initial projections, the Commission, acting in accordance with the examination procedure referred to in Article 7(2), shall reduce the amount of the assistance or suspend or cancel it.	
Article 2				
47	Article 2	Article 2	Article 2	
Article 2(1)				
48	1. A pre-condition for granting the Union's macro-financial assistance shall be that Egypt continues to make concrete and credible steps towards respecting effective democratic mechanisms – including a multi-party parliamentary system – and the rule of law, and guarantees respect for human rights.	1. A pre-condition for granting the Union's macro-financial assistance shall be that Egypt continues to make concrete and credible steps towards respecting <u>and strengthening</u> effective democratic mechanisms – including a multi-party parliamentary system – and the rule of law, and <u>guarantees continues to make efforts in order to guarantee</u> respect for human rights.	1. A pre-condition for granting the Union's macro-financial assistance shall be that Egypt continues to make concrete and credible steps towards respecting effective democratic mechanisms – including a multi-party parliamentary system – and the rule of law, and guarantees respect for human rights.	
Article 2(2)				
49	2. The Commission services and the European External Action	2. The Commission services and the European External Action	2. The Commission services and the European External Action	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	Service shall monitor the fulfilment of this pre-condition throughout the life-cycle of the Union's macro-financial assistance.	Service shall monitor the fulfilment of this pre-condition throughout the life-cycle of the Union's macro-financial assistance <u>and report, regularly and in writing, to the European Parliament and the Council on the fulfilment of the economic policy and financial conditions set out in the Memorandum of Understanding.</u>	Service shall monitor the fulfilment of this pre-condition throughout the life-cycle of the Union's macro-financial assistance.	
Article 2(3)				
50	<p>3. Paragraphs 1 and 2 shall be applied in accordance with Council Decision 2010/427/EU¹.</p> <p>1. Council Decision 2010/427/EU of 26 July 2010 establishing the organisation and functioning of the European External Action Service (OJ L 201, 3.8.2010, p. 30).</p>	<p>3. Paragraphs 1 and 2 shall be applied in accordance with Council Decision 2010/427/EU¹.</p> <p>1. Council Decision 2010/427/EU of 26 July 2010 establishing the organisation and functioning of the European External Action Service (OJ L 201, 3.8.2010, p. 30).</p>	<p>3. Paragraphs 1 and 2 shall be applied in accordance with Council Decision 2010/427/EU¹.</p> <p>1. Council Decision 2010/427/EU of 26 July 2010 establishing the organisation and functioning of the European External Action Service (OJ L 201, 3.8.2010, p. 30).</p>	
Article 3				
51	Article 3	Article 3	Article 3	
Article 3(1)				
52	<p>1. The Commission, in accordance with the examination procedure referred to in Article 7(2), shall agree with the Egyptian authorities on clearly defined economic policy and financial conditions, focusing on structural reforms and sound public finances, to which the Union's macro-</p>	<p>1. The Commission, in accordance with the examination procedure referred to in Article 7(2), shall agree with the Egyptian authorities on clearly defined economic policy and financial conditions, focusing on structural reforms, <u>such as the new criminal procedure reform,</u> and sound</p>	<p>1. The Commission, in accordance with the examination procedure referred to in Article 7(2), shall agree with the Egyptian authorities on clearly defined economic policy and financial conditions, focusing on structural reforms and sound public finances, to which the Union's macro-</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	financial assistance is to be subject, to be laid down in a Memorandum of Understanding ("the Memorandum of Understanding") which shall include a timeframe for the achievement of those reforms. The economic policy and financial conditions set out in the Memorandum of Understanding shall be consistent with the agreements or understandings referred to in Article 1(3), including the macroeconomic adjustment and structural reform programmes implemented by Egypt with the support of the IMF.	public finances, to which the Union's macro-financial assistance is to be subject, to be laid down in a Memorandum of Understanding ("the Memorandum of Understanding") which shall include a timeframe for the achievement of those reforms. The economic policy and financial conditions set out in the Memorandum of Understanding shall be consistent with the agreements or understandings referred to in Article 1(3), including the macroeconomic adjustment and structural reform programmes implemented by Egypt with the support of the IMF.	financial assistance is to be subject, to be laid down in a Memorandum of Understanding ("the Memorandum of Understanding") which shall include a timeframe for the achievement of those reforms. The economic policy and financial conditions set out in the Memorandum of Understanding shall be consistent with the agreements or understandings referred to in Article 1(3), including the macroeconomic adjustment and structural reform programmes implemented by Egypt with the support of the IMF.	
