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**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT AND THE COUNCIL**

**Technical adjustment of the multiannual financial framework for 2024 in accordance
with Article 4 of Council Regulation (EU, Euratom) 2020/2093 laying down the
multiannual financial framework for the years 2021 to 2027**

COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

Technical adjustment of the multiannual financial framework for 2024 in accordance with Article 4 of Council Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027

1. INTRODUCTION

The present communication provides the budgetary authority with the result of the technical adjustment ahead of the budgetary procedure for the year 2024 in accordance with Article 4 of Council Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027¹ (the ‘MFF Regulation’). In particular, the technical adjustment establishes the expenditure ceilings at current prices based on the fixed 2% deflator as provided for in Article 4(2) of the MFF Regulation.

On the basis of the latest economic forecasts², the communication also provides a calculation of the margin under the own resources ceiling set in application of the Council Decision on the system of own resources of the European Union in force at the time of the adoption of this communication.

The communication also presents the amounts available under the Single Margin Instrument under Article 11(1)(a) and 11(1)(c), the adjustment of the payment ceiling in accordance with Article 11(1)(b) and the programme specific adjustments as provided in Article 5 of the MFF Regulation.

In accordance with Article 4(1) of the MFF Regulation, the Commission makes the technical adjustment to the financial framework and communicates the results to the budgetary authority each year, ahead of the budgetary procedure for year n+1.

According to Article 4(4) of the MFF Regulation, and without prejudice to Articles 6 and 7 of that Regulation, no further technical adjustments are made in respect of the year concerned, either during the year or as ex-post corrections during subsequent years.

2. TERMS OF THE ADJUSTMENT OF THE MULTIANNUAL FINANCIAL FRAMEWORK TABLE (ANNEX - TABLES 1-2)

Table 1 in the Annex shows the EU multiannual financial framework in 2018 prices of the MFF Regulation adjusted according to Articles 2(1), 5(2) and 11 of that Regulation.

Table 2 in the Annex shows the EU multiannual financial framework adjusted in current prices.

The financial framework expressed in percentage of the Union’s gross national income (GNI) is updated with the latest economic forecasts. On that basis, the EU GNI for 2024 is established at EUR 17 697 051 million in current prices.

¹ [OJ L 433L, 22.12.2020, p. 11](#)

² European Commission, European Economic Forecast Spring 2023: [European Economic Forecast. Spring 2023 \(europa.eu\)](#); https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2023_en)

2.1. Main results of the technical adjustment of the Multiannual Financial Framework for 2024

The overall MFF ceiling for commitment appropriations for 2024 stands at EUR 185 963 million in current prices, which equals 1,05% of GNI. The overall MFF ceiling for payment appropriations corresponds to EUR 170 543 million in current prices, equivalent to 0,96% of GNI.

On 1 June 2021, Council Decision (EU, Euratom) 2020/2053 of 14 December 2020 on the system of own resources ('ORD 2020')³ entered into force. It applies retroactively as of 1 January 2021. The own resources ceiling for payment appropriations is set at 2,00% of the sum of all the Member States' GNIs. Out of this, 0,60 percentage points are a temporary increase for the sole purpose of covering all liabilities stemming from the European Union Recovery Instrument⁴.

The resulting margin for 2024 between the MFF ceiling for payment appropriations and the own resources ceiling for payment appropriations stands at EUR 183 398 million, or 1,04% of GNI⁵.

The table below provides information for the period 2021-2027 on the margin (in percentage of GNI) between the MFF ceiling for payment appropriations and the own resources ceiling for payment appropriations.

In % of EU GNI	2021	2022	2023 ⁶	2024	2025	2026	2027	2021-2027
MFF ceiling for payment appropriations	1,18%	1,12%	1,03%	0,96%	0,94%	0,92%	0,91%	1,01%
Margin beneath the 2,00% GNI own resources ceiling in application of Council Decision (EU, Euratom) 2020/2053	0,02%	0,88%	0,97%	1,04%	1,06%	1,08%	1,09%	0,99% ⁷

2.2. Adjustment of the sub-ceiling for Heading 3

According to Article 2(1) of the MFF Regulation, the sub-ceiling for Heading 3 for 'market related expenditure and direct payments' (pillar I of the Common Agricultural Policy - CAP) for the period 2021-2027 shall be adjusted following the transfers between the first and second pillars of the CAP in accordance with the legal act establishing these transfers. The total amount of the ceiling for commitment appropriations for Heading 3 does not change.

