

Multiannual financial framework for the years 2021 to 2027

2022/0369(APP) - 18/11/2022 - Legislative proposal

PURPOSE: to extend the mobilisation of a guarantee for financial assistance beyond the ceilings of the Multiannual Financial Framework (MFF) to Ukraine for financial assistance available for the years 2023 and 2024.

PROPOSED ACT: Council Regulation.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: support to Ukraine following the Russian war of aggression is provided on an ad hoc basis for a limited period of time and requires considerable provisioning from the EU budget and Member States' guarantees.

In order to contribute, together with other international partners, to covering Ukraine's urgent financing needs, the EU has established a new [instrument](#) (Macro-Financial Assistance +). Under this instrument, a significant part of the envisaged financial assistance is to be provided in the form of loans.

Against the background of increased external instability, a structured financing solution for the years 2023 and 2024 is needed to ensure continuity of financial support to Ukraine.

To enable the EU to provide the necessary budgetary resources in a sustainable and rational manner, it is necessary to extend the existing mechanism in the form of an EU budget guarantee to cover the financial assistance which is made available to Ukraine in the years 2023 and 2024. This mechanism should make it possible to mobilise up to 100% of the amounts of the financial commitment needed to honour the EU's repayment obligations under the borrowing and lending operations in the event that the Union fails to provide the due payment from Ukraine on time.

It should be possible to mobilise the necessary appropriations in the Union budget over and above the ceilings of the Multiannual Financial Framework (MFF) for the Member States as well as for the financial assistance to Ukraine available for the years 2023 and 2024.

CONTENT: the Council's draft aims to amend Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework (MFF) for the years 2021 to 2027 to provide that where it is necessary to call up a guarantee for financial assistance to Ukraine which is available for the years 2023 and 2024 and authorised in accordance with the Financial Regulation, the necessary amount will be mobilised over and above the MFF ceilings.

EUR 18 billion as set out in the Regulation establishing an instrument for providing EU support to Ukraine (macro-financial assistance +) and the use of macro-financial assistance in 2024 should be limited to disbursements in the first quarter of that year.