Article 3(2)				
53	2. The conditions referred to in paragraph 1 shall aim, in particular, at enhancing the efficiency, transparency and accountability of the public finance management systems in Egypt, including for the use of the Union's macro-financial assistance. Progress in mutual market opening, the development of rules-based and fair trade, and other priorities in the context of the Union's external policy shall also be duly taken into account when designing the policy	2. The <u>economic policy and financial</u> conditions referred to in paragraph 1 shall aim, in particular, at enhancing the efficiency, transparency and accountability of the public finance management systems in Egypt, including for the use of the Union's macro-financial assistance. Progress in mutual market opening, <u>including for SMEs</u> , the development of rules-based and fair trade, <u>sustainable development, good governance</u> and other priorities in the context	2. The conditions referred to in paragraph 1 shall aim, in particular, at enhancing the efficiency, transparency and accountability of the public finance management systems in Egypt, including for the use of the Union's macro-financial assistance. Progress in mutual market opening, the development of rules-based and fair trade, and other priorities in the context of the Union's external policy shall also be duly taken into account when designing the policy	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	measures. Progress in attaining those objectives shall be regularly monitored by the Commission.	of the Union's external policy shall also be duly taken into account when designing the policy measures. Progress in attaining those objectives shall be regularly monitored by the Commission.	measures. Progress in attaining those objectives shall be regularly monitored by the Commission.	
Article 3(3)				
54	3. The detailed financial terms of the Union's macro-financial assistance shall be laid down in a loan agreement to be concluded between the Commission and the Egyptian authorities ("the Loan Agreement").	3. The detailed financial terms of the Union's macro-financial assistance shall be laid down in a loan agreement to be concluded between the Commission and the Egyptian authorities ("the Loan Agreement").	3. The detailed financial terms of the Union's macro-financial assistance shall be laid down in a loan agreement to be concluded between the Commission and the Egyptian authorities ("the Loan Agreement").	
Article 3(4)				
55	4. The Commission shall verify, at regular intervals, that the conditions referred to in Article 4(3) continue to be met, including whether the economic policies of Egypt are in accordance with the objectives of the Union's macro-financial assistance. For that verification, the Commission shall coordinate closely with the IMF and the World Bank, and, where necessary, with the European Parliament and the Council.	4. The Commission shall verify, at regular intervals, that the conditions referred to in Article 4(3) continue to be met, including whether the economic policies of Egypt are in accordance with the objectives of the Union's macro-financial assistance. For that verification, the Commission shall coordinate closely with the IMF and the World Bank, and, where necessary, with the European Parliament and the Council.	4. The Commission shall verify, at regular intervals, that the conditions referred to in Article 4(3) continue to be met, including whether the economic policies of Egypt are in accordance with the objectives of the Union's macro-financial assistance. For that verification, the Commission shall coordinate closely with the IMF and the World Bank, and, where necessary, with the European Parliament and the Council.	
Article 4				
56	Article 4	Article 4	Article 4	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Article 4(1)				
57	1. Subject to the conditions in paragraph 3, the Union's macro-financial assistance shall be made available by the Commission in instalments. The size of each instalment shall be laid down in the Memorandum of Understanding referred to in Article 3. An instalment may be disbursed in one or more tranches.	1. Subject to the conditions in paragraph 3, the Union's macro-financial assistance shall be made available by the Commission in instalments. The size of each instalment shall be laid down in the Memorandum of Understanding referred to in Article 3. An instalment may be disbursed in one or more tranches.	1. Subject to the conditions in paragraph 3, the Union's macro-financial assistance shall be made available by the Commission in instalments. The size of each instalment shall be laid down in the Memorandum of Understanding referred to in Article 3. An instalment may be disbursed in one or more tranches.	