³ OJ L 424, 15.12.2020, p. 1.

⁴ Council Regulation (EU) 2020/2094 of 14 December 2020 establishing a European Union Recovery Instrument to support the recovery in the aftermath of the COVID-19 crisis, OJ L 433I, 22.12.2020, p. 23.

⁵ The specific margin under the temporary increase of the own resources ceiling corresponding to 0,60% of the sum of all the Member States' GNIs will depend on the expenditure authorised for 2024 in relation to liabilities under the European Union Recovery Instrument and the corresponding own resources to finance it.

⁶ In accordance with Article 4(4) of the MFF Regulation, the MFF ceiling for payment appropriations and the margins for the year 2021, 2022 and 2023 are not further adjusted following the technical adjustment for 2021 (communicated to the European Parliament and the Council on 18.12.2020 (COM(2020)848 final)), 2022 (communicated to the European Parliament and the Council on 07.06.2021 (COM(2021)365 final) and 2023 (communicated to the European Parliament and the Council on 07.06.2022 (COM(2022)266 final)).

⁷ This percentage is calculated by subtracting the average of the annual MFF ceilings for payment appropriations for each year of the period 2021-2027 (namely 1,01% of the sum of all the Member States' GNIs) from the own resources ceiling for payment appropriations of 2.00% of the sum of all the Member States' GNIs, applicable throughout the whole period 2021–2027.

The sub-ceiling of Heading 3 is adjusted for the fourth time⁸ in the technical adjustment of the MFF for 2024.

With their CAP Strategic Plans submitted according to Title V of Regulation (EU) 2021/2115⁹, Member States decided to transfer funds between direct payments and rural development. The result was set out in Commission Delegated Regulation 2023/813 of 8 February 2023¹⁰. These transfers cover the reduction of direct payments in accordance with Article 17(5), second subparagraph, and the flexibility between pillars in accordance with Article 103 of Regulation (EU) 2021/2115. These amendments affect the application of Regulation (EU) 2021/2115 for the years 2024-2027.

The changes in current prices in the Heading 3 sub-ceiling are converted into 2018 prices to adjust the multiannual financial framework table which is expressed in 2018 prices. For this purpose, the net balance of transfers is first converted into 2018 prices by using the 2% fixed annual deflator. This result is then rounded up to express the adjusted sub-ceiling in millions of euros. The rounding-up is necessary to ensure that the MFF sub-ceiling is always higher than the net balance available for expenditure in the annual budget for the European Agricultural Guarantee Fund (EAGF). The resulting small difference does not constitute an available margin, but is exclusively arising from the rounding operation. For each annual budget, the Commission will use the exact amounts of the net balance available for EAGF expenditure.

The table below shows the net result (in million euro) of the transfers between the two pillars of CAP and their impact for the Heading 3 sub-ceiling.

Sub-ceiling for EAGF (market related expenditures and direct payments) after transfers in current and 2018 prices (EUR million)

	2021	2022	2023	2024	2025	2026	2027	2021-2027
	- in current prices -							
Initial H3 sub-ceiling	40 925,000	41 257,000	41 518,000	41 649,000	41 782,000	41 913,000	42 047,000	291 091,000
H3 sub-ceiling set in the last technical adjustment (2023)	40 368,000	40 639,000	40 693,000	41 649,000	41 782,000	41 913,000	42 047,000	289 091,000
Net transfers to date	- 557,046	- 618,811	-825,789					- 2 001,646
Net transfer in the current technical adjustment (2024)				-1 046,922	-1 117,072	-1 222,773	-1 396,205	-4 782,972
Total net transfers (Pillar 1 to Pillar 2) compared to initial sub-ceiling	- 557,046	- 618,811	-825,789	-1 046,922	-1 117,072	-1 222,773	-1 396,205	-6 784,618
EAGF net balance after all transfers	40 367,954	40 638,189	40 692,211	40 602,078	40 664,928	40 690,227	40 650,795	284 306,382
H3 sub-ceiling after transfers	40 368,000	40 639,000	40 693,000	40 603,000	40 665,000	40 691,000	40 651,000	284 310,000
<i>Rounding difference</i>	<i>0,046</i>	<i>0,811</i>	<i>0,789</i>	<i>0,922</i>	<i>0,072</i>	<i>0,773</i>	<i>0,205</i>	<i>3,618</i>
<i>Difference to original sub-ceiling after all transfers</i>	<i>- 557,000</i>	<i>- 618,000</i>	<i>-825,000</i>	<i>-1 046,000</i>	<i>-1 117,000</i>	<i>-1 222,000</i>	<i>-1 396,000</i>	<i>-6 781,000</i>
	- in 2018 prices -							
Initial H3 sub-ceiling	38 564,000	38 115,000	37 604,000	36 983,000	36 373,000	35 772,000	35 183,000	258 594,000
H3 sub-ceiling set in the last technical adjustment (2023)	38 040,000	37 544,000	36 857,000	36 983,000	36 373,000	35 772,000	35 183,000	256 752,000
Net transfers to date	- 524,375	- 571,595	-747,811					- 1 095,970

