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*Committee on Foreign Affairs  
The Chair*

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2.10.2024

Mr Bernd Lange  
Chair  
Committee on International Trade  
BRUSSELS

Subject: Opinion on the proposal for a regulation of the European Parliament and of the Council establishing the Ukraine Loan Cooperation Mechanism and providing exceptional macro-financial assistance to Ukraine (COM/2024/426 final) (2024/0234(COD))

Dear Mr Lange,

Under the procedure referred to above, the Committee on Foreign Affairs has been asked to submit an opinion to your committee. By way of a written procedure, the committee Coordinators decided to send the opinion in the form of a letter. Due to the extreme urgency of the procedure, the committee Coordinators adopted the opinion at their meeting on 30 September 2024.

Yours sincerely,

David McAllister

## SUGGESTIONS

The Committee on Foreign Affairs:

1. Expresses its complete solidarity with the people of Ukraine, along with its full support for the independence, sovereignty and territorial integrity of Ukraine within its internationally recognised borders;
2. Welcomes the commitments of the EU and its Member States to provide humanitarian assistance, military support, economic and financial aid and political support in every possible way until Ukraine's victory;
3. Commends the Commission's proposal to establish the Ukraine Loan Cooperation Mechanism, which contributes to answering Parliament's call on the EU and its Member States to achieve the broadest possible international support for Ukraine, and builds upon the decision of the Council to direct extraordinary revenues stemming from immobilised Russian state assets to the Ukraine Assistance Fund and the Ukraine Facility as well as upon the G7's decision to offer Ukraine a USD 50 billion loan secured through immobilised Russian state assets;
4. Expresses its conviction that the new Ukraine Loan Cooperation Mechanism is a substantive step towards making Russia financially compensate for the massive damage it continues to cause in Ukraine; insists that this should not preclude the establishment of a sound legal regime for the confiscation of Russian state assets frozen by the EU, to be used for the benefit of Ukraine; urges the Commission and the EEAS to step-up their work in that direction;
5. Acknowledges that the Commission's proposal is based on the assumption that Russian assets will remain immobilised until Russia definitively and irreversibly ceases its war of aggression against Ukraine. Therefore urges the Council to adopt swiftly a decision to that effect;
6. Invites the Commission, when evaluating whether Ukraine has met the precondition set out in Article 11 of the proposal, to apply the same standards it applies when it evaluates whether Ukraine has met the precondition set out in Article 5 of Regulation (EU) 2024/792 on the establishment of the Ukraine Facility; in particular, in its assessment, the Commission shall also take into account the context in Ukraine and the consequences of the application of martial law in Ukraine; invites the Commission to transmit its assessment simultaneously to the European Parliament and to the Council;
7. Calls on the Commission to ensure that, when it agrees with Ukraine the policy conditions to be set out in the MoU pursuant to Article 12 of the proposal, it is satisfied that Ukraine has complied with (i) the provisions set out in Article 17 of Regulation (EU) 2024/792 and provided all the relevant explanations, as appropriate; and (ii) the qualitative and quantitative steps provided for in Council Implementing Decision (EU) 2024/1447 and its annex. At the same time, calls on the Commission to make sure, when deciding on the release of funds pursuant to Article 13 of the proposal, that its assessment complies with Article 18 of Regulation (EU) 2024/792 and, in particular, takes into account the criteria listed in paragraph 3 thereof, where relevant; urges the

Commission, in that context, to make sure that all decisions adopted by Ukraine on the use of the funds allocated to it in the framework of the proposed regulation respect democratic procedures and are supported by meaningful consultations with all relevant institutions and stakeholders, including the Verkhovna Rada of Ukraine, anti-corruption institutions and representatives of the civil society;

8. Calls on the Commission to transmit the MFA Loan Agreement to the European Parliament as soon as it will be signed;
9. Requests that the Commission include by default in its yearly report on the implementation of the proposed Regulation a review of the adequacy of the arrangements contained in the Regulation itself.