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COMMISSION STAFF WORKING DOCUMENT

Background Analysis per beneficiary country

Accompanying the document

REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

on the implementation of macro-financial assistance to third countries in 2024

{COM(2025) 330 final}

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List of abbreviations

DCFTA	Deep and comprehensive free trade area
ECF	Extended credit facility
EFF	Extended fund facility
EU	European Union
EUR	Euro
ERA	Extraordinary revenue acceleration
IMF	International Monetary Fund
MFA	Macro-financial assistance
MFF	Multiannual financial framework
MoU	Memorandum of understanding
OJ	Official Journal of the European Union
PFM	Public finance management
PPP	Public-private partnership
SOE	State-owned enterprise
SWD	Staff working document
ULCM	Ukraine loan cooperation mechanism

Contents

INTRODUCTION

This staff working document (SWD) complements the Commission's report to the European Parliament and the Council on the implementation of macro-financial assistance (MFA) to third countries in 2024 [1]. The report covers disbursing operations and MFAs newly adopted by the European Parliament and the Council up to the end of 2024.

In 2024, the EU intensified its support to Ukraine. Building on the EUR 18 billion disbursed in 2023 under the MFA+ programme, the Ukraine Facility provided an additional EUR 16.5 billion of budgetary support. However, the escalation of the war continued to drive up Ukraine's financing needs, prompting a mid-2024 pledge by G7 leaders to mobilise a further EUR 45 billion (including new exceptional MFA worth EUR 18.1 billion) under the extraordinary revenue acceleration (ERA) loan initiative, whereby the MFA is to be disbursed throughout 2025.

In other partner countries, the EU concluded Moldova's MFA with the disbursement of the last instalments in July and December 2024. The first part of North Macedonia's MFA was disbursed in 2024, while half remains undisbursed due to lack of implementation of the conditions attached to the final instalment. To support Egypt's stabilising role in the region, the Commission proposed a EUR 5 billion MFA in March, of which EUR 1 billion – subject both to the usual economic policy reforms and to improvements on the human rights benchmarks – was disbursed in December 2024. The European Parliament and the Council are currently examining the proposal for the remaining EUR 4 billion as well as the Commission's MFA proposal for Jordan (both proposals are expected to be adopted in Q2 2025).

For each beneficiary country, the report provides more detailed information on: (i) the implementation of the corresponding MFA operations; and (ii) the underlying policy conditionality and progress regarding its implementation.

The annexes include (i) overview tables on disbursements of MFA operations since 1990, by date of adoption of the decisions; and (ii) tables on MFA commitment and payment amounts in 2006-2024, by year and by region [2].

[1] This document is based on information available up to March 2025.

[2] The document and the annexes distinguish between authorised amounts (the amounts made available to the beneficiary country under the MFA decision) and disbursed amounts (the amounts actually paid to the beneficiary country).

BACKGROUND ANALYSIS OF BENEFICIARIES OF MACRO-FINANCIAL ASSISTANCE [3]

1. MOLDOVA

1.1 Implementation of macro-financial assistance

1.1.1 Recent macro-financial assistance operations

Since 2014, Moldova has received assistance under three MFA operations. A total of EUR 495 million has been made available under the corresponding MFA operations, of which EUR 455 million has been disbursed. Overall, progress has been positive, although full implementation and disbursements under the 2017-2020 operation (covered by Decision (EU) 2017/1565) were hindered by the challenging political situation in Moldova at the time. This resulted in the third and final instalment being cancelled, because the MFA's availability period ended before the MoU conditions MoU were fulfilled. Following the outbreak of the COVID-19 pandemic, Moldova also received assistance under the EU's EUR 3 billion COVID-19 MFA package for 10 enlargement and neighbourhood countries. Against the backdrop of the challenging geopolitical situation and risks to energy security, which put additional pressure on Moldova's macroeconomic stability, Moldova benefited until the end of 2024 from an additional MFA that entered into force on 18 July 2022.

Russia's war of aggression against Ukraine continued to hit Moldova's economy both directly and indirectly. The Commission therefore adopted a proposal on 24 January 2023 to increase the ongoing MFA to Moldova by EUR 145 million (the additional MFA), made up of EUR 100 million in loans and EUR 45 million in grants. In June 2023, the European Parliament and the Council adopted a corresponding decision covering the additional assistance (Decision (EU) 2023/4597). This additional financial assistance under the MFA was part of a larger EU support package to Moldova announced by the President of the Commission in November 2022. This package also contained EUR 105 million to be disbursed in 2023 and early 2024 via a budget support operation.

The support under these MFA operations was provided in conjunction with resources from international financial institutions and bilateral donors, including the International Monetary Fund (IMF). In May 2022, the IMF's December 2021 programme for Moldova of USD 558 million under the Extended Credit Facility/Extended Fund Facility (ECF/EFF) was increased by USD 260 million in view of the significant impact on the Moldovan economy of Russia's war of aggression against Ukraine. The authorities' strong ownership of, and firm commitment to, reforms was noted. In December 2023, the IMF Board approved a new arrangement under the Resilience and Sustainability Facility (RSF) of about USD 173 million to support Moldova's efforts to strengthen its resilience against climate shocks, support energy sector reforms, enhance domestic financial sector preparedness and mobilise sustainable finance. On 17 December 2024, the IMF completed the sixth review under the ECF/EFF arrangements and the second review under the RSF, thus allowing the disbursement of about USD 162.6 million. The IMF programme is expected to include two more reviews and runs until October 2025.

[3] This section quotes statistics supplied by national authorities and other relevant sources.

1.1.2 Policy conditionality

In line with the broad objectives of the EU-Moldova cooperation under the Association Agreement and the Deep and Comprehensive Free Trade Area (DCFTA) Agreement, the latest MFA operation (including the additional MFA) focused on several key areas of reform. These included the fight against corruption; the rule of law; public finance management; public sector and financial sector governance; strengthening the business climate; and (in view of the energy crisis) important energy sector reforms. The Moldovan authorities have fulfilled all the policy conditionalities of this MFA in full or at least broadly, thus enabling five successive MFA disbursements under this operation.

Several conditions under the MFA called on the authorities to advance the *fight against corruption*. This involved improving the institutional structure of the various anti-corruption agencies (including a clear delimitation of competences between the Anti-Corruption Prosecutor's Office and the National Anti-Corruption Agency) and establishing task forces to fight high-level corruption and organised crime.

The *rule of law and justice sector* reforms are long-standing priorities for EU-Moldova cooperation (e.g. under the EU-Moldova Association Agreement) and were supported by the MFA. In particular, Moldova has been scoring poorly on judicial independence and transparency. In line with Venice Commission recommendations and best international practices, the authorities have launched a comprehensive assessment of members of the self-governing bodies of judges and prosecutors (pre-vetting). Significant progress has been made on the assessment of the Superior Council of the Magistracy (SCM) and the Superior Council of Prosecutors (SCP) throughout the programme. By the time of the last disbursement in December 2024, the SCM and the SCP were fully operational with pre-vetted members. Pre-vetting of candidates of the bodies/colleges of the Councils was expected to be concluded by the end of 2024, enabling the last disbursement of the ongoing MFA in December 2024.

Moldova has made significant progress in strengthening *public finance management* (PFM). It has a new PFM strategy in place that is supported by extensive assessment, in close cooperation with international partners and followed by an open public consultation. To help address the chronic issue of budget under-execution, especially for capital expenditure, the authorities have also implemented new legislation on public investment projects that is intended to help Moldova improve its planning of capital budgets and increase execution of public investment.

Several actions under this MFA were designed to strengthen and improve Moldova's *business climate.* Moldova has taken important steps to set priorities and actions in this area. These involve adopting the digital transformation strategy and the national programme for the promotion of entrepreneurship and increasing competitiveness, including improving access to finance for local businesses. In 2024, Moldova adopted an overarching national strategy for the development of the economy, focusing on the internationalisation of local businesses and the promotion of foreign direct investment.

Important progress has also been made in improving Moldova's medium- to long-term *energy security* and developing sustainable energy markets. The protracted energy crisis that began in October 2021 exposed several structural weaknesses in Moldova's energy sector, aggravated by Russia's weaponisation of energy. Over the past two years, Moldova has substantially strengthened institutional capacity in the energy sector, in particular by setting up a dedicated ministry and by reinforcing staffing and expertise within the former Energy Efficiency Agency, the Ministry of Energy and Energocom.

The Moldovan authorities have significantly increased Moldova's gas storage capacity, diversified gas supply and adopted annual plans to prepare for the heating seasons. To support market development and support the country's integration into EU energy markets, Moldova has almost completed the full transposition of the Energy Community *acquis* into its national laws. Moldova is also taking important steps to develop a market for renewable energy (e.g. by transposing the EU Renewable Energy Directive and adopting the National Energy and Climate Plan).

In line with the DCFTA, the authorities have made important amendments to the new *Customs Code* and adopted the implementing regulation. The Code entered into force on 1 January 2024.

Moldova is a new candidate for EU membership, so progress on MFA conditions has helped to bring it closer to the EU and support not only its economic convergence but also its alignment with the EU *acquis*. Progress on the relevant MFA conditionality has helped Moldova make progress in implementing the recommendations in the annual enlargement report and the economic reform programme. The MFA has also been in line with the government's long-term objectives.

