

Commission proposes €500 million of Macro-Financial Assistance to Jordan

The European Commission has adopted a proposal for a new Macro-Financial Assistance (MFA) programme to Jordan worth up to €500 million.

The proposed financial assistance aims to provide support to the ambitious Jordanian reform agenda, promoting jobs, growth and investment for the benefit of the people of Jordan.

Pierre **Moscovici**, Commissioner in charge of Economic and Financial Affairs, Taxation and Customs, said: *“Today’s proposal demonstrates the EU’s sustained commitment to supporting Jordan in what remain challenging times. Jordan has made significant strides in its reform process; but addressing economic difficulties requires continued action. The Commission stands ready to work closely with the Jordanian authorities to deliver the vital economic reforms necessary to secure a stronger, more stable economy for the benefit of its people.”*

The new programme would build on the two previous MFA programmes through which the EU has disbursed a total of €380 million to Jordan since 2011.

A [recent evaluation on the implementation of MFA operations](#) concluded that the first MFA programme was relevant to Jordan’s economic challenges and in line with the EU’s priorities. The evaluation also found that the programme was implemented efficiently and in close coordination with the Jordanian authorities, helped preserve macro-economic stability, and had a positive social impact.

MFA funds are made available in the form of low-interest, long-term loans. Disbursements under the proposed programme would be strictly conditional on the implementation of specific policy conditionality to be agreed between the EU and Jordan, and set out in a Memorandum of Understanding.

The Commission’s proposal for a third MFA programme with Jordan is subject to the approval of the European Parliament and of the Council of the EU under the ordinary legislative procedure.

Background

Macro-Financial Assistance

MFA is part of the EU’s wider engagement with neighbouring countries and is intended as an exceptional EU crisis response instrument. It is available to EU neighbourhood countries experiencing severe balance-of-payments problems.

EU-Jordan relations

The EU’s support to Jordan, including the MFA programmes, assist the country in mitigating the impact of the Syrian crisis. This support is provided in

accordance with the [EU-Jordan Partnership Priorities](#), as confirmed during the third Brussels Conference on the Future of Syria and the Region on 12-14 March 2019 and the EU-Jordan Association Council on 17 July 2019.

Overall, the EU has already mobilised more than €2.2 billion for Jordan since the beginning of the Syrian crisis in 2011. In addition to MFA, EU increased funding in response to the Syrian crisis includes humanitarian assistance, together with longer-term resilience and development support in areas such as education, livelihoods, water, sanitation and health, addressed to Syrian refugees and Jordanian host communities.

Further Information

[Macro-Financial Assistance](#)

[Macro-Financial Assistance to Jordan](#)

[Report from the Commission to the European Parliament and the Council on the implementation of macro-financial assistance to third countries in 2018](#)