⁸ The first adjustment was described in the technical adjustment of the MFF for 2021 (COM/2020/848 final) of 18 December 2020. The adjustment for 2022 was described in COM(2021)365 of 4 June 2021. The third adjustment (for 2023) was described in COM(2022)266 of 7 June 2022.

⁹ Regulation (EU) 2021/2115 of the European Parliament and the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the Common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 (EU) No 1307/2013.

¹⁰ Commission Delegated Regulation (EU) 2023/813 of 8 February 2023 amending Regulation (EU) 2021/2115 of the European Parliament and of the Council as regards Member States allocations for direct payments and the annual breakdown by Member State of the Union support for rural development (OJ L 102, 17.04.2023, p. 1-5).

Net transfer in the current technical adjustment (2024)				-929,637	-972,478	-1 043,625	-1 168,282	-4 114,022
Total net transfers (Pillar 1 to Pillar 2) compared to initial sub-ceiling	- 524,375	- 571,595	-747,811	-929,637	-972,478	-1 043,625	-1 168,282	-5 957,803
EAGF net balance after all transfers	38 039,625	37 543,405	36 856,189	36 053,363	35 400,522	34 728,375	34 014,718	252 636,197
H3 sub-ceiling after transfers	38 040,000	37 544,000	36 857,000	36 054,000	35 401,000	34 729,000	34 015,000	252 640,000
<i>Rounding difference</i>	<i>0,375</i>	<i>0,595</i>	<i>0,811</i>	<i>0,637</i>	<i>0,478</i>	<i>0,625</i>	<i>0,282</i>	<i>3,803</i>
<i>Difference to original sub-ceiling after all transfers</i>	- 524,000	- 571,000	-747,000	-929,000	-972,000	-1 043,000	-1 168,000	-5 954,000

2.3. Programme specific adjustments in accordance with Article 5(2) of the MFF Regulation

In accordance with Articles 5(2) and 4(1)(e) of the MFF Regulation, this communication includes the calculation, for the year 2024, of the additional allocations for specific programmes referred to in Annex II to the MFF Regulation and the resulting upwards adjustments of the ceilings for commitment and payment appropriations.

For 2022, the revenue from fines (and related interest) imposed under Council Regulations (EC) No 1/2003¹¹ and (EC) No 139/2004¹² and recorded as budgetary revenue up to the end of the year amounts to EUR 363 million¹³ (EUR 322 million in 2018 prices). This amount is below the minimum threshold of EUR 1 500 million in 2018 prices. Therefore, the minimum threshold provides the total volume of the adjustment for 2024 in 2018 prices.

The adjustment in current prices amounts to EUR 1 690 million after applying the 2% annual deflator and rounding up to million euro in line with how the MFF ceilings are expressed. This amount corresponds to the upward adjustment of the overall ceiling in commitment appropriations and the ceiling in payment appropriations for the year 2024.

The breakdown of the adjustment by MFF heading and programme is based on the column 'Distribution key' of Annex II to the MFF Regulation. The adjustments of the individual ceilings in commitment appropriations are rounded up to the nearest million euro¹⁴.

