

Multiannual financial framework for the years 2021 to 2027

2023/0201(APP) - 29/02/2024 - Final act

PURPOSE: to revise the multiannual financial framework (MFF) for the years 2021 to 2027.

LEGISLATIVE ACT: Council Regulation (EU, Euratom) 2024/765 amending Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027.

CONTENT: together with the [regulation](#) establishing the Ukraine Facility and the [regulation](#) establishing the Strategic Technologies for Europe Platform (STEP), this Regulation amending the multiannual financial framework for 2021-2027 is part of a package of measures linked to the mid-term revision of the multiannual financial framework.

In total, **EUR 64.6 billion of additional funding** will be made available to address new and emerging challenges facing the EU and to meet the EU's legal obligations which could otherwise no longer be accommodated within the current budgetary ceilings.

The additional funding covers support for Ukraine, migration and the external dimension, investments in critical technologies as part of the Strategic Technologies for Europe Platform, Next Generation EU interest payments and emergency aid in situations such as natural disasters and humanitarian crises in the EU and worldwide.

It will be distributed as follows:

- EUR 50 billion for the Ukraine Facility (EUR 17 billion in grants and EUR 33 billion in loans);
- EUR 2 billion for migration and border management;
- EUR 7.6 billion for the neighbourhood and the world;
- EUR 1.5 billion for the European Defence Fund under the new STEP instrument;
- EUR 2 billion for the flexibility instrument;
- EUR 1.5 billion for the Solidarity and Emergency Aid Reserve.

Assistance to Ukraine

For the part of the support under the Ukraine Facility provided in the form of loans, the Regulation extends until 2027 the existing Union budget guarantee to cover the financial assistance which is made available to Ukraine. As a consequence, it should be possible to mobilise the necessary appropriations in the Union budget over and above the ceilings of the MFF for financial assistance to Ukraine available until the end of 2027. In addition to covering short-term financial relief to Ukraine, the Union budget guarantee should cover financial assistance to Ukraine for an amount up to EUR 33 billion.

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.

The EURI Instrument should be mobilised by the budgetary authority during the annual budgetary procedure, only if necessary. It should be mobilised after having sought other financing possibilities, including via room created by budgetary implementation of the programmes and reprioritisation as well as non-thematic special instruments, to cover a substantial part of the necessary amounts exceeding the amounts initially inscribed in the existing EURI budget line of Heading 2b, as far as possible, with a view to mobilising an amount equivalent to about 50 % of the EURI interest payments cost overruns as a benchmark.

The commitment appropriations and corresponding payment appropriations of the EURI Instrument in the Union budget should be made available over and above the ceilings of the MFF.

Solidarity and Emergency Aid Reserve

In light of the natural disasters which happened in the Member States and countries involved in accession negotiations with the Union, and natural disasters and humanitarian crises in third countries and in order to ensure adequate funding for both, the existing Solidarity and Emergency Aid Reserve should be reinforced and split into two separate instruments: the '**European Solidarity Reserve**' to provide support to affected countries and regions under the European Union Solidarity Fund and the '**Emergency Aid Reserve**' to provide budgetary reinforcements to relevant Union programmes in response to crises and emergencies within and outside the Union.

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

Flexibility Instrument

The Flexibility Instrument should be reinforced to maintain a sufficient capacity for the Union to react to unforeseen circumstances until 2027. The ceiling for the annual amount available for the Flexibility Instrument in the years 2021 to 2023 will be EUR 915 million (in 2018 prices). The ceiling for the annual amount available for the Flexibility Instrument in the years 2024 to 2027 will be EUR 1 346 million (in 2018 prices).

Lapsed amounts from the European Solidarity Reserve and the Emergency Aid Reserve should be made available to the Flexibility Instrument as of 2024.