
European Union: macro-financial assistance package worth €500 million ready for Jordan

The European Commission is ready to provide an additional €500 million to Jordan in the form of a “Macro-Financial Assistance (MFA) operation” to demonstrate “partnership and solidarity” between the EU and the Middle Eastern Kingdom. The purpose of the long-term loan at concessional terms is “to help Jordan cover part of its external financing needs, support the fiscal consolidation effort and support structural reform efforts”, while Jordan is working on its ambitious reform programme that is expected to bring jobs, growth and investment, the President of the European Commission, Ursula von der Leyen, explained. The €500 million made available today will be paid in three instalments, a statement from the Commission reads, and will be “strictly conditional on the implementation of specific policy measures”. The macro-financial assistance is an instrument that the EU uses with enlargement and EU neighbourhood countries experiencing severe balance-of-payments problems. The challenge for Jordan is to deal with the impact of the war in Syria and the resulting large number of refugees. According to Commissioner for Economy Paolo Gentiloni, this choice “will help ensure that Jordan keeps the reform momentum in line with its economic modernisation vision”, while stimulating “inclusive and sustainable growth to the benefit of the people in Jordan”.

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