

Multiannual financial framework for the years 2021 to 2027

2018/0166(APP) - 28/05/2020 - Preparatory document

The Commission has presented an amended proposal for a Council Regulation laying down the multiannual financial framework (MFF) for the period 2021-2027.

Experience has shown that in the event of a sudden and general crisis such as the COVID-19 outbreak, the EU is called upon to act within a few days. It must provide rapid, flexible and direct support, based on the principle of solidarity, to address the serious public health consequences of the epidemic within the Union, as well as to support the efforts and strengthen the capacities of the most affected Member States and regions.

The comprehensive recovery package requires reinforcements and adjustments to the Commission proposals of May 2018 for the 2021-2027 multiannual framework, to include new facilities and programmes targeting the most pressing recovery needs, significant reinforcement to other programmes crucial to the response, and greater flexibility.

The Commission therefore proposes adjustments to the draft MFF Regulation and the [draft Interinstitutional Agreement](#) on budgetary discipline, cooperation in budgetary matters and sound financial management. These adjustments should allow for increased flexibility in implementation to take into account the need to activate the new provisions in emergency situations.

This amended proposal provides for :

- the **review of national allocations for cohesion**, which will take place in 2024, taking into account the latest statistics available at that time. This review will translate only in upwards adjustments, with a maximum overall amount of EUR 10 billion (2018 prices);
- the addition of the **Just Transition Fund** to the programmes under shared management for which 2021 commitment appropriations may need to be reprogrammed, and for which corresponding adjustment of the Multiannual Financial Framework ceilings should apply over the years 2022 to 2025;
- to increase the maximum annual amount of the **European Globalisation Adjustment Fund** to EUR 386 million (in 2018 prices) due to the economic and social effects of the COVID crisis;
- to increase the maximum annual amount of the **European Union Solidarity Fund (EUSF)** to EUR 1 billion (in 2018 prices). [Regulation \(EU\) 2020/461](#) extended the scope of the EUSF to include major public health emergencies among the disasters for which the Fund can intervene;
- renaming the special instrument of the Emergency Aid Reserve “**Solidarity and Emergency Aid Reserve**” and increasing the maximum annual amount to EUR 3 billion (in 2018 prices), so that emergency funds can be mobilised at a level sufficient to respond to unforeseen challenges.

The Solidarity and Emergency Aid Reserve will be able to reinforce swiftly EU action, as and when needed, through EU instruments which provide for such emergency mechanisms, such as the Emergency Support Instrument but also Humanitarian Aid, RescEU, Health programme, the Single Market Programme (with its emergency veterinary and phytosanitary measures), or the Asylum and Migration Fund.

