# **European Parliament**

2024-2029



#### Committee on Foreign Affairs

2024/0086(COD)

31.1.2025

# **OPINION**

of the Committee on Foreign Affairs

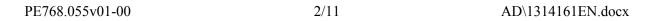
for the Committee on International Trade

on the proposal for a decision of the European Parliament and of the Council on providing macro-financial assistance to the Hashemite Kingdom of Jordan (COM(2024)0159 – C9-0146/2024 – 2024/0086(COD))

Rapporteur for opinion: Malik Azmani

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#### **AMENDMENTS**

The Committee on Foreign Affairs submits the following to the Committee on International Trade, as the committee responsible:

#### Amendment 1

# Proposal for a decision Recital 2

Text proposed by the Commission

(2) Since 2011, Jordan has embarked on a number of political reforms to strengthen parliamentary democracy and the rule of law. A Constitutional Court and an Independent Electoral Commission have been set up and a number of major laws, including the Electoral Act and the Political Parties Act as well as laws on decentralisation and municipalities, have been passed by the Jordanian Parliament. Legislative improvements as regards the independence of the judiciary and women's rights have been adopted.

#### Amendment

Since 2021, Jordan has embarked (2) on a number of political reforms to strengthen parliamentary democracy and the rule of law. A Constitutional Court and an Independent Electoral Commission have been set up and a number of major laws, including the Electoral Act and the Political Parties Act as well as laws on decentralisation and municipalities, have been passed by the Jordanian Parliament. Legislative improvements as regards the independence of the judiciary and women's rights have been adopted. The European Election Observation Mission in Jordan took note of the inclusive and wellorganised parliamentary elections that took place on 10 September 2024 in the context of the political modernisation initiated by the King in 2021. It is crucial that the Union continues to support peace in Jordan and does everything within its power to preserve the unique Jordanian model of ethnic and religious representation in order to ensure legitimate representation of those groups.

#### Amendment 2

Proposal for a decision Recital 3

#### Text proposed by the Commission

The Jordanian economy has (3) suffered significantly from protracted conflicts in the region, notably in neighbouring Syria, and most recently in Israel/Gaza and the Red Sea. Since the start of the war in Syria, the Jordanian economy has been impacted by a large inflow of Syrian refugees, which has increased pressure on its fiscal position, public services and infrastructure. In addition to regional instability, the macroeconomic and fiscal challenges related to the COVID-19 pandemic in 2020/2021, commodity price developments following Russia's invasion of Ukraine in 2022, high exposure to trade fluctuations and the increase of borrowing costs for emerging markets globally continued to weigh on the Jordanian economy. As a result, Jordan experienced an economic contraction in 2020, followed by a slow economic recovery, as unemployment increased significantly in 2020 and remained high, and new fiscal and external financing needs emerged.

#### Amendment

The Jordanian economy has (3) suffered significantly from protracted conflicts in the region, notably in neighbouring Syria, and most recently in Israel/Gaza and the Red Sea. Since the start of the war in Syria, the Jordanian economy has been impacted by a large inflow of Syrian refugees, which has increased pressure on its fiscal position, public services and infrastructure. The current uncertainty in Syria further exacerbates the already highly detrimental instability for Jordan. Jordan hosts around 1,3 million refugees, making it one of the countries with the highest number of refugee populations per capita. In addition to regional instability, the macroeconomic and fiscal challenges related to the COVID-19 pandemic in 2020/2021, commodity price developments following Russia's invasion of Ukraine in 2022, high exposure to trade fluctuations and the increase of borrowing costs for emerging markets globally continued to weigh on the Jordanian economy. As a result, Jordan experienced an economic contraction in 2020, followed by a slow economic recovery, as unemployment increased significantly in 2020 and remained high, and new fiscal and external financing needs emerged. Moreover, significant structural issues hinder economic growth, particularly in the area of private sector development. Challenges such as an unfavourable business environment and inflexibility in the labour market remain unresolved.

Amendment 3

Proposal for a decision Recital 4 a (new)

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#### Amendment

(4a) The Union recognises Jordan's pivotal role in promoting regional stability and mediating conflicts, particularly amidst heightened tensions. The proposed macro-financial assistance aims to support Jordan in maintaining its positive role in the region. In that context, and in recognition of Jordan being one of the Union's strongest regional partners, it is imperative for the Commission and the European External Action Service (EEAS) to further deepen and strengthen the EU-Jordan partnership, thereby advancing cooperation.