<u>COMMITMENT CEILING:</u>	Current prices	2018 prices
1. Single Market, Innovation and Digital	614 000 000	545 000 000
Horizon Europe	460 500 000	408 750 000
InvestEU Fund	153 500 000	136 250 000
2b. Resilience and Values	922 000 000	819 000 000
EU4Health	445 703 758	395 912 558
Erasmus+	261 303 758	232 112 557
Creative Europe	92 115 490	81 824 931
Rights and Values	122 876 994	109 149 954
4. Migration and Border Management	154 000 000	136 000 000

¹¹ Council Regulation (EC) No 1/2003 of 16 December 2002 on the implementation of the rules on competition laid down in Articles 81 and 82 of the Treaty, [OJ L 1, 4.1.2003, p. 1](#).

¹² Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings (the EC Merger Regulation), [OJ L 24, 29.1.2004, p. 1](#).

¹³ Based on the 2022 provisional annual accounts (Articles 420 and 424) after deduction of the amount collected for the year n-1 referred to in Article 141(1) of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

¹⁴ The amount for the heading with highest share is established as the difference between the total adjustment and the sum of the amounts for all other headings in order to avoid rounding discrepancies.

Integrated Border Management Fund	154 000 000	136 000 000
Total commitment ceiling:	1 690 000 000	1 500 000 000
<u>PAYMENT CEILING:</u>	1 690 000 000	1 500 000 000

2.4. Adjustment of the payment ceiling in accordance with Article 4(1)(d) and Article 11(1)(b) – Single Margin Instrument.

In accordance with Article 4(1)(d) of the MFF Regulation, the technical adjustment shall include the amount of the adjustment of the ceiling for payment appropriations under the Single Margin Instrument (SMI) as referred to in point (b) of the first subparagraph of Article 11(1).

The 2022 payment ceiling was EUR 170 558 million in current prices. The payments executed in 2022 amount to EUR 168 642 million. To this amount the carry-overs from 2022 to 2023 must be added (EUR 1 109 million) as they are considered as executed.

The payments and carry-overs related with the special instruments (EUR 3 087 million) are excluded from the execution as they are treated as being over and above the MFF ceilings in accordance with Article 3(2) of the MFF Regulation. Therefore the execution taken into account for the calculation of the SMI is EUR 166 664 million.

The remaining margin under the 2022 payment ceiling is EUR 4 024 million in current prices.

The table below shows the details of the calculation of the SMI part 11(1)(b).

Single Margin Instrument part 11(1)(b) (payments)		
EUR million		2022
(1)	PA ceiling (2018 prices) before SMI 11(1)(b)	157 568,0
(2)	PA ceiling (current prices) before SMI 11(1)(b)	170 558,0
(3)	Mobilisation SMI Art 11(1)(c) in payments (+/-)	0,0
(4) = (2) + (3)	TOTAL CEILING TO COMPARE THE IMPLEMENTATION ON VOTED BUDGET	170 558,0
(5)	Executed payments on the voted budget	168 642,1
(6)	<i>Executed payments on the voted budget for EGF</i>	22,3
(7)	<i>Executed payments on the voted budget for the SEAR - EUSF</i>	18,1
(8)	<i>Executed payments on the voted budget for the SEAR - EAR</i>	580,4
(9)	<i>Executed payments on the voted budget for Brexit Adjustment Reserve</i>	1 253,2
(10)	<i>Executed payments on the voted budget for Flexibility instrument</i>	467,2
(11) = (6) + (7) + (8) + (9) + (10)	Executed payments on the voted budget for special instruments	2 341,3
(12)	Carry-overs from year n to year n+1	1 109,2
(13)	<i>Carry-over from year n to year n+1 for the EGF</i>	0,1
(14)	<i>Carry-over from year n to year n+1 for the SEAR</i>	700,3
(15)	<i>Carry-over from year n to year n+1 for Brexit Adjustment Reserve</i>	45,7
(16) = (13) + (14) + (15)	Carry-over of special instruments	746,2
(17)	Lapsed carry-overs from year n-1 to year n	130,2
(18)	<i>Lapsed carry-over from year n-1 to year n EGF</i>	0,0
(19)	<i>Lapsed carry-over from year n-1 to year n SEAR</i>	0,0
(20)	<i>Lapsed carry-over from year n-1 to year n for Brexit Adjustment Reserve</i>	0,0

