

Multiannual financial framework for the years 2021 to 2027

2023/0201(APP) - 27/02/2024 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 499 votes to 67, with 31 abstentions, a legislative resolution on the draft Council regulation amending Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027.

Parliament approved the draft Regulation.

The adopted text stated that the Union budget should enable the Union to provide the **necessary policy responses to emerging challenges** and to meet legal obligations which cannot be accommodated within existing ceilings nor by exhausted flexibility. The expenditure ceilings in commitment appropriations for Headings 1, 2, 3, 4, 5 and 6 should be modified for the years 2024, 2025, 2026 and 2027.

Assistance to Ukraine

The text stipulated that where it is necessary to mobilise a guarantee for financial assistance to Ukraine which is available for the years 2024 to 2027 for an overall amount of loans of up to **EUR 33 000 million** in current prices as specified in the Regulation of the European Parliament and of the Council establishing the Ukraine Facility, the necessary amount should be mobilised over and above the MFF ceilings.

European Globalisation Adjustment Fund

The European Globalisation Adjustment Fund, the objectives and scope of which are set out in Regulation (EU) 2021/691 of the European Parliament and of the Council, should not exceed a maximum annual amount of **EUR 30 million** (in 2018 prices). The appropriations for the European Globalisation Adjustment Fund should be entered in the general budget of the Union as a provision.

Solidarity and Emergency Aid Reserve

The Solidarity and Emergency Aid Reserve should be constituted of two instruments which may be used to finance, respectively:

- **the European Solidarity Reserve** to fund assistance to respond to emergency situations resulting from major disasters that are covered by the European Union Solidarity Fund;

- **the Emergency Aid Reserve** to finance rapid responses to specific emergency needs within the Union or in third countries following events which could not be foreseen when the budget was established, in particular for emergency responses and support operations following natural disasters not covered by point (a), man-made disasters, humanitarian crises in cases of large-scale public health, veterinary or phytosanitary threats, as well as in situations of particular pressure at the Union's external borders resulting from migratory flows, where circumstances so require.

The European Solidarity Reserve should not exceed a maximum annual amount of EUR 1 016 million (in 2018 prices). The Emergency Aid Reserve should not exceed a maximum annual amount of **EUR 508 million** (in 2018 prices).

The European Union Recovery Instrument NextGenerationEU (EURI)

To ensure that the financial means are made available to allow the Union to fulfil its legal obligations, it is provided to establish an exceptional and temporary instrument, limited to the duration of the current MFF, to cover funding costs for EURI borrowing which exceed the amounts initially programmed.

As of **2025**, the EURI Instrument may be used to finance, for a given year, part of the costs of the interest and coupon payments due in respect of the funds borrowed on the capital markets in accordance with Council Decision (EU, Euratom) 2020/2053. The EURI Instrument may only be mobilised in a given year to cover the amount of these costs that exceed the following amounts (in 2018 prices):

- **2025 - EUR 2 332 million;**

- **2026 - EUR 3 196 million;**

- **2027 - EUR 4 168 million.**

Appropriations for the EURI Instrument should be made available over and above the MFF ceilings.

Ukraine Reserve

The Ukraine Reserve may be mobilised for the sole purpose of financing expenditure under the Regulation of the European Parliament and of the Council establishing the Ukraine Facility. The Reserve should not exceed an amount of **EUR 17 000 million** in current prices for the period 2024 to 2027. The annual amount mobilised under the Ukraine Reserve in a given year should not exceed **EUR 5 000 million** in current prices. The unused portion of the annual amount in a given year may be used in the following years, until 2027.

Flexibility Instrument

The Flexibility Instrument should be reinforced in order to maintain a sufficient capacity for the Union to react to unforeseen circumstances until 2027. It may be used for the financing, for a given financial year, of specific unforeseen expenditure in commitment appropriations and corresponding payment appropriations that cannot be financed within the limits of the ceilings available for one or more other headings.

The ceiling for the annual amount available for the Flexibility Instrument in the years 2021 to 2023 shall be **EUR 915 million** (in 2018 prices). The ceiling for the annual amount available for the Flexibility Instrument in the years 2024 to 2027 should be **EUR 1 346 million** (in 2018 prices).