#### Amendment 4

# Proposal for a decision Recital 21

Text proposed by the Commission

(21)A pre-condition for granting the Union's macro-financial assistance should be that Jordan respects 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 in Jordan and promote structural reforms aimed at supporting sustainable and inclusive growth, employment creation and fiscal consolidation. Both the fulfilment of the pre-conditions and the achievement of those objectives should be regularly monitored by the Commission and the EEAS.

#### Amendment

(21)A pre-condition for granting the Union's macro-financial assistance should be that Jordan respects 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 in Jordan and promote structural reforms aimed at supporting sustainable and inclusive growth, employment creation, and fiscal consolidation and policies. Both the fulfilment of the pre-conditions and the achievement of those objectives should be regularly monitored by the Commission and the EEAS, which should subsequently be reported to the European Parliament. The Union should encourage Jordan's efforts toward economic diversification and sustainability, particularly in sectors

such as renewable energy, technology and digital services, in order to reduce its reliance on tourism and chemical exports and to enhance long-term resilience.

#### Amendment 5

### Proposal for a decision Recital 27

Text proposed by the Commission

(27)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 Jordanian 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. Considering the amount of the Union's macro-financial assistance to Jordan, the examination procedure should apply to the adoption of the Memorandum of Understanding, and to any reduction, suspension or cancellation of the assistance.

#### Amendment

(27)The Union's macro-financial assistance should be subject to clear and measurable economic, as well as democracy, rule of law and human rights 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 Jordanian 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. Considering the amount of the Union's macro-financial assistance to Jordan, the examination procedure should apply to the adoption of the Memorandum of Understanding, including clear and measurable benchmarks to evaluate the implementation of each instalment, and to any reduction, suspension or cancellation of the assistance.

#### **Amendment 6**

### Proposal for a decision Article 2 – paragraph 2

Text proposed by the Commission

2. The Commission and the European External Action Service shall monitor the fulfilment of this pre-condition throughout the life cycle of the Union's macrofinancial assistance..

#### Amendment

2. The Commission and the European External Action Service shall monitor the fulfilment of this pre-condition throughout the life cycle of the Union's macrofinancial assistance in a transparent process in which independent third parties are able to contribute meaningfully. The Commission and the EEAS shall also report, both regularly and in writing, to the European Parliament and to the Council on the fulfilment of the precondition referred to in paragraph 1.

#### Amendment 7

### Proposal for a decision Article 3 – paragraph 2

Text proposed by the Commission

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 Jordan, 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 measures. Progress in attaining those objectives shall be regularly monitored by the Commission.

#### Amendment

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 Jordan, including for the use of the Union's macro-financial assistance. This shall include the publication of regular and detailed reports by the Jordanian government on the use of funds, specifying allocations for key sectors such as healthcare, education, and infrastructure, ensuring public access to such information. Progress in public services, mutual market opening, the development of rules-based and fair trade, and other priorities in the context of the Union's external policy, including those related to democracy, rule of law and human rights, shall also be duly taken into account when designing the policy measures. Progress in attaining those objectives shall be regularly monitored by

the Commission and the EEAS, and shall be communicated to the European Parliament.

#### **Amendment 8**

### Proposal for a decision Article 4 – paragraph 4

Text proposed by the Commission

4. Where the conditions referred to in the first subparagraph of paragraph 3 are not met, the Commission shall temporarily suspend or cancel the disbursement of the Union's macro-financial assistance. In such cases, it shall inform the European Parliament and the Council of the reasons for the suspension or cancellation.

#### Amendment

4. Where the conditions referred to in the first subparagraph of paragraph 3 are not met, the Commission shall temporarily suspend or cancel the disbursement of the Union's macro-financial assistance. In such cases, it shall inform the European Parliament and the Council of the reasons for the suspension or cancellation *and of the subsequent steps*.

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# ANNEX: ENTITIES OR PERSONS FROM WHOM THE RAPPORTEUR FOR THE OPINION HAS RECEIVED INPUT

Pursuant to Article 8 of Annex I to the Rules of Procedure, the rapporteur for the opinion received input from the following entities or persons in the preparation of the opinion:

Entity and/or person
European Commission - DG ECFIN
The Court of Auditors
The Ambassador of Jordan to the EU
Member of the Royal committee to Modernize the Political System in Jordan

The list above is drawn up under the exclusive responsibility of the rapporteur for the opinion.

Where natural persons are identified in the list by their name, by their function or by both, the rapporteur for the opinion declares that he has submitted to the concerned natural persons the European Parliament's Data Protection Notice No 484 (<a href="https://www.europarl.europa.eu/data-protect/index.do">https://www.europarl.europa.eu/data-protect/index.do</a>), which sets out the conditions applicable to the processing of their personal data and the rights linked to that processing.