$(21) = (18) + (19) + (20)$	<i>Lapsed carry-over of special instruments</i>	0,0
$(22) = (5) + (12) - (17)$	TOTAL EXECUTED PAYMENTS n + CARRY-OVER n TO n+1 - LAPSED CARRY OVER n-1	169 621,0
$(23) = (11) + (16) - (21)$	<i>Special instruments: total execution + carry-over - lapsed carry-over</i>	3 087,5
$(24) = (4) - (22) + (23)$	Remaining margin	4 024,4
(25) = (24) rounded to millions	Single Margin Instrument part 11(1)(b) (current prices)	4 024,0
(26) = (25) adjusted to 2018 prices using 2% deflator and rounded to millions	Single Margin Instrument part 11(1)(b) (2018 prices)	3 718,0

The amount of the SMI part 11(1)(b) in 2018 prices corresponds to EUR 3 718 million. Taking into account the provisions of Article 11(3), the payment ceiling in 2022 shall be decreased by this amount. The amount of the SMI part 11(1)(b) is transferred in three equal parts (EUR 1 239, 3 million) to the payment ceilings of the years 2025, 2026 and 2027. This results in an unchanged overall payment ceiling for the period 2021-2027 in 2018 prices.

According to Article 4(2) of the MFF Regulation, the 2% deflator shall be used for the calculation of the SMI part 11(1)(b) and the corresponding adjustment of the payment ceiling. The 2022 ceiling in current prices is therefore reduced by EUR 4 024 million and the ceiling in current prices is increased by EUR 1 424 million for 2025, EUR 1 452 million for 2026 and EUR 1 481 million for 2027. As a result of the application of Article 11(1)(b), the overall payment ceiling in current prices for the period 2021-2027 corresponds to EUR 1 198 906 million.

The table below shows the details of the adjustment of the payment ceiling resulting from the implementation of the provisions of Article 11(1)(b).

Adjustment of the ceilings SMI part 11(1)(b) (EUR million)	2021	2022	2023	2024	2025	2026	2027	2021-2027
Initial payment ceiling (Annex I Regulation 2020/2093)								
2018 prices	156 557	154 822	149 936	149 936	149 936	149 936	149 936	1 061 058
current prices	166 140	167 585	165 542	168 853	172 230	175 674	179 187	1 195 211
Payment ceiling as last adjusted (Art. 7 adjustment COM(2022)80 of 28 January 2022),								
2018 prices	156 557	156 322	149 936	149 936	149 936	149 936	149 936	1 062 558
current prices	166 140	169 209	165 542	168 853	172 230	175 674	179 187	1 196 835
<i>Single Margin Instrument Part 11(1)(b) from 2021</i>								
<i>adjustment of the payment ceiling (2018 prices)</i>	-2 492	1 246	1 246					0
<i>adjustment of the payment ceiling (current prices)</i>	-2 644	1 349	1 376					81
Adjusted payment ceiling as per Article 11(1)(b) (Tech. adjustment for 2023)								
2018 prices	154 067	157 568	151 182	149 936	149 936	149 936	149 936	1 062 558
current prices	163 496	170 558	166 918	168 853	172 230	175 674	179 187	1 196 916
Payment ceiling as last adjusted (Technical adjustment for 2023 COM(2022)266 of 7 June 2022),								
2018 prices	154 067	157 568	152 682	149 936	149 936	149 936	149 936	1 064 058
current prices	163 496	170 558	168 575	168 853	172 230	175 674	179 187	1 198 573
<i>Single Margin Instrument Part 11(1)(b) from 2022</i>								
<i>adjustment of the payment ceiling (2018 prices)</i>		-3 718			1 239,3	1 239,3	1 239,3	0,0
<i>adjustment of the payment ceiling (current prices)</i>		-4 024			1 424,0	1 452,0	1 481,0	333,0

Adjusted payment ceiling as per Article 11(1)(b) (Tech. adjustment for 2024)									
2018 prices	154 067	153 850	152 682	149 936	151 175	151 175	151 175	1 064 058	
current prices	163 496	166 534	168 575	168 853	173 654	177 126	180 668	1 198 906	

The table below shows the details of the application of the maximum amounts for the annual adjustment in 2025-2027 in accordance with Article 11(3). The transfers made to 2025, 2026 and 2027 are in line with the maximum amounts set in that Article.