MFA MOLDOVA (entry into force 18 July 2022 – end of availability period 18 January 2025)			
Decision (EU) 2022/563	First instalment	Second instalment	Third instalment
Amount (EUR million)	EUR 50 million (15 grants; 35 loans)	EUR 50 million (10 grants; 40 loans)	EUR 50 million (5 grants; 45 loans)
Implementation	Disbursement (8/2022)	Disbursement (4/2023 grants, 5/2023 loans)	Disbursement (12/2024)
Policy conditions	3	6	6
Rule of law and the fight against corruption	Adoption of legislative amendments on asset recovery, especially on international cooperation: **fulfilled**.	Appointment of vacant management positions in several anti-corruption institutions: **fulfilled**. Adoption of new asset recovery programme: **fulfilled**. Assessment of candidates for membership of judiciary and prosecution self-administration bodies (pre-vetting): **broadly fulfilled**.	Finalise the pre-vetting of all candidates for membership of the Superior Council of Magistracy and the Superior Council of Prosecutors and the bodies/colleges of the Councils: **broadly fulfilled**. Delimitation of competences between the Anti-Corruption Prosecutor's Office and the National Anti-Corruption Centre (with clear division of tasks between high-level and petty corruption cases):

			fulfilled.
Financial sector governance	Adoption of legislative amendments concerning the electronic payment system: **fulfilled**.		
Energy sector	Initiation of the strategic gas reserve and creation of an institutional framework to create gas storage capacity: **fulfilled**.		Increase of the capacity of the Energy Efficiency Agency and Energocom: **fulfilled**. Progress towards full transposition of the Energy Community *acquis*, especially on unbundling: **fulfilled**.
Public sector governance		Reform on legislation concerning public investment projects: **fulfilled**. Reform on adopting a new public finance management strategy: **fulfilled**.	
Business environment		Reform on legislative amendments to the new Customs Code, its implementing Regulation and entry into force: **broadly fulfilled**.	Reform on amending the Law on Free Economic Zones: **broadly fulfilled**. Reform on adopting a new strategy for combating undeclared work: **fulfilled**
Remarks	The political pre-condition[1] for granting the EU's MFA was met. A positive track record on the ongoing IMF programme was ensured		

MFA TOP-UP MOLDOVA (entry into force 5 September 2023 - end of availability period 18 January 2025)		
Decision (EU) 2023/4597 final	First instalment	Second instalment
Amount (EUR million)	EUR 72.5 million (22.5 grants; 50 loans)	EUR 72.5 million (22.5 grants; 50 loans)
Implementation	Disbursement (10/2023)	Pending
Policy conditions	6	6
Energy sector	Energy action plan for winter 2023-2024: **fulfilled**.	Law transposing the Renewable Energy Directive: **fulfilled**.

Rule of law	New call for applicants for membership of the colleges of the Superior Council of Magistracy and of the Superior Council of Prosecutors: **fulfilled**.do	Law on full vetting: **fulfilled**.
Fight against corruption		Review and update the existing interinstitutional agreements between the different anti-corruption and law enforcement agencies: **fulfilled**.
Business climate	Adoption of digital transformation strategy: **broadly fulfilled**. Adoption of national programme for the promotion of entrepreneurship and increasing competitiveness 2023-2026: **broadly fulfilled**.	Entry into force of the Customs Code: **fulfilled**. Adoption of a national strategy for the development of the economy and of the national industrialisation programme: **fulfilled**.
Public sector governance	Concept paper on reforming the National Employment Agency: **fulfilled**. Adoption of a new public procurement programme: **fulfilled**.	Delineation of duties between the Ministry of Economic Development and Digitalisation and the Public Property Agency: **fulfilled**. Adoption of a law on voluntary amalgamation and approval of the methodology: **fulfilled**.
Remarks	The political pre-condition[2] for granting the EU's MFA was met. A positive track record on the ongoing IMF programme was ensured	

2. UKRAINE

2.1 Implementation of macro-financial assistance

2.1.1 Recent macro-financial assistance operations

Since the start of Russia's full-scale war of aggression against Ukraine, overall support from the EU and the Member States to Ukraine and to cater for the needs of Ukrainians fleeing the war has reached almost EUR 135 billion[4]. In 2022 alone, Ukraine received EUR 7.2 billion in MFA from the EU. Emergency MFA loans of EUR 1.2 billion were disbursed in two tranches in March and May 2022, just weeks after the start of the full-scale war. Also in 2022, the EU adopted two exceptional MFA operations in loans for Ukraine of up to EUR 1 billion and an additional one of up to EUR 5 billion; these were fully disbursed. To protect the EU as a borrower in the capital markets, the two exceptional MFA loans benefited from a 70% coverage composed of paid-in provisioning of 9% and callable guarantees from Member States of 61%. In addition, the legal acts governing the exceptional MFA operations included an option to provide a

[4] Factsheet: EU solidarity with Ukraine (europa.eu).

subsidy to cover the interest rate costs related to the loans. This would be upon request by the Ukrainian authorities and would make the loans even more favourable. Given Ukraine's timely submission of such a request and the availability of budgetary resources under Regulation (EU) 2021/947, the Commission confirmed to the Ukrainian Minister of Finance on 29 June 2023 that an interest rate subsidy would be granted for the charges due in 2023 and again in 2024. The necessary funds have since been provided through the Ukraine Facility.

On 9 November 2022, the Commission made a formal proposal for a regulation of the European Parliament and of the Council establishing an instrument to provide support to Ukraine for 2023 (MFA+)[5]. On 14 December 2022, the European Parliament and the Council adopted Regulation (EU) 2022/2463, which entered into force on 17 December 2022[6]. The MFA+ instrument ensured more predictable, continuous, orderly and timely financing of EUR 18 billion in highly concessional loans to help Ukraine meet its short-term funding needs in 2023. Policy conditionality and stringent reporting requirements (as reflected in the MoU) continued to apply to the disbursements. The full amount of EUR 18 billion of the MFA+ was disbursed throughout 2023, with the last payment taking place on 21 December 2023. The Regulation also allows an interest rate subsidy at Ukraine's request. The loan was backed by the EU budget's headroom – the gap between the own resources ceiling and the funds actually required to cover the expenses provided for by the budget.

Aside from MFA support, Regulation (EU) 2024/792 of the European Parliament and of the Council established the Ukraine Facility on 29 February 2024. Over 2024-2027, the Facility is expected to provide up to EUR 50 billion to support Ukraine's financing needs and to contribute to its recovery, reconstruction and modernisation. Under its Pillar 1, the Facility is set to deliver up to EUR 33 billion in direct budgetary support by 2027 (EUR 16.5 billion of this was disbursed in 2024).

Russia's intensified and prolonged war of aggression has significantly increased Ukraine's financing needs in the short to medium term. So much so that that they are now greater than the amounts initially projected when the Facility was conceived. A residual financing gap has therefore emerged, particularly for 2025. Ukraine could not cover this gap with its own resources, so additional urgent financing was required.

In this context, in their communication of 14 June 2024, the G7 leaders announced the launch of the extraordinary revenue acceleration loans for Ukraine initiative (the ERA loans initiative) to make available approximately EUR 45 billion in additional funding by the end of 2024. The European Council reiterated this commitment in its conclusions of 27 June 2024. On 20 September, the Commission therefore adopted a proposal for a regulation of the European Parliament and of the Council establishing the Ukraine loan cooperation mechanism and providing exceptional MFA to Ukraine. Following its adoption by the European Parliament and the Council on 24 October 2024, Regulation (EU) 2024/2773 (the ULCM Regulation) entered into force on 29 October 2024[7]. On 25 October 2024, the G7 leaders announced an agreement on the operationalisation of the ERA loan initiative, including the principles and key features of the loans. The G7

[5] The Commission package of 9 November 2022 consisted of three elements: (i) a regulation that establishes the MFA+ instrument; (ii) a technical amendment to the Financial Regulation, to allow optimal borrowing for Ukraine through the diversified funding strategy; and (iii) a technical amendment to the MFF Regulation, which extends the use of the headroom to guarantee the MFA+ loans to Ukraine.

[6] Regulation (EU) 2022/2463 of the European Parliament and of the Council of 15 December 2022 establishing an Instrument for providing support to Ukraine for 2023 (MFA+), OJ L 322, 16 December 2022, p. 1.

[7] Regulation (EU) 2024/2773 of the European Parliament and of the Council of 24 October 2024 establishing the Ukraine Loan Cooperation Mechanism and providing exceptional MFA to Ukraine (OJ L, 2024/2773, 28.10.2024, ELI: http://data.europa.eu/eli/reg/2024/2773/oj).

leaders agreed that the ERA loans will be fully disbursed to Ukraine by 31 December 2027.

The exceptional MFA is the EU's contribution to the G7 ERA loan initiative. On the basis of the confirmed contributions by G7 partners following the G7 Finance Ministers meeting of 25 October 2024 in Washington DC, the EU was ready to provide an MFA loan of EUR 18.1 billion to Ukraine. This was released by the end of 2024 and is to be disbursed before the end of 2025 [8].

