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'I' ITEM NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee
No. prev. doc.:	13257/25
Subject:	Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2021/1755 as regards the amounts allocated to the Member States under the Brexit Adjustment Reserve - Mandate for negotiations with the European Parliament

I. INTRODUCTION

1. On 24 September 2025, the Commission submitted to the Council and the European Parliament a proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2021/1755 as regards the amounts allocated to the Member States under the Brexit Adjustment Reserve (BAR)[1], which aims to reflect the reallocation of unused BAR funds to increase the Union's resilience and leadership in the most urgent priorities and needs, as agreed within the MFF mid-term review[2].

[1] 13257/25.

[2] Council Regulation (EU, Euratom) 2024/765 of 29 February 2024 amending Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027 (OJ L, 2024/765, 29.2.2024, ELI: http://data.europa.eu/eli/reg/2024/765/oj).

2. The draft Regulation is based on Article 175 of the Treaty on the Functioning of the European Union (TFEU).

3. The Committee of the Regions has been consulted by the Council to deliver its opinion.

4. The European Economic and Social Committee has been consulted by the Council to deliver its opinion.

5. In the European Parliament, the Committee on Regional Development (REGI) has the lead responsibility. MEP Pascal Arimont (EPP, BE) was appointed rapporteur.

II. STATE OF PLAY

6. The Working Party on Structural Measures and Outermost Regions discussed the proposal at its meeting on 16 October 2025. Delegations gave support to the proposal, including preference for a speedy adoption of the legal act.

7. The Working Party did not object to the Presidency's approach of proceeding to not modify the Commission's proposal, as set out in the Annex to this note.

III. CONCLUSIONS

8. The Permanent Representatives Committee is therefore invited to agree on a mandate with regard to the proposed Regulation, as set out in Annex to this note, and to invite the Presidency to conduct negotiations with the European Parliament on the basis of this mandate.

9. In accordance with the approach to legislative transparency endorsed by Coreper on 14 July 2023, and in full consistency with Regulation (EC) 1049/2001 and the Council's Rules of Procedure, the text of the mandate thus agreed will be made public unless the Permanent Representatives Committee objects.

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ANNEX

2025/0289 (COD)

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Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Regulation (EU) 2021/1755 as regards the amounts allocated to the Member States under the Brexit Adjustment Reserve

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 175 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[1],

Having regard to the opinion of the Committee of the Regions[2],

Acting in accordance with the ordinary legislative procedure,

[1] OJ C , , p. .
[2] OJ C , , p. .

Whereas:

(1) Since the adoption of Regulation (EU) 2021/1755 of the European Parliament and of the Council[3], unprecedented geopolitical events have occurred, triggered by Russia's war of aggression against Ukraine, the ensuing energy crisis and the related spike in inflation and interest rates. Those 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 established by Council Regulation (EU, Euratom) 2020/2093[4] had to be reinforced for the years 2024 to 2027 to provide for the funding that is the most essentially needed to respond to urgent and common challenges.

(2) Against that background, the Council adopted Regulation (EU, Euratom) 2024/765[5], which amended Regulation (EU, Euratom) 2020/2093 by reducing the maximum resources laid down in that Regulation for the Brexit Adjustment Reserve, making it possible to redeploy them for other purposes.

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3 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, ELI: http://data.europa.eu/eli/reg/2021/1755/oj).

4 Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027 (OJ L 433I, 22.12.2020, p. 11, ELI: http://data.europa.eu/eli/reg/2020/2093/oj).

5 Council Regulation (EU, Euratom) 2024/765 of 29 February 2024 amending Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027 (OJ L, 2024/765, 29.2.2024, ELI: http://data.europa.eu/eli/reg/2024/765/oj).

(3) The maximum resources of the Brexit Adjustment Reserve as provided for in Regulation (EU) 2021/1755 should therefore be reduced. To ensure effective use of the resources already paid to the Member States under the Brexit Adjustment Reserve and to avoid jeopardising the implementation in Member States of the Recovery and Resilience Facility established by Regulation (EU) 2021/241 of the European and of the Council[6], the reduction should not affect the resources already paid to Member States as pre-financing nor the resources which Member States requested to be transferred to their Recovery and Resilience Facility.

(4) The amount of EUR 584 264 090 that would be due to be paid in accordance with Article 12(3) of that Regulation in 2025, should therefore not be paid and should be deducted from the overall envelope of the reserve.

(5) Regulation (EU) 2021/1755 should therefore be amended accordingly,

HAVE ADOPTED THIS REGULATION:

Article 1

In Article 4 of Regulation (EU) 2021/1755, paragraph 3 is amended as follows:

1. in the first subparagraph, point (b) is replaced by the following:

‘(b) any remaining provisionally allocated amount shall be made available in 2025 in accordance with Article 12.’;

2. the following subparagraph is added:

‘By way of derogation from the first subparagraph, the amounts not transferred to the Recovery and Resilience Facility in accordance with Article 4a that would be due to be paid by the Commission in accordance with Article 12(3), shall not be paid and shall be deducted from the amount referred to in paragraph 2 of this Article.’.

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6 Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility (OJ L 57, 18.2.2021, p. 17, ELI: http://data.europa.eu/eli/reg/2021/241/oj).

Article 2

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament	*For the Council*
The President	*The President*

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