Adjustment cap (Article 11(3)) (EUR million)	2021	2022	2023	2024	2025	2026	2027
Single Margin Instrument Part 1(b) - Adjustment cap (2018 prices)					8 000	13 000	15 000
Payment ceiling adjustments 11(1)(b) to date (2018 prices)					1 239	1 239	1 239
Remaining under cap (2018 prices)					6 761	11 761	13 761
Remaining under cap (current prices)					7 766	13 779	16 445

3. SPECIAL INSTRUMENTS

Special instruments are available outside the expenditure ceilings of the 2021-2027 multiannual financial framework. These instruments aim to ensure rapid response to exceptional or unforeseen events, and to provide flexibility beyond the agreed expenditure ceilings within certain limits set in the MFF Regulation.

3.1. Thematic Special Instruments

3.1.1. European Globalisation Adjustment Fund

According to Article 8 of the MFF Regulation, the European Globalisation Adjustment Fund for Displaced Workers (EGF)¹⁵ can be mobilised up to a maximum of EUR 186 million per year in 2018 prices, or EUR 209,5 million in current prices for 2024¹⁶. Unused amounts of the previous year cannot be carried over.

The table below shows the details of the annual availability of the EGF and, for information, the mobilisation at 31 December 2022.

European Globalisation Adjustment Fund for Displaced Workers (EGF) - commitments								
	EUR million							
	2021	2022	2023	2024	2025	2026	2027	Total
Annual amounts in 2018 prices	186,0	186,0	186,0	186,0	186,0	186,0	186,0	1 302,0
Annual amounts in current prices	197,4	201,3	205,4	209,5	213,7	217,9	222,3	1 467,4
Annual mobilisation	24,0	28,0						52,1
Lapsed	173,4	173,3						346,6

3.1.2. Solidarity and Emergency Aid Reserve

According to Article 9 of the MFF Regulation, the Solidarity and Emergency Aid Reserve (SEAR) can be mobilised up to a maximum amount of EUR 1 200 million per

¹⁵ Regulation (EU) 2021/691 of the European Parliament and of the Council of 28 April 2021 on the European Globalisation Adjustment Fund for Displaced Workers (EGF) and repealing Regulation (EU) No 1309/2013, OJ L 153, 3.5.2021, p. 48.

¹⁶ In accordance with the MFF Regulation the conversion is based on the 2% fixed annual deflator. The result in current prices is expressed in millions and is rounded to three decimal digits. This is a horizontal approach applicable to all special instruments.

year in 2018 prices, or EUR 1 351,4 million at current prices for 2024. Any portion of the unused amount of the previous year can be carried over to the following year. The portion of the annual amount stemming from the previous year shall be drawn on first. Any portion of the annual amount from year n which is not used in year n+1 shall lapse.

The table below shows the details of the annual availability of the SEAR and, for information, the mobilisation at 31 December 2022.

Solidarity and Emergency Aid Reserve (SEAR) - commitments								
								EUR million
	2021	2022	2023	2024	2025	2026	2027	Total
Annual amounts in 2018 prices	1 200,0	1 200,0	1 200,0	1 200,0	1 200,0	1 200,0	1 200,0	8 400,0
Annual amounts in current prices	1 273,5	1 298,9	1 324,9	1 351,4	1 378,4	1 406,0	1 434,1	9 467,2
Carried-over from the previous year	48,0	40,8	-					
Frontloaded from the following year (EUSF)	-	-	-					
Annual mobilisation	1 280,7	1 339,7						2 620,4
Carried-over to the following year	40,8	-						
Lapsed	-	-						

3.1.3. Brexit Adjustment Reserve

In accordance with Article 10 of the MFF Regulation, the Brexit Adjustment Reserve can be mobilised subject to and in accordance with the conditions set out in the relevant instrument for a total amount of maximum EUR 5 000 million in 2018 prices or EUR 5 470,4 million in current prices over the period 2021-2025.

The profile for the annual amounts for the Brexit Adjustment Reserve is set out in the relevant basic act¹⁷. The table below shows the details of the annual allocation profile of the overall amount in commitment appropriations and, for information, the mobilisation at 31 December 2022¹⁸.

Brexit Adjustment Reserve - commitments								
								EUR million
	2021	2022	2023	2024	2025	2026	2027	Total
Annual amounts in 2018 prices	1 600,0	1 200,0	1 200,0		1 000,0			5 000,0
Annual amounts in current prices	1 697,9	1 298,9	1 324,9		1 148,7			5 470,4
Annual mobilisation	1 697,9	1 298,9						2 996,9

¹⁷ Regulation (EU) 2021/1755 of the European Parliament and of the Council of 6 October 2021 establishing the Brexit Adjustment Reserve, OJ L 357, 8.10.2021, p. 1.