This MFA features highly concessional terms that reflect the exceptional circumstances. While Ukraine remains formally liable to repay the MFA loan, but the repayments are meant to be financed through the extraordinary revenues generated from immobilised Russian assets (covering the principal, interest and any other related costs of the loan). Ukraine is therefore not expected to use its own resources to directly repay the loan; repayments will instead be managed via the ULCM so that Ukraine can frontload the benefits of these extraordinary revenues while minimising the impact on its public finances. Furthermore, if the extraordinary revenues prove to be insufficient to repay the MFA loan, the highly concessional 45-year maturity and a 10-year grace period before principal repayments fall due provide ample room to ensure the stabilisation of Ukraine's macro-fiscal situation. This financing arrangement not only reduces the immediate pressure on Ukraine's public finances but also ensures that debt service flows will remain manageable when they begin in the 2030s, thus significantly mitigating the risks to financial stability during the recovery period. The new MFA (in the same way as the MFA+ instrument and the loan support under the Ukraine Facility) is backed by (i) a guarantee from the EU budget headroom; and (ii) the difference between the own resources ceiling (i.e. the maximum amount of resources that the Commission can ask Member States to contribute in a given year) and the funds that it actually needs to cover the expenses provided for in the budget. This provides a high degree of protection and reassurance to investors and avoids the need to make provisions for loans or to establish national guarantees but does not require changes to the MFF's size or ceilings. The availability of the coverage of the budgetary headroom for financial assistance available in 2024 under Council Regulation (EU, Euratom) 2020/2093 (the MFF Regulation) [9] meant that the decision on the release of the new MFA loan had to be taken before the end of 2024. The unique characteristics of the new ERA MFA are due to the exceptional need to provide unprecedented amounts of loans to a war-torn country. In this respect, the ERA MFA does not constitute a generally applicable precedent for future MFA operations. These will continue be guided by the principles in the 2013 Joint Declaration, a legally non-binding declaration in which the European Parliament and the Council set out guiding principles for MFA operations.

2.1.2 Policy conditionality

Considering the exceptional circumstances, ERA MFA conditionality was structured differently from standard MFA operations. Pursuant to Article 12(2) of the ULCM Regulation, the policy conditions negotiated in the MoU were closely linked to the steps in the Ukraine Plan – Ukraine's medium-term agenda. They serve as stepping stones

[8] Pursuant to Article 10(1) of Regulation (EU) 2024/2773 and considering the principal amount of eligible bilateral loans already approved by the Commission in accordance with Article 6 of Regulation (EU) 2024/2773 and the stated intentions of third countries communicated to the Commission under the auspices of the G7 'Extraordinary Revenue Acceleration Loans for Ukraine' initiative, the amount of the MFA to be made available to Ukraine has been adjusted to EUR 18 115 696 101. The expected contributions by other G7 partners to the ERA initiative are as follows: (i) US – USD 20 billion (approx. EUR 17.93 billion); Canada – CAD 5 billion (approx. EUR 3.31 billion; Japan – JPY 471.9 billion (approx. EUR 2.96 billion); UK – GBP 2.258 billion (approx. EUR 2.72 billion).

[9] Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027 (OJ L 433I, 22.12.2020, p. 11).

towards their implementation and reinforce incentives for their timely execution. These steps were designed to be achievable within the short implementation timeframe between the Regulation's entry into force and the end of 2024, which was the final deadline for adopting the release decision of the sole MFA instalment. The ERA MFA policy conditionality therefore focused on a limited set of conditions that are closely aligned with the Ukraine Plan and reflect the policy areas of the previous MFA+ instrument: macro-financial stability, state-owned enterprises, public administration and the rule of law, and energy. Each policy condition was tied to a specific step in the Ukraine Plan, constituting a relevant action towards its fulfilment. Additionally, a condition was introduced to foster cooperation and investment between Ukraine and the EU in the defence sector.

On *macro-financial stability*, Ukraine has made progress in strengthening the resilience of its financial sector. The National Bank of Ukraine approved the concept for the 2025 resilience assessment of the banking system, marking a return to standard procedures for assessing asset quality and conducting stress tests. Additionally, the Ukrainian parliament endorsed in first reading the draft law on the sale of state-owned banks, thereby laying the groundwork for a structured divestment framework aimed at reducing fiscal risks and fostering competition in the banking sector by reducing state ownership.

On *state-owned enterprises (SOEs)*, Ukraine has taken important steps to enhance corporate governance and transparency. The Cabinet of Ministers approved a list of top key SOEs, identifying those where independent supervisory boards will be established in line with international best practices. Additionally, the selection process for the supervisory board of NEC Ukrenergo was successfully completed, ensuring that the company's governance complies with OECD standards. To further improve SOE management, Ukraine also submitted a draft plan for the corporatisation of selected key SOEs, paving the way for their transition to joint-stock or limited liability companies. These conditions strengthen oversight, reduce state interference and improve the operational efficiency of Ukraine's largest SOEs.

Efforts to improve *public administration* have focused on enhancing fiscal governance and civil service reform. The Ukrainian parliament approved the 2025 State Budget Law in the first reading. This included a civil service remuneration reform that introduces a more predictable and transparent salary structure, ensuring fairer compensation that is commensurate with responsibilities. Additionally, Ukraine prepared a draft methodology for calculating the baseline in the framework of medium-term budgeting. This is a crucial step towards implementing spending reviews that will enhance fiscal discipline and efficiency in public expenditure. This methodology, which has been developed in collaboration with the IMF, will guide future budget declarations and provide a solid foundation for expenditure planning.

In the *energy sector*, Ukraine has taken steps to align its regulatory framework with EU standards, advancing market integration and taxation reforms. A working group has been established under the Ministry of Energy to prepare legislative changes necessary for implementing energy-related EU regulations, including adjustments to taxation to facilitate cross-border electricity trade. Furthermore, the Ministry of Energy has shared with the Commission the draft law transposing the electricity integration package, a key milestone in Ukraine's efforts to harmonise its energy legislation with the EU framework. These conditions support Ukraine's energy security and gradual integration into the EU energy system.

On *rule of law and the fight against corruption*, Ukraine has advanced reforms to strengthen judicial independence, anti-corruption institutions and digitalisation in the judiciary. The High Council of Justice appointed a majority of disciplinary inspectors to the Disciplinary Inspectors Service, ensuring its operational capacity to address disciplinary cases in the judiciary. The Ukrainian parliament has also adopted a law extending the mandate of the Public Council of International Experts so that it can continue to oversee the selection of judges for the High Anti-Corruption Court. Additionally, Ukraine has developed a roadmap for the digitalisation of the judicial system, following an IT audit and extensive stakeholder consultations. This initiative will modernise court operations and improve access to justice. Lastly, a roadmap for the development of the next anti-corruption strategy (2026-2030) was submitted to the Commission. This contains a structured plan to enhance anti-corruption efforts beyond 2025.

For the *defence industry*, Ukraine has committed itself to closer cooperation with the EU on the recovery, reconstruction and modernisation of its defence sector. In particular, under this condition, Ukraine has made a commitment to: '*promote cooperation with the Union on the recovery, reconstruction and modernisation of Ukraine's defence industry, in line with the objectives of Union programmes aiming at the recovery, reconstruction and modernisation of the Ukraine Defence Technological and Industrial Base and other relevant Union programmes, and commit to take steps towards integration into the EU Single Market, notably through cooperation with the European Defence Industry Programme once established.*'

Ukraine has fully met all the policy conditions agreed in the MoU.

ERA MFA to Ukraine (Entry into force 28 October 2024 – end of availability period 31 December 2024, with disbursements possible until 31 December 2025)	
Regulation (EU) 2024/2773	Sole instalment
Loan amount (EUR million)	EUR 18 115 million
Implementation	Sole instalment released on 18 December 2024. Disbursements ongoing, with the first disbursement on 10 January 2025 for an amount of EUR 3 000 million. [Next disbursement is expected in March 2025, for an amount of EUR 1 000 million]
Macro-financial stability	Action 1: Approval of the concept for the 2025 resilience assessment of the banking system. **Fulfilled** Action 2: Endorsement by the Ukrainian parliament in first reading of the draft law on the sale of state-owned banks. **Fulfilled**
State-owned enterprises	Action 3: Sharing with the Commission the list of SOEs (from among those identified as top key SOEs by the Cabinet of Ministers of Ukraine) for which supervisory boards with a majority of independent members will be appointed, as submitted to the Cabinet of Ministers. **Fulfilled** Action 4: Selection by the nomination committee of the supervisory board of NEC Ukrenergo. **Fulfilled** Action 5: Submission to the Cabinet of Ministers of Ukraine of a draft plan for corporatising SOEs from the list of top key SOEs. **Fulfilled**
Public administration	Action 6: Endorsement by the Ukrainian parliament in first reading of the State Budget Law for 2025, which enacts the civil service remuneration reform. **Fulfilled** Action 7: Preparation and sharing with the Commission of the draft methodology for the calculation of the baseline in the framework of medium-term budgeting which will be used during the spending reviews. **Fulfilled**
Energy	Action 8: Creation of a working group to develop the legislative changes to implement the relevant EU legislation regarding the energy sector, including on energy-related taxation. **Fulfilled** Action 9: Sharing with the Commission the draft law transposing the electricity integration package. **Fulfilled**
Rule of law and fight against corruption	Action 10: Appointment of at least 50% (or a majority) of disciplinary inspectors of the Disciplinary Inspectors Service by the High Council of Justice. **Fulfilled** Action 11: Adoption of a law extending the mandate of the Public Council of International Experts to ensure its effective participation in the ongoing selection of additional 25 judges for the High Anti-Corruption Court. **Fulfilled** Action 12: Preparation of a roadmap for the development of IT solutions in the judicial system, following inclusive consultations with stakeholders and the public, and completion of an IT audit. **Fulfilled**

