

Changes to the amounts of funds for certain programmes and funds

2024/0060(COD) - 29/02/2024 - Legislative proposal

PURPOSE: to make targeted amendments to existing Regulations to give effect to the mid-term review of the Multiannual Financial Framework (MFF).

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: since the adoption of Regulations (EU) 2021/522, (EU) 2021/1057, (EU) 2021/1060, (EU) 2021/1139, (EU) 2021/1229 and (EU) 2021/1755 of the European Parliament and of the Council, unprecedented geopolitical events have occurred, triggered by Russia's illegal war of aggression against Ukraine, the ensuing energy crisis and the related spike in inflation and interest rates. These geopolitical and economic developments have brought new emergencies which should be addressed to deliver on the Union's shared priorities and needs.

Taking into account the near exhaustion of the limited budgetary flexibilities and the limits reached by redeployment possibilities, the Multiannual Financial Framework (MFF) had to be reinforced for the period 2024-2027 to provide for the funding that is the most essentially needed to respond to urgent and common challenges.

On 29 February 2024, the Council adopted an amendment to Regulation (EU, Euratom) 2020/2093 with the consent of the European Parliament for the mid-term revision of the MFF.

The MFF revision includes increases of resources for several EU programmes. To mitigate the impact of the revision of the MFF on national budgets, these increases will be partly compensated by redeployments and reprioritisations within the EU budget. The net increase of funding for new priorities amounts to EUR 21 billion until the end of this MFF.

This requires modifying the expenditure ceilings, as well as, in some cases, amendments of the budgetary provisions of the legislative acts establishing the programmes and instruments concerned.

CONTENT: this proposal is limited to the introduction of targeted amendments to existing Regulations. It aims to **give effect to the mid-term revision of the MFF**, in addition to Regulation (EU, Euratom) 2020/2093.

These following changes are proposed:

1) Amendments to Regulation (EU) 2021/522 to adjust the additional allocation to the financial envelope for the EU4Health programme through a reduction of **EUR 1 000 000 000** in current prices, and in particular: the programme-specific adjustment provided for in Article 5 of the MFF Regulation, expressed in 2018 prices, is reduced from EUR 2 900 000 000 to 2 055 000 000;

2) Amendment to Regulation (EU) 2021/1057 to reduce the financial envelope of the European Social Fund Plus (ESF+) Transnational cooperation programmes by **EUR 65 000 000** in current prices (EUR 55 473 996 in 2018 prices), and in particular: the initial allocation of EUR 175 000 000 in 2018 prices for the

Transnational Cooperation part of the European Social Fund Plus (ESF+) is reduced by EUR 55 473 996 in 2018 prices;

3) Amendments to Regulation (EU) 2021/1060 to reduce the financial envelopes of Interregional Innovation Investments by EUR 75 000 000 in current prices (EUR 64 020 145 in 2018 prices), European Urban Initiative by **EUR 55 000 000** in current prices (EUR 46 929 686 in 2018 prices), ESF+ Transnational cooperation programmes by **EUR 65 000 000** in current prices (EUR 55 473 996 in 2018 prices) and to adjust the corresponding technical assistance rate;

4) Amendments to Regulation (EU) 2021/1139 to reduce by **EUR 105 000 000** in current prices the EMFAF financial envelope under direct and indirect management. It is proposed to amend the Regulation to set the financial envelope for direct and indirect management under EMFAF at EUR 692 000 000 in current prices;

5) Amendments to Regulation (EU) 2021/1229 to reduce by **EUR 150 000 000** in current prices the resources from the Union budget for the Public Sector Loan Facility and setting the available resources for year 2025-2027 to zero; in particular, it is proposed to amend the Regulation to reduce the resources from Union budget from EUR 250 000 000 to EUR 100 000 000 in current prices;

6) Amendments to Regulation (EU) 2021/1755 to reduce the resources provisionally allocated to the Brexit Adjustment Reserve by **EUR 584 264 090**.