




Basic information	
2024/0071(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Decision	Awaiting committee decision
Macro-financial assistance to Egypt Subject 6.20.07 Macro-financial assistance to third countries	
Geographical area Egypt	

Key players				
European Parliament	Committee responsible		Rapporteur	Appointed
	INTA International Trade		IMART Céline (EPP)	30/09/2024
			Shadow rapporteur MAVRIDES Costas (S&D) MARIANI Thierry (Pfe) POLATO Daniele (ECR) CASSART Benoit (Renew) MARZÀ IBÁÑEZ Vicent (Greens/EFA) DELLA VALLE Danilo (The Left)	
	Former committee responsible		Former rapporteur	Appointed
	INTA International Trade			
	Committee for opinion		Rapporteur for opinion	Appointed
	AFET Foreign Affairs		STRIK Tineke (Greens/EFA)	14/10/2024
	Former committee for opinion		Former rapporteur for opinion	Appointed
	AFET Foreign Affairs			
	BUDG Budgets			

	<table border="1"> <tr> <td>Committee for budgetary assessment</td> <td>Rapporteur for budgetary assessment</td> <td>Appointed</td> </tr> <tr> <td>BUDG Budgets</td> <td>NEMEC Matjaž (S&D)</td> <td>24/10/2024</td> </tr> </table>	Committee for budgetary assessment	Rapporteur for budgetary assessment	Appointed	BUDG Budgets	NEMEC Matjaž (S&D)	24/10/2024
Committee for budgetary assessment	Rapporteur for budgetary assessment	Appointed					
BUDG Budgets	NEMEC Matjaž (S&D)	24/10/2024					
Council of the European Union							
European Commission	<table border="1"> <tr> <td>Commission DG</td> <td>Commissioner</td> </tr> <tr> <td>Economic and Financial Affairs</td> <td>GENTILONI Paolo</td> </tr> </table>	Commission DG	Commissioner	Economic and Financial Affairs	GENTILONI Paolo		
Commission DG	Commissioner						
Economic and Financial Affairs	GENTILONI Paolo						

Key events			
Date	Event	Reference	Summary
15/03/2024	Legislative proposal published	COM(2024)0461 	Summary
13/11/2024	Committee referral announced in Parliament, 1st reading		

Technical information	
Procedure reference	2024/0071(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Nature of procedure	Legislation
Legislative instrument	Decision
Legal basis	Rules of Procedure EP 58 Treaty on the Functioning of the EU TFEU 212
Stage reached in procedure	Awaiting committee decision
Committee dossier	INTA/10/00367

Documentation gateway				
European Commission				
Document type	Reference	Date	Summary	
Legislative proposal	COM(2024)0461 	15/03/2024	Summary	
Document attached to the procedure	SWD(2024)0461 	15/03/2024		
National parliaments				
Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	IT_CHAMBER	COM(2024)0461	30/05/2024	

Meetings with interest representatives published in line with the Rules of Procedure

Rapporteurs, Shadow Rapporteurs and Committee Chairs

Name	Role	Committee	Date	Interest representatives
IMART Céline	Rapporteur	INTA	04/11/2024	Ambassade d'Egypte

Macro-financial assistance to Egypt

2024/0071(COD) - 15/03/2024 - Legislative proposal

PURPOSE: to provide macro-financial assistance (MFA) to the Arab Republic of Egypt.

PROPOSED ACT: Decision of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: relations between the European Union and the Arab Republic of 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 Mediterranean.

The Strategic and Comprehensive Partnership will cover specific areas of cooperation outlined in the Joint Declaration, clustered across six pillars of intervention, namely: political relations; economic stability; investment and trade; migration; security and law enforcement cooperation; demography and human capital. The implementation of cooperation in these areas will unleash the full potential of the EU-Egypt relationship.

Underpinning the partnership will be a financial package 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.

This financial package will be provided in a challenging economic situation where Egypt continues to have sizeable and unmet financing needs. In this context, the Egyptian authorities requested support through macro-financial assistance ('MFA') from the EU on 12 March 2024 after an International Monetary Fund ('IMF') staff level agreement on an augmented Extended Fund Facility of USD 8 billion was announced on 6 March 2024.

After showing some resilience during the pandemic, partly thanks to reforms in the context of successive IMF programmes since 2016, Egypt's macro-fiscal situation has deteriorated noticeably over recent months.

CONTENT: against the backdrop of the deteriorating regional stability and Egypt's important role in the region, the Commission is submitting to the European Parliament and the Council a proposal to provide a new MFA of up to EUR 4 billion to the benefit of Egypt, as part of an overall MFA package of up to EUR 5 billion in loans. The proposed MFA would help Egypt cover part of its overall external financing gap, which is estimated at around USD 17.7 billion in the context of the new IMF programme over the period of 2024-2027.

The disbursement would take place in three instalments, with the release of each instalment, including the first one, strictly linked to satisfactory progress with the implementation of both the IMF programme and in relation to a number of additional policy measures to be agreed between the Commission and the Egyptian authorities and listed in a Memorandum of Understanding ('MoU').

The MoU could, in principle, include reforms to promote the role of the private sector in the economy, monetary and exchange rate policy reforms, continued Public Finance Management reforms and social support mechanism enhancements.

It should be noted that provisions will be provided under the External Action Guarantee at a provisioning of 9%, which will be programmed under the NDICI-GE, for a total amount of EUR 360 million (budget line 14 02 01 70 "NDICI – Global Europe - Provisioning of the Common Provisioning Fund").