	<u>Action 13:</u> Sharing with the Commission a plan/roadmap for the development of the new anti-corruption strategy. **Fulfilled**
Defence industry	<u>Action 14:</u> Issuing a declaration that commits the Ukrainian authorities to promoting cooperation with the EU on the recovery, reconstruction and modernisation of Ukraine’s defence industry, in line with the objectives of EU programmes aiming at the recovery, reconstruction and modernisation of the Ukraine Defence Technological and Industrial Base and other relevant EU programmes; and making a commitment to take steps towards integration into the EU’s single market, notably through cooperation with the European defence industry programme (once it has been established). **Fulfilled**

3. EGYPT

3.1 Implementation of macro-financial assistance

3.1.1 Recent macro-financial assistance operations

The EU and Egypt have agreed to deepen their relationship and develop a strategic and comprehensive partnership for shared prosperity, stability and security, covering specific areas of cooperation. Underpinning the partnership is a financial package of up to EUR 7.4 billion consisting of short- and longer-term support for the necessary macro-fiscal and socio-economic reform agenda. Egypt has continued to face very significant challenges, including high inflation, inefficiencies originating from the state's entrenched economic footprint, vulnerabilities in the foreign exchange market, and spillovers from the conflict in the Gaza Strip (particularly through lower Suez Canal revenues due to continued Houthi attacks on Red Sea maritime transport). These developments weakened Egypt's economic stability, put pressure on its external and fiscal position and increased its overall vulnerability to external shocks. In this context, the Egyptian authorities requested support through MFA from the EU on 12 March 2024.

Given Egypt's critical economic and financial situation and its role as an important stabilising factor in an increasingly volatile region, the Commission proposed on 15 March 2024 to support Egypt with an MFA of up to EUR 5 billion in highly concessional long-term loans as a key component of the financial package underpinning the Strategic and Comprehensive Partnership. The MFA package was divided into a proposal for a short-term MFA operation of EUR 1 billion (exceptionally based on Article 213 TFEU) that would allow full disbursement in a single instalment as soon as 2024 in view of Egypt's urgent financing needs and in view of the European Parliament's recess due to the elections in June 2024; and a proposal for a regular MFA operation of up to EUR 4 billion (based on Article 212 TFEU). The Council adopted the short-term MFA decision on 12 April 2024 [10]. The European Parliament and the Council are currently considering the proposal for the regular MFA operation.

The MFA package was proposed in conjunction with an IMF programme, based on a staff-level agreement reached on 6 March 2024 and adopted by the IMF Executive Board on 29 March 2024. The IMF and Egypt reached staff-level agreement on the fourth review on 24 December 2024. Further multilateral support is provided by the World Bank, which launched a three-year USD 6 billion country programme for Egypt on 18 March 2024 and announced a USD 700 million development policy financing loan on 24 June 2024.

The short-term MFA was underpinned by a MoU. The MoU stipulates the disbursement of the support in a single instalment and sets out a set of agreed economic policy reforms. In line with the Council Decision and the MoU, the disbursement of the support was also subject to the implementation of concrete and credible steps towards respecting effective democratic mechanisms. These include a multi-party parliamentary system, the rule of law and respect for human rights. The MFA Release Decision was adopted on 18 December 2024, and the single instalment was fully disbursed on 27 December 2024.

[10] OJ L, 2024/1144, 15.4.2024, ELI: http://data.europa.eu/eli/dec/2024/1144/oj

3.1.2 Policy conditionality

The economic policy actions contained in Annex I of the MoU aim to address key weaknesses of the Egyptian economy, as well as to mitigate the economic and social impact stemming from the regional conflicts. They include reforms structured along three main pillars: (i) to ensure macroeconomic stability and resilience; (ii) to improve competitiveness and the business environment; and (iii) to advance the green transition. They were selected on the basis of their relevance as well as their feasibility within the MFA operation's short horizon, and also as preparatory steps towards possible more comprehensive reform action over the medium term.

Egypt has implemented the reforms to support *macroeconomic stability and resilience* (Pillar 1). The Central Bank of Egypt submitted the data requested to demonstrate exchange rate flexibility and foreign exchange market efficiency. To enhance revenue mobilisation through the digitalisation of otherwise incomplete tax collection, Egypt successfully included all public sector wages and 27% of private sector companies into its newly launched electronic payroll system, surpassing the MoU's 15% benchmark for private sector wages. The public finance management law was operationalised by establishing a dedicated monitoring unit at the Ministry of Finance and issuing guidance from the Prime Minister to set up accounting units in all 59 economic authorities. Moreover, the government issued guidelines for the medium-term budgetary framework and a draft procedural manual for programme and performance budgeting. In implementing the 2022 planning law, Egypt prepared guidance to specify criteria for the evaluation of public investment projects. To strengthen social protection, Egypt added almost 300 000 beneficiary households to the Takaful and Karama cash transfer schemes, although a multiannual recertification exercise removed around 360 000 households which were no longer eligible. The number of micro-finance projects aimed at boosting graduation from social protection programmes was raised by around 20 000. The authorities also published a social protection observatory report that covers housing, health, disabilities, children and the older people. Finally, as part of the government's efforts to incentivise the transition from the informal to the formal labour market, the Mehny 2030 platform was launched and made operational.

Under Pillar 2, Egypt has advanced reforms to enhance *competitiveness and the business environment*. Egypt increased transparency on the state's involvement in the economy by publishing reports on its state asset sale programme and a report on different measures concerning its state ownership policy. Egypt has begun to set up a database on its sizeable SOE portfolio, because there was no such centralised repository of the state's ownership of companies. To improve businesses' understanding of the application of Egyptian competition law, the Egyptian competition authority has issued three sets of guidelines. The Minister of Finance has issued a circular requesting all ministries to provide the status of all legislation that grants exemptions from taxes and fees, with a view to subsequently abolishing these exemptions. Egypt has further provided the Commission with a list containing an overview of all existing product categories that are subject to import licensing, including responsible ministries/agencies and the legal basis. The largest area of action in Pillar 2 addresses improving Egypt as an investment destination. Egypt has agreed to increase transparency on foreign investment restrictions through the publication of a list of all such restrictions and to prepare to set up an e-procurement portal. It has made a commitment to centralise all information in a single and accessible online source and to review the tax incentives for investment as part of a new medium-term tax strategy document which will cover the period until 2030. Finally, the MoU includes a commitment to launch an online platform for automatising investment licensing, a previously laborious and opaque process that required the obtaining of many licences in person.

Progress has also been made in strengthening the *green transition* (Pillar 3). Egypt has approved the update of the integrated sustainable energy strategy up to 2040, including the key target of achieving 65% of electricity generation from renewable sources. Furthermore, the authorities have issued regulations on certifying the origin of energy to support the framework for private-to-private business. Their aim is to facilitate an increase in the private sector's modest participation in the production of renewable energy.

With regard to the *political precondition*, the Egyptian authorities have made a commitment to demonstrate that they are taking concrete and credible steps towards respecting effective democratic mechanisms, the rule of law and human rights. As concrete and credible steps in line with the Council Decision approving this MFA have been taken, the overall trend was found to be satisfactory in order to permit the full implementation of this short-term MFA programme.

SHORT-TERM MFA FOR EGYPT **(ENTRY INTO FORCE: 15/12/2024 - END OF AVAILABILITY PERIOD 15/09/2025)**	
Council Decision (EU) 2024/1144	Single instalment
Amount	EUR 1 000 million (loan)
Implementation	Disbursement on 27 December 2024
Policy conditions	16
Pillar 1: Macroeconomic stability and resilience	
Exchange rate flexibility and foreign exchange market efficiency	Sharing relevant indicators to monitor exchange rate flexibility and foreign exchange market efficiency. **Fulfilled**
Revenue mobilisation	Advancing the implementation of the electronic payroll tax system. **Fulfilled**
Public finance management	Establishing a dedicated unit in the Ministry of Finance to monitor economic authorities and issuing PM guidance for the establishment of accounting units in all economic authorities. Issuing guidelines for the medium-term budgetary framework. Preparing a draft procedural manual for programme and performance budgeting. **Fulfilled**
Public investment management	Preparing a guidance document to specify criteria for the evaluation of public investment projects. **Fulfilled**

Social protection	Increasing the number of beneficiary households of cash transfer programmes and micro-finance projects. Launching and publishing the social protection observatory report. **Broadly fulfilled**
Informal employment	Launching the 'Mehny 2030' electronic platform and preparing a communication and awareness strategy. **Fulfilled**
Pillar 2: Competitiveness and business environment	
Level playing field	Issuing a cabinet instruction on tax exemptions for SOEs and preparing an initial draft list of exemptions. **Broadly fulfilled**
State footprint in the economy	Setting up a unified database for SOEs. Increasing transparency on progress with reforms and conditions related to the state ownership policy. Increasing transparency on progress with divesture deals related to the state ownership policy. **Broadly fulfilled**
Competitive neutrality	Issuing three guidelines on competitive neutrality. **Fulfilled**
Import licensing	Sharing an overview of all sectors and areas in which Egypt requires licences, prior registration or approval for imports. **Fulfilled**
E-procurement	Submitting an action plan on the setting up of an e-procurement system **Fulfilled**
Foreign investment transparency	Publishing a consolidated negative list of restrictions to foreign investment in the covered sectors. Centralising information for investors on a single investment website. **Broadly fulfilled**
Investment / business licence automation	Implementing a system for investment licence automation. **Fulfilled**

Tax incentives for investment	Publishing a medium-term tax strategy providing guidelines about pillars of tax policy and administrative reforms, and carrying out consultations with private sector representatives. **Broadly fulfilled**
Pillar 3: Green transition	
Egyptian sustainable energy strategy	Adopting the updated sustainable energy strategy. **Fulfilled**
Private sector participation	Issuing regulations on certification of the origin of energy to support the framework for private-to-private. **Fulfilled**
Political precondition and IMF programme	
Political precondition	Egypt has taken concrete and credible steps in line with Article 2.1 of Council Decision (EU) 2024/1144. The overall trend is therefore conducive to permitting the full implementation of the short-term MFA programme.
IMF programme	The disbursing IMF programme has had a consistently positive track record.