# PROCEDURE - COMMITTEE ASKED FOR OPINION

	T
Title	Macro-financial assistance to the Hashemite Kingdom of Jordan
References	COM(2024)0159 – C9-0146/2024 – 2024/0086(COD)
Committee(s) responsible	INTA
Opinion by Date announced in plenary	AFET 25.4.2024
Rapporteur for the opinion Date appointed	Malik Azmani 14.10.2024
Date adopted	30.1.2025
Result of final vote	+: 54 -: 11 0: 6
Members present for the final vote	Mika Aaltola, Lucia Annunziata, Petras Auštrevičius, Jordan Bardella, Dan Barna, Wouter Beke, Robert Biedroń, Ioan-Rareş Bogdan, Marc Botenga, Grzegorz Braun, Sebastião Bugalho, Danilo Della Valle, Özlem Demirel, Elio Di Rupo, Michael Gahler, Geadis Geadi, Giorgos Georgiou, Raphaël Glucksmann, Bernard Guetta, Rima Hassan, Rasa Juknevičienė, Sandra Kalniete, Łukasz Kohut, Rihards Kols, Andrey Kovatchev, Vilis Krištopans, Nathalie Loiseau, Claudiu Manda, David McAllister, Sven Mikser, Francisco José Millán Mon, Arkadiusz Mularczyk, Leoluca Orlando, Kostas Papadakis, Tonino Picula, Nacho Sánchez Amor, Andreas Schieder, Alexander Sell, Villy Søvndal, Davor Ivo Stier, Sebastiaan Stöteler, Stanislav Stoyanov, Marie-Agnes Strack-Zimmermann, Michał Szczerba, António Tânger Corrêa, Marta Temido, Cristian Terheş, Riho Terras, Hermann Tertsch, Pierre-Romain Thionnet, Sebastian Tynkkynen, Reinier Van Lanschot, Roberto Vannacci, Hilde Vautmans, Harald Vilimsky, Željana Zovko
Substitutes present for the final vote	Malik Azmani, Engin Eroglu, Sandra Gómez López, Evin Incir, András László, Ana Catarina Mendes, Hans Neuhoff, Nicolás Pascual de la Parte, Tineke Strik, Ingeborg Ter Laak, Matej Tonin, Ivaylo Valchev, Isabel Wiseler-Lima, Milan Zver
Members under Rule 216(7) present for the final vote	Catarina Vieira

# FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

54	+
ECR	Geadis Geadi, Rihards Kols, Arkadiusz Mularczyk, Cristian Terheş, Ivaylo Valchev
PPE	Mika Aaltola, Wouter Beke, Ioan-Rareş Bogdan, Sebastião Bugalho, Michael Gahler, Rasa Juknevičienė, Sandra Kalniete, Łukasz Kohut, Andrey Kovatchev, David McAllister, Francisco José Millán Mon, Nicolás Pascual de la Parte, Davor Ivo Stier, Michał Szczerba, Ingeborg Ter Laak, Riho Terras, Matej Tonin, Isabel Wiseler-Lima, Željana Zovko, Milan Zver
PfE	András László
Renew	Petras Auštrevičius, Malik Azmani, Dan Barna, Engin Eroglu, Bernard Guetta, Nathalie Loiseau, Marie-Agnes Strack-Zimmermann, Hilde Vautmans
S&D	Lucia Annunziata, Robert Biedroń, Elio Di Rupo, Raphaël Glucksmann, Sandra Gómez López, Evin Incir, Claudiu Manda, Ana Catarina Mendes, Sven Mikser, Tonino Picula, Nacho Sánchez Amor, Andreas Schieder, Marta Temido
The Left	Özlem Demirel, Rima Hassan
Verts/ALE	Leoluca Orlando, Villy Søvndal, Tineke Strik, Reinier Van Lanschot, Catarina Vieira

11	-
ECR	Sebastian Tynkkynen
NI	Grzegorz Braun, Kostas Papadakis
PfE	Jordan Bardella, Vilis Krištopans, Sebastiaan Stöteler, António Tânger Corrêa, Hermann Tertsch, Pierre- Romain Thionnet, Roberto Vannacci, Harald Vilimsky

6	0
ESN	Hans Neuhoff, Alexander Sell, Stanislav Stoyanov
The Left	Marc Botenga, Danilo Della Valle, Giorgos Georgiou

Key to symbols: + : in favour - : against 0 : abstention