

Amending the multiannual financial framework for the years 2021 to 2027

2025/3500(APP) - 14/01/2026 - Supplementary legislative basic document

This proposal for an **amendment of Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework (MFF)** for the years 2021 to 2027 is presented together with the proposal for a Regulation establishing the Reparations Loan to Ukraine and amending Regulation (EU) 2024/792 establishing the Ukraine Facility.

Following Russia's invasion of Ukraine, the EU provided substantial support to Ukraine through a series of financial measures. Ukraine will require continued assistance, which should be provided under the proposed new regulation establishing the Reparation Loan to Ukraine.

The amendment of Regulation (EU, Euratom) 2020/2093 will **extend the budgetary guarantee currently applied**, as a rule, to loans to Ukraine under the Macro-Financial Assistance Instrument (MFA+), the Ukraine Facility and the MFA to Ukraine under the Ukraine Loan Cooperation Mechanism to cover also the financial assistance to Ukraine.

Accordingly, if the Union has to honour repayment obligations from resources of the Union's budget - in the case a beneficiary state fails to provide the due payment on time – the necessary amounts would be mobilised over and above the MFF ceilings up to the limits of the own resources ceiling (from the so called 'headroom'). The budgetary coverage from the headroom should apply to the **EUR 90 billion** loan assistance to Ukraine, to be implemented within the framework of enhanced cooperation.

With a view to providing support to Ukraine on a highly concessional basis, it is appropriate to establish a new thematic special instrument – '**the Ukraine Support Loan Instrument**', which would allow financing of the debt service

costs. The debt service costs comprise cost of funding and costs of issuing and managing liquidity, due in respect of the funds borrowed on the capital markets for a loan to Ukraine to be implemented in enhanced cooperation.

When mobilising the Ukraine Loan Instrument in the framework of the budgetary procedure, budgetary availabilities in other special instruments, applicable sectoral rules, any legal or other obligations including under the EURI Instrument, priorities, prudent budgeting and sound financial management will be considered.

As expenditure in relation to special instruments is entered in the budget 'over and above' the relevant MFF ceilings, the present proposal does not impact the MFF ceilings.