4. NORTH MACEDONIA

4.1 Implementation of macro-financial assistance

4.1.1 Recent macro-financial assistance operations

In 2020-2021, North Macedonia benefited from MFA support under the EU's EUR 3 billion package to 10 enlargement and neighbourhood countries under the COVID-19 MFA. Following an official request from North Macedonia [11] on 15 April 2020, the Commission submitted a proposal for a decision providing North Macedonia with MFA of up to EUR 160 million. The European Parliament and the Council adopted this decision on 25 May 2020 [12]. In accordance with the MoU, the assistance was provided in two equal instalments of EUR 80 million each. These were dependent on the fulfilment of nine policy conditions laid down in the MoU and aimed at mitigating key weaknesses of the economy of North Macedonia and the economic and social impact of the COVID-19 pandemic. The policy conditions focused on the following thematic areas: public finance management, financial stability, good governance and the fight against corruption, the business environment and social policy.

Against a backdrop of tighter global financial conditions, higher energy prices and higher than expected losses by the state-owned electricity producer, the government of North Macedonia requested a new MFA on 19 April 2022. The Commission took part in discussions with North Macedonia to assess the potential benefits of the new financial support. This evaluation considered North Macedonia's relative economic resilience and assessed whether it had alternative options to meet its external financing needs in 2022. The authorities renewed their request on 18 October 2022. In April 2022, the government

[11] Letter of 15 April 2020 from Finance Minister Nina Angelovska to Commissioner Paolo Gentiloni.
[12] Decision (EU) 2020/701 of the European Parliament and of the Council of 25 May 2020 on providing macro-financial assistance to enlargement and neighbourhood partners in the context of the COVID-19 pandemic. OJ L167, 27.5.2020, p. 31.

secured staff-level agreement with the IMF for a 24-month precautionary and liquidity line (PLL) of up to EUR 530 million, which was officially approved by the IMF Executive Board on 22 November 2022. Upon approval of the PLL in 2022, North Macedonia received approximately EUR 110 million. An additional EUR 155 million was disbursed following the completion of the first review in January 2024.

In response to North Macedonia's high gross external financing needs in 2023 and uncertainties as to the availability and costs of external market financing, on 3 February 2023 the Commission adopted a proposal for a decision providing MFA to North Macedonia of up to EUR 100 million in the form of a loan. This decision was based on Article 212 TFEU. Decision (EU) 2023/1461 of The European Parliament and of the Council adopted decision on 12 July 2023 [13]. Following subsequent discussion and an agreement with North Macedonia on the policy conditions to underpin the new MFA operation, the MoU entered into force on 2 February 2024.

The operation aims to address North Macedonia's short-term balance-of-payments needs and fiscal vulnerabilities and to demonstrate the EU's support for it in addressing this challenging situation. Its design and implementation take account of the policy guidance agreed in the joint conclusions of the economic and financial dialogue between the EU and the Western Balkans and Türkiye of 24 May 2022 [14].

The disbursement was expected to take place in two instalments with the release of each instalment conditional on: (i) North Macedonia making progress on implementing a number of policy conditions agreed between the Commission and the authorities and listed in an MoU; and (ii) a satisfactory track record implementing the IMF programme. The policy conditions aim to address some of the most important weaknesses of the economy of North Macedonia and its economic governance. Following the completion of the agreed policy conditions and a successful first review under the IMF programme, the first disbursement took place on 8 May 2024.

Progress in implementing the MFA conditions attached to the second and final instalment of EUR 50 million has stalled, including the adoption of several laws in North Macedonia's parliament. In addition, the IMF's PLL expired in November 2023 without the second review taking place, which means that one essential precondition for MFA is no longer fulfilled. Under these circumstances, the disbursement of the MFA second tranche is rather unlikely. The availability period of the MFA ends in August 2026.

4.1.2 Policy conditionality

The policy conditions laid down in the MoU are in line with the policy guidance jointly adopted at the economic and financial dialogue in May. The MoU builds on previous MFA and contains 20 policy conditions that focus on policy reforms addressing fiscal governance, tax policy, the management of public investment, public-private partnerships, the business environment, education and the labour market, renewable energy sources and energy efficiency, judiciary reform, and the fight against corruption.

In line with the conditions agreed under the MFA ahead of the first disbursement, the new Fiscal Council provided for under the 2022 Organic Budget Law has been established. The North Macedonian Parliament has appointed six members of the Fiscal Council, which has since its rulebook and statutes. The government set up the new Department for Public Investment Management within the Ministry of Finance to ensure

[13] Decision (EU) 2023/1461 of the European Parliament and of the Council of 12 July 2023 providing macro-financial assistance to the Republic of North Macedonia, OJ L 180, 17.7.2023, p. 1.
[14] https://www.consilium.europa.eu/media/56385/st09459-en22.pdf.

centralised oversight of public sector investment (including public enterprises) with the aim of improving the management of public investment. North Macedonia's parliament has also adopted revenue-enhancing amendments to the laws on corporate taxation and on VAT and adopted the new one-off solidarity tax [15].

Efforts to formalise the informal economy have made progress with the adoption of the 2023-2027 strategy and action plan, which focuses on raising awareness, reducing administrative burdens and improving monitoring mechanisms. Additionally, the government has adopted the smart specialisation strategy, which targets key sectors such as smart agriculture, ICT and sustainable materials, while also fostering collaboration between academia and industry.

On the education sector, the government has adopted new laws on vocational education, secondary education and adult education with the aim of improving alignment with labour market needs. The reforms emphasise work-based learning, skills development, and regional vocational education and training (VET) centres to address labour market mismatches and enhance employment prospects.

A key milestone in energy efficiency was the amendment of the Law on the Development Bank to enable the establishment of the Energy Efficiency Fund (EEF). The EEF will support public sector investments in energy efficiency through a sustainable financial model, thus reducing dependence on grants and promoting cost-saving mechanisms.

The government has adopted a new strategy on judicial reform (2023-2027), which incorporates lessons from the previous strategy and feedback from the Commission. This strategic framework aims to strengthen judicial independence, efficiency and adherence to EU standards, reinforcing the rule of law.

MFA FOR NORTH MACEDONIA		
Decision (EU) 2020/701	First instalment	Second instalment
Amount (EUR million)	Up to EUR 50 million	Up to EUR 50 million
Implementation	8 May 2024	Currently not expected, but available until 2026. Disbursement of the first instalment took place on 8 May 2024. The second instalment is unlikely to take place, because it would be subject to a continuing positive track record with the IMF programme, in addition to fulfilment of the political precondition and the policy conditions.
Policy conditions	First instalment	Second instalment

[15] The solidarity tax was a one-off tax levied on excess corporate profits in 2022. It was not included in the 2023 budget. Revenue from this tax amounted to 0.5% of GDP (EUR 76 million) in 2023.

Public finance	Make the Fiscal Council fully operational by appointing all its members and by adopting its statutes and rulebook, fully taking into account the Commission's comments. Recruit at least 50% of the Council's secretariat staff: **fulfilled**. Strengthen the newly established Public Investment Department in the Ministry of Finance by recruiting at least 50% of the staff (7 staff): **fulfilled**. The parliament is to adopt the solidarity tax law as well as amendments to the VAT law and the profit tax law with a view to reducing tax exemptions: **fulfilled**.	The Fiscal Council is to prepare an independent analysis of the medium-term fiscal strategy 2025-2029. The government is to adopt guidelines for the appraisal of projects, in line with the recommendations of the IMF and the World Bank, on the proposal of the Ministry of Finance. Parliament is to adopt the draft laws on public-private partnerships (PPPs) and on concessions.
Business environment	The government is to adopt a new strategy on the formalisation of the informal economy 2023-2027, along with an action plan for 2023-2025: **fulfilled**. The government is to adopt the smart specialisation strategy and a related action plan: **fulfilled**.	The government is to adopt the new SME strategy (2024-2030), including Small Business Act (SBA) recommendations.
Education and the labour market	The government is to adopt the new law on vocational education and training, the law on secondary education and the law on adult education; and submit them to the parliament: **fulfilled**.	
Energy	The parliament is to adopt amendments to the Law on the Development Bank to set up the Energy Efficiency Fund aimed at investments in the public sector: **fulfilled**.	The government is to adopt the following secondary legislation relating to the energy efficiency law: a) a decree that regulates in detail energy performance contracts (Article 27(7) of the National Energy Efficiency Law) b) a rulebook regulating the content and form of the energy efficiency programmes to be adopted by the units of