¹⁸ Following the adoption of Regulation (EU) 2023/435 amending Regulation (EU) 2021/241 as regards REPowerEU chapters in recovery and resilience plans and amending Regulations (EU) 1303/2013, (EU) 2021/1060 and (EU) 2021/1755, and Directive 2003/87/EC (OJ L63, 28.02.2023, p. 1), Member States were allowed to voluntarily transfer all or part of their provisional allocation from the resources of the Brexit Adjustment Reserve to the Recovery and Resilience Facility. Based on the requests submitted by Member States, the total amount to be transferred from the Brexit Adjustment Reserve to the Recovery and Resilience Facility is EUR 2,1 billion.

3.2. Non-thematic Special Instruments

3.2.1. Single Margin Instrument

3.2.1.1. Amount of commitment appropriations available under the Single Margin Instrument part 11(1)(a)

In accordance with Article 4(1)(c) of the MFF Regulation, the Commission shall calculate and communicate, as part of the annual technical adjustment of the MFF, the amount available in commitment appropriations under the Single Margin Instrument (SMI) as referred to in point (a) of the first subparagraph of Article 11(1). This amount is calculated for the first time in this communication.

Article 11(1)(a) of the MFF Regulation provides that margins left available below the MFF ceilings for commitment appropriations of year n-1 will be made available over and above the MFF ceilings for commitment appropriations for the years 2022 to 2027.

In the final annual EU budget for 2022, the margin left available under the commitment ceiling amounts to EUR 705,4 million in current prices. The commitments on Special Instruments (including the mobilisation of the SMI parts 11(1)(a) and 11(1)(c)) are not taken into account as they are entered in the budget over and above the MFF ceilings in accordance with Article 2(2) of the MFF Regulation.

According to Article 4(2) of the MFF Regulation, the 2% annual fixed deflator shall be used for the calculation of the technical adjustment. The amount of the remaining margin from 2022 which shall be made available for 2023 corresponds to EUR 705,4 million in current prices in 2022 or EUR 719,5 million in current prices in 2023. In case it is not used in 2023, the SMI available in 2024 will therefore be equal to EUR 733,9 million (in current prices in 2024).

The table below shows the details of the calculation of the SMI originating from 2022.

SMI Art 11(1)(a) - originating in 2022		
		EUR million, current prices
(1)	Ceiling CA 2022 (at 31/12/2022)	179 765,000
(2)	Total authorised appropriations budget 2022	182 227,188
(3)= (4)+(5)+(6)+ +(7)+(8)+(9)	of which special instruments:	3 167,613
(4)	SEAR (European Union Solidarity Fund + Emergency Aid Reserve)	1 298,919
(5)	European Globalisation Adjustment Fund	201,332
(6)	Brexit Adjustment Reserve	1 298,919
(7)	Flexibility instrument	368,443
(8)	SMI 11(1)(c) mobilised in 2022 (<i>net of offsetting done in 2022</i>)	-
(9)	SMI 11(1)(a) mobilised in 2022	-
(10)= (1)-(2)+(3)	SMI 11(1)(a) 2022 (current prices)	705,426
(11)	SMI 11(1)(a) (2018 prices)	664,738
(12) = (10)*1,02	SMI 11(1)(a) available in 2023 (current prices)	719,534
(13)= (12)*1,02	SMI 11(1)(a) available in 2024 (current prices)	733,925

The table below shows the details of the availabilities and the use of the SMI since 2021:

EUR million	2021	2022	2023
Commitment margin available at year-end (confirmed by annual technical adjustment)	628,966	705,426	
Annual SMI art. 11(1)(a) available		641,545	1 373,910

<i>SMI art. 11(1)(a) from 2021</i>		641,545	<i>654,376</i>
<i>SMI art. 11(1)(a) from 2022</i>			<i>719,534</i>
Annual use of SMI art. 11(1)(a)		0,000	280,000
<i>SMI art. 11(1)(a) from 2021</i>		<i>0,000</i>	<i>280,000</i>
<i>SMI art. 11(1)(a) from 2022</i>			
Remaining SMI art. 11(1)(a) at year-end		641,545	1 093,910
<i>SMI art. 11(1)(a) from 2021</i>		<i>641,545</i>	<i>374,376</i>
<i>SMI art. 11(1)(a) from 2022</i>			<i>719,534</i>

3.2.1.2. Total maximum amounts in commitments and payments that may be mobilised under the Single Margin Instrument parts 11(1)(a) and 11(1)(c).