Article 4(2)				
58	2. The amounts of the Union's macro-financial assistance provided in the form of loans shall be provisioned, where required, in accordance with Regulation (EU) 2021/947 of the European Parliament and of the Council.	2. The amounts of the Union's macro-financial assistance provided in the form of loans shall be provisioned, where required, in accordance with Regulation (EU) 2021/947 of the European Parliament and of the Council.	2. The amounts of the Union's macro-financial assistance provided in the form of loans shall be provisioned, where required, in accordance with Regulation (EU) 2021/947 of the European Parliament and of the Council.	
Article 4(3), first subparagraph				
59	3. The Commission shall decide on the release of the instalments subject to the fulfilment of the following conditions:	3. The Commission shall decide on the release of the instalments subject to the fulfilment of the following conditions:	3. The Commission shall decide on the release of the instalments subject to the fulfilment of the following conditions:	
Article 4(3), first subparagraph, point (a)				
60	(a) the pre-condition set out in Article 2(1);	(a) the pre-condition set out in Article 2(1);	(a) the pre-condition set out in Article 2(1);	
Article 4(3), first subparagraph, point (b)				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
61	(b) a continuous satisfactory track record of implementing a policy programme that contains strong adjustment and structural reform measures supported by a non-precautionary IMF credit arrangement;	(b) a continuous satisfactory track record of implementing a policy programme that contains strong adjustment and structural reform measures supported by a non-precautionary IMF credit arrangement;	(b) a continuous satisfactory track record of implementing a policy programme that contains strong adjustment and structural reform measures supported by a non-precautionary IMF credit arrangement;	
Article 4(3), first subparagraph, point (c)				
62	(c) the satisfactory implementation of the economic policy conditions and financial conditions agreed in the Memorandum of Understanding.	(c) the satisfactory implementation of the economic policy conditions and , financial conditions, <u>and democracy, rule of law and human rights conditions</u> , agreed in the Memorandum of Understanding.	(c) the satisfactory implementation of the economic policy conditions and financial conditions agreed in the Memorandum of Understanding.	
Article 4(3), second subparagraph				
63	The release of the second instalment shall not, in principle, take place earlier than three months after the release of the first instalment. The release of the third instalment shall not, in principle, take place earlier than three months after the release of the second instalment.	The release of the second instalment shall not, in principle, take place earlier than three months after the release of the first instalment. The release of the third instalment shall not, in principle, take place earlier than three months after the release of the second instalment.	The release of the second instalment shall not, in principle, take place earlier than three months after the release of the first instalment. The release of the third instalment shall not, in principle, take place earlier than three months after the release of the second instalment.	
Article 4(4)				
64	4. Where the conditions in paragraph 3 are not met, the Commission shall temporarily suspend or cancel the disbursement of the Union's macro-financial	4. Where the conditions in paragraph 3 are not met, the Commission shall temporarily suspend or cancel the disbursement of the Union's macro-financial	4. Where the conditions in paragraph 3 are not met, the Commission shall temporarily suspend or cancel the disbursement of the Union's macro-financial	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	assistance. In such cases, it shall inform the European Parliament and the Council of the reasons for that suspension or cancellation.	assistance. In such cases, it shall inform the European Parliament and the Council <u>without delay</u> of the reasons for that suspension or cancellation.	assistance. In such cases, it shall inform the European Parliament and the Council of the reasons for that suspension or cancellation.	
Article 4(5)				
65	5. The Union's macro-financial assistance shall be disbursed to the Central Bank of Egypt. Subject to the provisions to be agreed in the Memorandum of Understanding, including a confirmation of residual budgetary financing needs, the Union funds may be transferred by the Central Bank of Egypt to the Egyptian Ministry of Finance as the final beneficiary.	5. The Union's macro-financial assistance shall be disbursed to the Central Bank of Egypt. Subject to the provisions to be agreed in the Memorandum of Understanding, including a confirmation of residual budgetary financing needs, the Union funds may be transferred by the Central Bank of Egypt to the Egyptian Ministry of Finance as the final beneficiary.	5. The Union's macro-financial assistance shall be disbursed to the Central Bank of Egypt. Subject to the provisions to be agreed in the Memorandum of Understanding, including a confirmation of residual budgetary financing needs, the Union funds may be transferred by the Central Bank of Egypt to the Egyptian Ministry of Finance as the final beneficiary.	