		self-government The Development Bank of North Macedonia is to adopt the rules of procedure of the Energy Efficiency Fund and start developing a project pipeline. The parliament is to adopt amendments to the Energy Efficiency Law in line with the Energy Efficiency Directive (2018/2002) and the Energy Community opinion. Complete unbundling and certification of the gas transmission system operator NOMAGAS, as required by the third energy package.
Judiciary, good governance, and the fight against corruption	The government is to adopt the new strategy on judicial reform (2023-2027), taking into account the lessons drawn from implementing the 2017-2022 strategy, in line with the Commission comments: **fulfilled**.	Parliament is to adopt a newly revised legal framework for the Judicial Council, in line with EU standards and the Venice Commission recommendations, to further enhance the transparency and independence of the Judicial Council (including its members). Ensure the continued independence of the State Commission for the Prevention of Corruption (SCPC), including by electing the new Commission and its president in a timely and transparent manner, on a merit basis and in accordance with the Law. In line with the GRECO recommendations, strengthen the SCPC's oversight competences for in-depth scrutiny of statements of interest and asset declarations, notably by: (i) making fully operational the already developed software on collecting data on property status; and (ii) increasing by at least five the number of specialised staff and strengthening capacities of existing staff in line with the SCPC's competencies. Strengthen the human and financial resources of the Office

		of the Basic Public Prosecutor for Organised Crime and Corruption (OCCPPO), notably by recruiting at least 5 public prosecutors and 10 financial experts, creating specialised units and increasing the number of proactive investigations. The government is to adopt implementing legislation for the new law on anti-money laundering (AML) and the fight against terrorism, including on virtual asset service providers.

Annex 1: MFA operations by date of decision, 1990-2024

MFA Operations 1990 - 2024 by Date of Decision (amounts in million EUR)

	Country	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total	Number of operations
Current Member States	Bulgaria		290	110					250		100																										750	4
	Czech & Slovak Fed. Rep.		375																																		375	1
	Estonia			40																																	40	1
	Hungary	870	180																																		1050	2
	Latvia			80																																	80	1
	Lithuania			100																																	100	1
	Romania		375	80		125					200																										780	4
	Slovakia					130																															130	1
Neighbourhood South	Algeria		400			200																															600	2
	Egypt																																			1000	1000	1
	Israel		188																																		187.5	1
	Jordan																								180			200				700					1080	3
	Lebanon																		80																		80	1
	Tunisia																									300		500				600					1400	3
Neighbourhood East	Armenia								58												100																158	2
	Belarus						55																														55	1
	Georgia								175									33.5			46				46					45		150					495.5	6
	Moldova					45		15				15		15					45			90							100			100		150	145		720	10
	Ukraine					85	200			150				110								500				1000	1800			1000		1200		25200		18116	49361	11
Western Balkans	Albania			70		35					20					25																180					330	5
	Bosnia & Herzegovina										60			60							100											250					470	4
	Kosovo (UNSCR 1244)											35	30					50														100					215	4
	North Macedonia								40		80		18																			160			100		398	5
	Montenegro											20																				60					80	2
	Serbia																				200																200	1
	Serbia & Montenegro												345	130	70																						545	3
Other	Tajikistan											95																									95	1
	Kyrgyz Republic																								30												30	1
	Amount approved	870	1808	480	0	620	255	15	523	150	460	165	393	315	70	25	0	83.5	125	0	446	590	0	0	256	1300	1800	700	100	1045	0	3500	0	25350	245	19116	**60805**	**60805**
	No. of operations approved	1	6	6	0	6	2	1	4	1	5	4	3	4	1	1	0	2	2	0	4	2	0	0	3	2	1	2	1	2	0	10	0	2	2	2	**82**	**82**

Annex 2: Status of disbursements made by date of decision at the end of December 2024

Status of effective disbursements as of end-December 2024 (in millions of €)

	Authorisations			Disbursements			
Country	Date of Decision	Reference of Decision	**Maximum amount**	Dates of disbursements	Amounts of disbursements	**Totals disbursed**	**Undisbursed**
Hungary (Loan)	22.02.90	90/83/EC	**870**	Apr. 1990 Feb. 1991	350 260	**610**	**260**
Czech and Slovak Federal Republic	25.02.91	91/106/EC	**375**	Mar. 1991 Mar. 1992	185 190	**375**	
Hungary (Loan)	24.06.91	91/310/EC	**180**	Aug. 1991 Jan. 1993	100 80	**180**	
Bulgaria (Loan)	24.06.91	91/311/EC	**290**	Aug. 1991 Mar. 1992	150 140	**290**	
Romania (Loan)	22.07.91	91/384/EC	**375**	Jan. 1992 Apr. 1992	190 185	**375**	
Israel (Loan)	22.07.91	91/408/EC	**187.5**	Mar. 1992	187.5	**187.5**	
Algeria (Loan)	23.09.91	91/510/EC	**400**	Jan. 1992 Aug. 1994	250 150	**400**	
Albania (Grant)	28.09.92	92/482/EC	**70**	Dec. 1992 Aug. 1993	35 35	**70**	
Bulgaria (Loan)	19.10.92	92/511/EC	**110**	Dec. 1994 Aug .1996	70 40	**110**	
Baltics (Loans); of which:	23.11.92	92/542/EC	**220**			**135**	**85**
Estonia **Latvia** **Lithuania**			**40** **80** **100**	Mar. 1993 Mar. 1993 July 1993 Aug. 1995	20 40 50 25	**20** **40** **75**	**20** **40** **25**
Romania (Loan)	27.11.92	92/551/EC	**80**	Feb. 1993	80	**80**	
Moldova (Loan)	13.06.94	94/346/EC	**45**	Dec. 1994 Aug. 1995	25 20	**45**	
Romania (Loan)	20.06.94	94/369/EC	**125**	Nov. 1995 Sep. 1997 Dec. 1997	55 40 30	**125**	
Albania (Grant)	28.11.94	94/773/EC	**35**	June 1995 Oct. 1996	15 20	**35**	
Algeria (Loan)	22.12.94	94/938/EC	**200**	Nov. 1995	100	**100**	**100**

Slovakia (Loan)	22.12.94	94/939/EC	**130**	July 1996			**130**
Ukraine (Loan)	22.12.94	94/940/EC	**85**	Dec. 1995	85	**85**	
Belarus (Loan)	10.04.95	95/132/EC	**55**	Dec. 1995	30	**30**	**25**
Ukraine (Loan)	23.10.95	95/442/EC	**200**	Aug. 1996 Oct. 1996 Sep. 1997	50 50 100	**200**	
Moldova (Loan)	25.03.96	96/242/EC	**15**	Dec. 1996	15	**15**	
Former Yugoslav Republic of Macedonia (Loan)	22.07.97	97/471/EC	**40**	Sep. 1997 Feb. 1998	25 15	**40**	
Bulgaria (Loan)	22.07.97	97/472/EC	**250**	Feb. 1998 Dec. 1998	125 125	**250**	
Armenia, Georgia and Tajikistan (Loans and Grants) Agreed amounts with the recipent countries:	17.11.97 amended by 28.3.00	97/787/EC 00/244/EC	**375** **328**			**294.5** **294.5**	 **33.5**
Armenia (Loan and Grant)			**58**	Dec. 1998 (Loan) Dec. 1998 (Grant) Dec. 1999 (Grant) Feb. 2002 (Grant) Dec. 2002 (Grant) June 2004 (Grant) Dec. 2005 (Grant)	28 8 4 5.5 5.5 5.5 1.5	**58**	
Georgia (Loan and Grant)			**175**	Jul. 1998 (Loan) Aug. 1998 (Grant) Sep. 1999 (Grant) Dec. 2001 (Grant) Dec. 2004 (Grant)	110 10 9 6 6.5	**141.5**	**33.5**
Tajikistan (Loan and Grant)			**95**	Mar. 2001 (Loan) Mar. 2001 (Grant) Dec. 2001 (Grant) Feb. 2003 (Grant) May. 2005 (Grant) Oct. 2007 (Grant)	60 7 7 7 7 7	**95**	
Ukraine (Loan)	15.10.98 12.07.02	98/592/EC 02/639/EC	**150**	July 1999	58	**58**	**92**

