

Trade Committee of the European Parliament endorses financial support to Ukraine backed by Russian assets

October 15, 2024



Members of the European Parliament (MEPs) in the Trade Committee voted on 14 October by 31 in favour of the European Commission proposal to support Ukraine with an exceptional Macro-Financial Assistance (MFA) loan of up to €35 billion. This is the EU's contribution under the G7's initiative to support Ukraine with up to \$50 billion (approximately €45 billion) to address the country's urgent financing needs in the face of Russia's war of aggression.

The repayment of this exceptional MFA loan and of the loans from other G7 countries will come from the extraordinary revenues made from immobilised Russian Central Bank assets, and enabled by the Ukraine Loan Cooperation

Mechanism, newly established under the Commission's proposal.

The new MFA loan is undesignated, allowing Ukraine to allocate the funds as it deems appropriate.

Parliament is expected to vote on the proposal during its 21-24 October session. The Council endorsed the proposal last week, and it plans to adopt the regulation by written procedure after Parliament's vote.

The new MFA funds will be made available by the end of 2024, and disbursed until the end of 2025. The MFA loan is conditional upon Ukraine's continued commitment to uphold effective democratic mechanisms, respect human rights, and further policy conditions to be set out in a memorandum of understanding.