Article 5				
66	Article 5	Article 5	Article 5	
Article 5(1)				
67	(1) In order to finance the support under the macro-financial assistance 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 accordance with Article 220a of Regulation (EU,	(1) In order to finance the support under the macro-financial assistance 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 accordance with Article 220a 223 of Regulation	(1) In order to finance the support under the macro-financial assistance 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 accordance with Article 220a of Regulation (EU,	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	Euratom) 2018/1046.	(EU, Euratom) 2018/1046 2024/2509 .	Euratom) 2018/1046.	
Article 5(2)				
68	<p>(2) The Commission shall enter into a loan agreement with Egypt in respect of the amount referred to in Article 1. The detailed terms of the support under the MFA in the form of loans shall be laid down in a loan agreement in accordance with Article 220 of the Financial Regulation, to be concluded between the Commission and the Egyptian authorities. The loan agreement shall lay down the availability period and the detailed terms of the support under the macro-financial assistance in the form of loans, including in relation to the internal control systems. The loans shall be granted at terms that allow Egypt to repay the loan over a long period, including a possible grace period. The maximum duration of the loans shall be 35 years. The Commission shall inform the European Parliament and the Council of developments in the operations referred to in paragraph 3.</p>	<p>(2) The Commission shall enter into a loan agreement with Egypt in respect of the amount referred to in Article 1. The detailed terms of the support under the MFA in the form of loans shall be laid down in a loan agreement in accordance with Article 220223 of the Financial Regulation, to be concluded between the Commission and the Egyptian authorities. The loan agreement shall lay down the availability period and the detailed terms of the support under the macro-financial assistance in the form of loans, including in relation to the internal control systems. Egypt shall reimburse the loan, whichThe loans shall be granted at terms that allow Egypt to repay the loansits repayment over a long period, including, after a formal notification to the European Parliament and the Council, a possible grace period. The maximum duration of the loans shall be 35 years. The Commission shall inform the European Parliament and the Council of</p>	<p>(2) The Commission shall enter into a loan agreement with Egypt in respect of the amount referred to in Article 1. The detailed terms of the support under the MFA in the form of loans shall be laid down in a loan agreement in accordance with Article 220 of the Financial Regulation, to be concluded between the Commission and the Egyptian authorities. The loan agreement shall lay down the availability period and the detailed terms of the support under the macro-financial assistance in the form of loans, including in relation to the internal control systems. The loans shall be granted at terms that allow Egypt to repay the loan over a long period, including a possible grace period. The maximum duration of the loans shall be 35 years. The Commission shall inform the European Parliament and the Council of developments in the operations referred to in paragraph 3.</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
		developments in the operations referred to in paragraph 3.		
Article 6				
69	Article 6	Article 6	Article 6	
Article 6(1)				
70	<p>1. The Union's macro-financial assistance shall be implemented in accordance with Regulation (EU, Euratom) No 2018/1046 of the European Parliament and of the Council¹.</p> <p>1. Regulation (EU, Euratom) No 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union and repealing Regulation (EC, Euratom) No 966/2012 (OJ L 193, 30.07.2018, p. 1).</p>	<p>1. The Union's macro-financial assistance shall be implemented in accordance with Regulation (EU, Euratom) No 2018/1046 <u>No 2024/2509</u> of the European Parliament and of the Council¹.</p> <p>1. Regulation (EU, Euratom) No 2018/1046 <u>2024/2509</u> of the European Parliament and of the Council of 18 July 2018 <u>23 September 2024</u> on the financial rules applicable to the general budget of the Union and repealing Regulation (EC, Euratom) No 966/2012 (OJ L, <u>2024/2509</u>, <u>26.9.2024</u>, <u>ELI: http://data.europa.eu/eli/reg/2024/2509/oj</u>).</p>	<p>1. The Union's macro-financial assistance shall be implemented in accordance with Regulation (EU, Euratom) No 2018/1046 of the European Parliament and of the Council¹.</p> <p>1. Regulation (EU, Euratom) No 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union and repealing Regulation (EC, Euratom) No 966/2012 (OJ L 193, 30.07.2018, p. 1).</p>	
Article 6(2)				
71	2. The implementation of the Union's macro-financial assistance shall be under direct management.	2. The implementation of the Union's macro-financial assistance shall be under direct management.	2. The implementation of the Union's macro-financial assistance shall be under direct management.	