Albania (Loan)	22.04.99	99/282/EC	**20**				**20**
Bosnia (Loan and Grant)	10.05.99 amended by 10.12.01	99/325/EC 01/899/EC	**60**	Dec. 1999 (Grant) Dec. 1999 (Loan) Dec. 2000 (Grant) Dec. 2000 (Loan) Dec. 2001 (Grant)	15 10 10 10 15	**60**	
Bulgaria (Loan)	08.11.99	99/731/EC	**100**	Dec. 1999 Sep. 2000	40 60	**100**	
Former Yugoslav Republic of Macedonia (Loan and Grant)	08.11.99 amended by 10.12.01	99/733/EC 01/900/EC	**80** **18**	Dec. 2000 (Grant) Dec. 2000 (Loan) Dec. 2001 (Loan) Dec. 2001 (Grant) May 2003 (Grant) June 2003 (Loan) Dec. 2003 (Loan) Dec. 2003 (Grant)	20 10 12 10 10 10 18 8	**98**	
Romania (Loan)	08.11.99	99/732/EC	**200**	June 2000 July 2003	100 50	**150**	**50**
Kosovo (Grant)	19.02.00	00/140/EC	**35**	Mar. 2000 Aug. 2000	20 15	**35**	
Montenegro (Grant)	22.05.00	00/355/EC	**20**	Aug. 2000 Dec. 2000	7 13	**20**	
Moldova (Loan)	10.07.00 19.12.02	00/452/EC 02/1006/EC	**15**				**15**
Kosovo (Grant)	27.06.01	01/511/EC	**30**	Sep. 2001 Dec. 2002	15 15	**30**	
Serbia and Montenegro (ex FRY) (Loan and Grant)	16.07.01 amended by 10.12.01	01/549/EC 01/901/EC	**345**	Oct. 2001 (Loan) Oct. 2001 (Grant) Jan. 2002 (Grant) Aug. 2002 (Grant)	225 35 40 45	**345**	
Ukraine (Loan) Amendment of Decision 98/592/EC	12.07.02	02/639/EC	**110**	May. 2014 Nov. 2014	100 10	**110**	
Serbia and Montenegro (ex FRY) (Loan and Grant)	05.11.02	02/882/EC	**130**	Dec. 2002 (Grant) Feb. 2003 (Loan) Aug. 2003 (Grant) Aug. 2003 (Loan)	30 10 35 30	**105**	**25**
Bosnia (Loan and Grant)	05.11.02	02/883/EC	**60**	Feb. 2003 (Grant) Dec. 2003 (Grant)	15 10	**25**	the rest was paid under 04/861/EC
Moldova (Grant)	19.12.02	02/1006/EC	**15**				**15**
Serbia and Montenegro (ex FRY) Amendment of Decision 02/882/EC (Grant)	25.11.03	03/825/EC	**70**	Dec. 2004	10	**10**	**20** the rest was paid under 04/862/EC
Albania (Loan and Grant)	29.04.04	04/580/EC	**25**	Nov. 2005 (Grant) Mar. 2006 (Loan) July 2006 (Grant)	3 9 13	**25**	

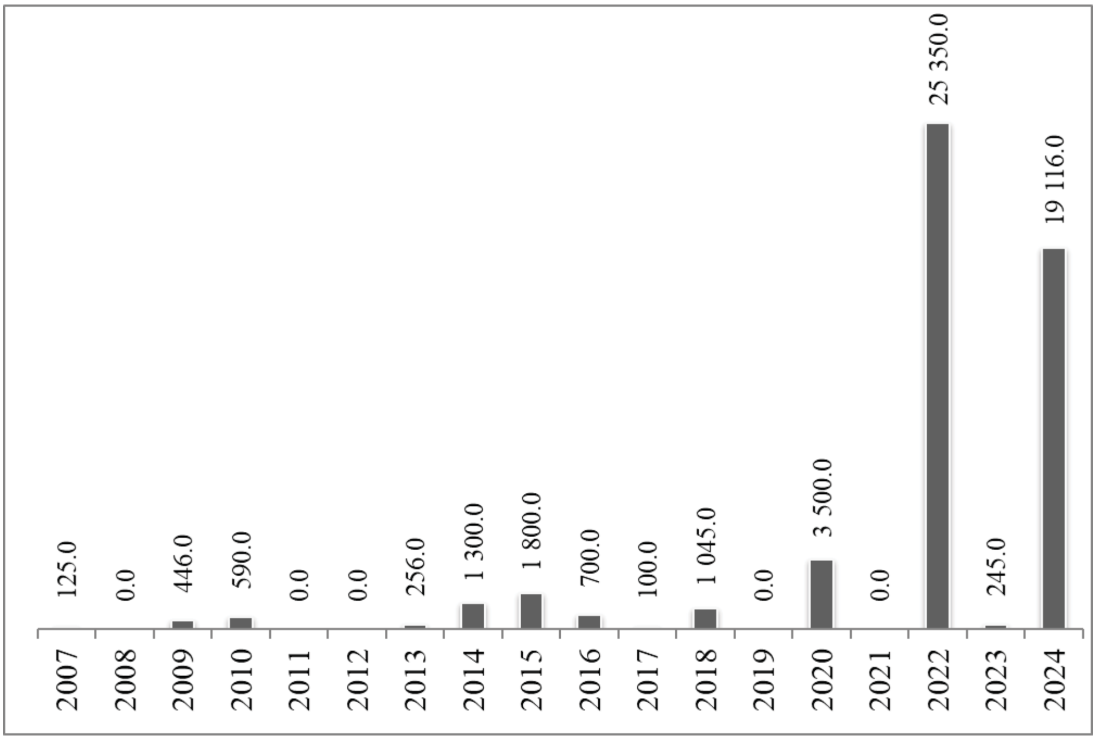
Bosnia Amendment of Decision 02/883/EC (Loan and Grant)	07.12.2004	04/861/EC	the balance of 02/883/EC	Dec. 2004 (Loan) June 2005 (Grant) Feb. 2006 (Loan)	10 15 10	**35**	
Serbia and Montenegro (ex FRY) Amendment of Decision 02/882/EC (Loan and Grant)	07.12.2004	04/862/EC	the balance of 03/825/EC	Apr. 2005 (Loan) Dec. 2005 (Grant)	15 25	**40**	
Georgia (Grant)	24.01.06	06/41/EC	**33.5**	Aug. 2006 Dec. 2006	11 11	**22**	**11.5**
Kosovo (Grant)	30.11.06	06/880/EC	**50**	Sep. 2010	30	**30**	**20**
Moldova (Grant)	16.04.07	07/259/EC	**45**	Oct. 2007 Jun. 2008 Dec. 2008	20 10 15	**45**	
Lebanon (Loan and Grant)	10.12.07	07/860/EC	**80**	Dec. 2008 (Grant) June 2009 (Loan)	15 25	**40**	**40**
Georgia (Grant)	30.11.09	09/889/EC	**46**	Dec. 2009 Jan. 2010 Aug. 2010	15.3 7.7 23	**46**	
Armenia (Loan and Grant)	30.11.09	09/890/EC	**100**	June 2011 (Grant) July 2011 (Loan) Dec. 2011 (Grant) Feb. 2012 (Loan)	14 26 21 39	**100**	
Bosnia and Herzegovina (Loan)	30.11.09	09/891/EC	**100**	Feb. 2013 Oct. 2013	50 50	**100**	
Serbia (Loan)	30.11.09	09/892/EC	**200**	July 2011	100	**100**	**100**
Ukraine (Loan)	29.06.10	646/2010/EU	**500**	Nov. 2014 Apr. 2015	250 250	**500**	
Moldova (Grant)	20.10.10	938/2010/EU	**90**	Dec. 2010 Sep. 2011 Apr. 2012	40 20 30	**90**	
Georgia (Loan and Grant)	12.08.13	778/2013/EU	**46**	Jan. 2015 (Grant) Apr. 2015 (Loan) May 2017 (Grant) May 2017 (Loan)	13 10 10 13	**46**	
Kyrgyz Republic (Loan and Grant)	22.10.13	1025/2013/EU	**30**	Jun. 2015 (Grant) Oct. 2015 (Loan) Feb. 2016 (Grant) Apr. 2016 (Loan)	10 5 5 10	**30**	
Jordan (Loan)	11.12.13	1351/2013/EU	**180**	Feb. 2015 Oct. 2015	100 80	**180**	
Tunisia (Loan)	15.5.14	534/2014/EU	**300**	May 2015 Dec. 2015 July 2017	100 100 100	**300**	
Ukraine (Loan)	14.04.14	2014/215/EU	**1 000.0**	June 2014 Dec. 2014	500 500	**1 000.0**	
Ukraine (Loan)	15.04.15	2015/601/EU	**1 800.0**	July 2015 Apr. 2017	600 600	**1 200.0**	**600.0**
Tunisia (Loan)	06.07.16	2016/1112/EU	**500.0**	Oct. 2017 June 2019 Oct. 2019	200 150 150	**500.0**	
Jordan (Loan)	14.12.16	2016/2371/EU	**200.0**	Oct. 2017 July 2019	100 100	**200.0**	
Moldova (Loan and Grant)	13.09.17	2017/1565/EU	**100.0**	Oct. 2019 July 2020	30 30	**60.0**	**40.0**