The total maximum amount referred to in point (a) of the first subparagraph of Article 11(2) is 0,04% of the EU GNI, that is equivalent to EUR 7 078,8 million in 2024.

The total maximum amount referred to in point (b) of the first subparagraph of Article 11(2) is 0,03% of the EU GNI, that is equivalent to EUR 5 309,1 million in 2024.

3.2.2. Flexibility Instrument

According to Article 12 of the MFF Regulation, the Flexibility Instrument can be mobilised up to a maximum annual amount of EUR 915 million in 2018 prices, or EUR 1 030,4 million in current prices for 2024. Any portion of the unused annual amounts of the previous two years may be carried over.

The table below details the annual availabilities of the Flexibility Instrument and, for information, the mobilisation commitment appropriations up to budget 2023 as adopted on 23 November 2022¹⁹.

Flexibility Instrument								
EUR million								
	2021	2022	2023	2024	2025	2026	2027	Total
Annual amounts in 2018 prices	915,0	915,0	915,0	915,0	915,0	915,0	915,0	6 405,0
Annual amounts in current prices	971,0	990,4	1 010,2	1 030,4	1 051,0	1 072,1	1 093,5	7 218,7
Carried-over from the previous year	-	208,6	830,6					
Annual mobilisation	762,4	368,4	1 235,7					2 366,6
Carried-over to the following year	208,6	830,6						
<i>Lapsed</i>	-	-						

The payment schedule of the mobilisations of the Flexibility Instrument up to the adopted budget 2023 as well as of outstanding amounts stemming from mobilisations under the 2014-2020 multiannual financial framework is detailed in the following table.

Flexibility Instrument - payment profile (current prices)								
EUR million								
<i>Mobilisation origin</i>	2021	2022	2023	2024	2025	2026	2027	Total
MFF 2014-2020	583,0	207,1	122,2	0,0	0,0	0,0	0,0	912,3
2021	703,5	40,9	10,3	7,6	0,0	0,0	0,0	762,4

¹⁹ OJ L 52, 23.2.2023, p. 1.

2022		219,2	62,7	49,8	36,7			368,4
2023			752,9	279,0	120,6	83,2		1 235,7
Total	1 286,6	467,2	948,1	336,4	157,3	83,2		3 278,9

4. SUMMARY TABLE AND CONCLUSIONS

The tables below summarise the changes to the ceilings for commitment and payment appropriations in the multiannual financial framework based on Articles 2(1), 5 and 11(1)(b) of the MFF Regulation in current and 2018 prices as included in this Communication:

EUR million, current prices	2021	2022	2023	2024	2025	2026	2027	2021-2027
1. Single Market, Innovation and Digital				614				614
2. Cohesion, Resilience and Values				922				922
2a. Economic, social and territorial cohesion								0
2b. Resilience and Values				922				922
3. Natural Resources and Environment								0
of which: Market related expenditure and direct payments				-1 046	-1 117	-1 222	-1 396	-4 781
4. Migration and Border Management				154				154
5. Security and Defence								0
6. Neighbourhood and the World								0
7. European Public Administration								0
of which: Administrative expenditure of the institutions								0
Total change in commitment appropriations	0	0	0	1 690	0	0	0	1 690
Total change in payment appropriations	0	-4 024	0	1 690	1 424	1 452	1 481	2 023

EUR million, 2018 prices	2021	2022	2023	2024	2025	2026	2027	2021-2027
1. Single Market, Innovation and Digital				545				545
2. Cohesion, Resilience and Values				819				819
2a. Economic, social and territorial cohesion								0
2b. Resilience and Values				819				819
3. Natural Resources and Environment								0
of which: Market related expenditure and direct payments				-929	-972	-1 043	-1 168	-4 112
4. Migration and Border Management				136				136
5. Security and Defence								0
6. Neighbourhood and the World								0
7. European Public Administration								0
of which: Administrative expenditure of the institutions								0
Total change in commitment appropriations	0	0	0	1 500	0	0	0	1 500
Total change in payment appropriations	0	-3 718	0	1 500	1 239	1 239	1 239	1 500