Article 6(3)				
72	3. Before the implementation of the Union's macro-financial assistance, the Commission shall assess, by means of an operational	3. Before the implementation of the Union's macro-financial assistance, the Commission shall assess, by means of an operational	3. Before the implementation of the Union's macro-financial assistance, the Commission shall assess, by means of an operational	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	assessment, the soundness of Egypt's financial arrangements, the administrative procedures, and the internal and external control mechanisms which are relevant to the assistance.	assessment, the soundness of Egypt's financial arrangements, the administrative procedures, and the internal and external control mechanisms which are relevant to the assistance.	assessment, the soundness of Egypt's financial arrangements, the administrative procedures, and the internal and external control mechanisms which are relevant to the assistance.	
Article 7				
73	Article 7	Article 7	Article 7	
Article 7(1)				
74	1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.	1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.	1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.	
Article 7(2)				
75	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.	
Article 8				
76	Article 8	Article 8	Article 8	
Article 8(1)				
77	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	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	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	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	the preceding year, including an evaluation of that implementation. The report shall:	the preceding year, including an evaluation of that implementation. The report shall:	the preceding year, including an evaluation of that implementation. The report shall:	
Article 8(1), point (a)				
78	(a) examine the progress made in implementing the Union's macro-financial assistance;	(a) examine the progress made in implementing the Union's macro-financial assistance;	(a) examine the progress made in implementing the Union's macro-financial assistance;	
Article 8(1), point (b)				
79	(b) assess the economic situation and prospects of Egypt, as well as progress made in implementing the policy measures referred to in Article 3(1);	(b) assess the economic situation and prospects of Egypt, as well as progress made in implementing the policy measures referred to in Article <u>2 and Article 3(1)</u> ;	(b) assess the economic situation and prospects of Egypt, as well as progress made in implementing the policy measures referred to in Article 3(1);	
Article 8(1), point (c)				
80	(c) indicate the connection between the economic policy reform measures laid down in the Memorandum of Understanding, Egypt's on-going economic and fiscal performance and the Commission's decisions to release the instalments of the Union's macro-financial assistance.	(c) indicate the connection between the <u>Egypt's</u> economic policy reform measures laid down in <u>reforms under</u> the Memorandum of Understanding, Egypt's on-going economic and <u>its</u> fiscal performance, and the Commission's decisions to release the instalments of the <u>of</u> Union's macro-financial assistance, <u>while outlining steps taken towards democratic mechanisms, the rule of law and human rights.</u>	(c) indicate the connection between the economic policy reform measures laid down in the Memorandum of Understanding, Egypt's on-going economic and fiscal performance and the Commission's decisions to release the instalments of the Union's macro-financial assistance.	
Article 8(2)				
81	2. Not later than two years	2. Not later than two years	2. Not later than two years	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	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, assessing the results and efficiency of the completed Union's macro-financial assistance and the extent to which it has contributed to the aims of the assistance.	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, assessing the results and efficiency of the completed Union's macro-financial assistance and the extent to which it has contributed to the aims of the assistance.	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, assessing the results and efficiency of the completed Union's macro-financial assistance and the extent to which it has contributed to the aims of the assistance.	
Article 9				
82	Article 9	Article 9	Article 9	
Article 9, first paragraph				
83	This Decision shall enter into force on the day after its publication in the Official Journal of the European Union.	This Decision shall enter into force on the day after its publication in the Official Journal of the European Union.	This Decision shall enter into force on the day after its publication in the Official Journal of the European Union.	
Formula				
84	Done at Brussels,	Done at Brussels,	Done at Brussels,	
Formula				
85	For the European Parliament	For the European Parliament	For the European Parliament	
Formula				
86	The President	The President	The President	
Formula				
87	For the Council	For the Council	For the Council	
Formula				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
88	The President	The President	The President	