Georgia (Loan and Grant)	18.04.2018	2018/598/EU	**45.0**	Dec. 2018 Nov. 2020	20 25	**45.0**	
Ukraine (Loan)	04.07.2018	2018/947/EU	**1 000.0**	Dec. 2018 May. 2020	500 500	**1 000.0**	
Jordan (Loan)	17.01.2020	2020/33/EU	**500.0**	Nov. 2020 Jul. 2021 May 2023	100 200 200	**500.0**	
Jordan (Loan)	25.05.2020	2020/701/EU	**200.0**	Nov. 2020 Jul. 2021	150 50	**200.0**	
Tunisia (Loan)	25.05.2020	2020/701/EU	**600.0**	Ju. 2021 May 2022	300 300	**600.0**	
Georgia (Loan)	25.05.2020	2020/701/EU	**150.0**	Nov. 2020	75	**75.0**	**75.0** **(cancelled)**
Moldova (Loan)	25.05.2020	2020/701/EU	**100.0**	Nov. 2020 Oct. 2021	50 50	**100.0**	
Ukraine (Loan)	25.05.2020	2020/701/EU	**1 200.0**	Dec. 2020 Oct. 2021	600 600	**1 200.0**	
Albania (Loan)	25.05.2020	2020/701/EU	**180.0**	Mar. 2021 Nov. 2021	90 90	**180.0**	
Bosnia and Herzegovina (Loan)	25.05.2020	2020/701/EU	**250.0**	Oct. 2021	125	**125.0**	**125.0** **(cancelled)**
Kosovo (Loan)	25.05.2020	2020/701/EU	**100.0**	Oct. 2020 Jun. 2021	50 50	**100.0**	
Montenegro (Loan)	25.05.2020	2020/701/EU	**60.0**	Oct. 2020 Jun. 2021	30 30	**60.0**	
North Macedonia (Loan)	25.05.2020	2020/701/EU	**160.0**	Oct. 2020 Jun. 2021	80 80	**160.0**	
Moldova (Loan and Grant)	06.04.22 14.06.23	2022/563/EU 2023/1165/EU (Amendment of 2022/563/EU)	**150.0** **145.0**	Aug 2022 May 2023 Dec 2024 Oct 2023 Jul 2024	50 50 50 72.5 72.5	**150.0** **145.0**	
North Macedonia (Loan)	12.07.23	2023/1461/EU	**100.0**	May 2024	50	**50.0**	**50.0**
Egypt (Loan)	12.04.24	2024/1144/EU	**1 000.0**	Dec 2024	1000	**1 000.0**	
Focus: Ukraine new MFAs							
Ukraine (Loan)	28.02.2022	2022/313/EU	**1 200.0**	Mar. 2022 May 2022	600 600	**1 200.0**	
Ukraine (Loan)	12.07.2022	2022/1201/EU	**1 000.0**	Aug. 2022	1000	**1 000.0**	
Ukraine (Loan)	20.09.2022	2022/1628/EU	**5 000.0**	Oct. 2022 Nov. 2022 Dec. 2022	2000 2500 500	**5 000.0**	
Ukraine (Loan)	14.12.2022	2022/2463/EU	**18 000.0**	Jan 2023 Mar 2023 Apr 2023 May 2023 Jun 2023 Jul 2023 Aug 2023 Sep 2023 Oct 2023 Nov 2023 Dec 2023	3000 1500 1500 1500 1500 1500 1500 1500 1500 1500 1500	**18 000.0**	
Ukraine (Loan)	28.10.24	2024/2733/EU	**18 116.0**				**18 116.0**

Annex 3: MFA amounts authorised [16] by year, 2007-2024 (EUR million) [17]

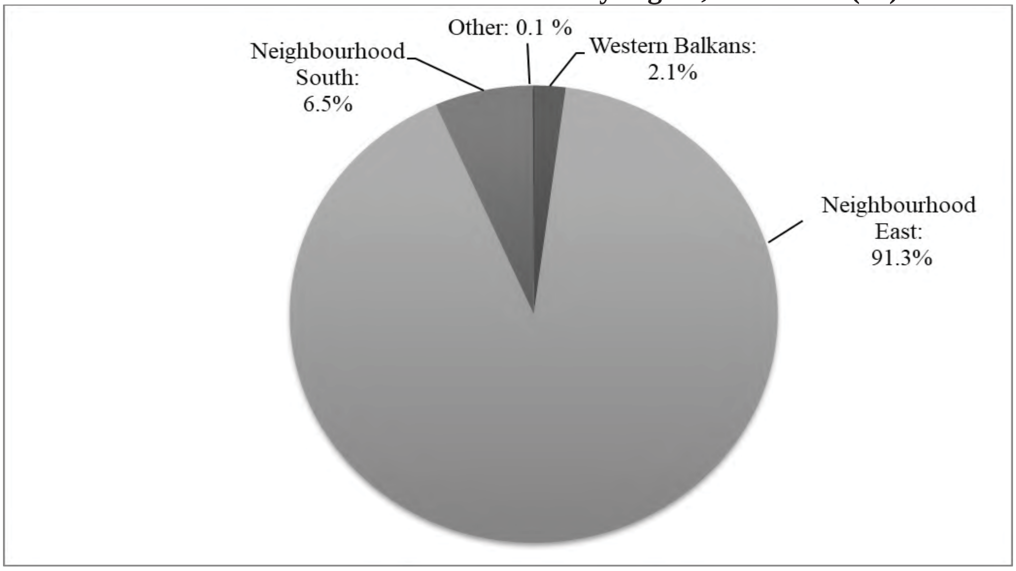
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
By region																			
Western Balkans			300.0											750.0			100.0		1 150.0
Neighbourhood East	45.0		146.0	590.0			46.0	1 000.0	1 800.0		100.0	1 045.0		1 450.0		25 350.0	145.0	18 116.0	49 833.0
Neighbourhood South	80.0						180.0	300.0		700.0				1 300.0				1 000.0	3 560.0
Other							30.0												30.0
Total amounts authorised	**125.0**	**0.0**	**446.0**	**590.0**	**0.0**	**0.0**	**256.0**	**1 300.0**	**1 800.0**	**700.0**	**100.0**	**1 045.0**	**0.0**	**3 500.0**	**0.0**	**25 350.0**	**245.0**	**19 116.0**	**54 573.0**
Loans	50.0	0.0	365.0	500.0			218.0	1 300.0	1 800.0	700.0	60.0	1 035.0		3 500.0		25 320.0	200.0	19 116.0	54 164.0
Grants	75.0	0.0	81.0	90.0			38.0				40.0	10.0		0.0		30.0	45.0		409.0

Chart 3A: MFA amounts authorised by year, 2016-2024 (EUR million)



[16] Authorised amounts refer to the amounts agreed to in the MFA Decisions, which may differ from the disbursed amounts (Annex 4).
[17] MFA+ is included for 2022.

Chart 3B: MFA amounts authorised by region, 2007-2024 (%)



Annex 4: MFA amounts disbursed by year, 2007-2024 (EUR million)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
By region																			
Western Balkans				30.0	100.0		100.0							160.0	465.0			50.0	905.0
Neighbourhood East	20.0	25.0	15.3	70.7	81.0	69.0		1 360.0	873.0		623.0	520.0	30.0	1 280.0	650.0	7 250.0	18 122.5	122.5	31 112.0
Neighbourhood South		15.0	25.0						380.0		400.0		400.0	250.0	550.0	300.0	200.0	1 000.0	3 520.0
Other									15.0	15.0									30.0
Total amounts disbursed	**20.0**	**40.0**	**40.3**	**100.7**	**181.0**	**69.0**	**100.0**	**1 360.0**	**1 268.0**	**15.0**	**1 023.0**	**520.0**	**430.0**	**1 690.0**	**1 665.0**	**7 550.0**	**18 322.5**	**1 172.5**	**35 567.0**
Loans	0.0	0.0	25.0	0.0	126.0	39.0	100.0	1 360.0	1 245.0	10.0	1 013.0	515.0	420.0	1 170.0	1 665.0	7 535.0	18 290.0	1 145.0	34 658.0
Grants	20.0	40.0	15.3	100.7	55.0	30.0			23.0	5.0	10.0	5.0	10.0	15.0	0.0	15.0	32.5	27.5	404.0

Chart 4A: MFA amounts disbursed by year, 2015-2024 (EUR million)

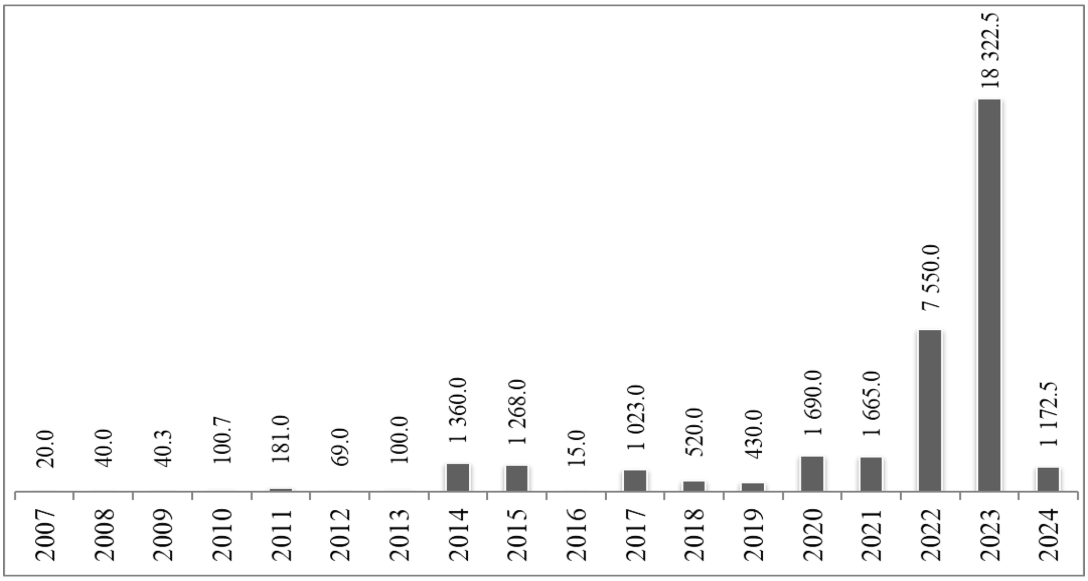


Chart 4B: MFA amounts disbursed by region, 2007-2024 (%)