EUROPEAN
COMMISSION

Brussels, 7.6.2022
COM(2022) 266 final

COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

Technical adjustment of the multiannual financial framework for 2023 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 2023 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 2023 in accordance with Article 4 of the Council Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027[1] (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 forecasts[2], 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.

---

1 OJ L 433I , 22.12.2020, p. 11

2 European Commission, European Economic Forecast Spring 2022: European Economic Forecast. Spring 2022 | European Commission (europa.eu), (https://ec.europa.eu/info/publications/european-economic-forecast-spring-2022_en)

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 2023 is established at EUR 16 342 510 million in current prices.

2.1. Main results of the technical adjustment of the Multiannual Financial Framework for 2023

The overall MFF ceiling for commitment appropriations for 2023 stands at EUR 182 667 million in current prices, which equals 1,12% of GNI. The overall MFF ceiling for payment appropriations corresponds to EUR 168 575 million in current prices, equivalent to 1,03% 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 Instrument[4].

The resulting margin for 2023 between the MFF ceiling for payment appropriations and the own resources ceiling for payment appropriations stands at EUR 158 275 million, or 0,97% of GNI[5].

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***[6]	**2023**	**2024**	**2025**	**2026**	**2027**	**2021-2027**
MFF ceiling for payment appropriations	*1,18%*	*1,14%%*	1, 03%	0,99%	0,96%	0,94%	0,93%	1,02%
Margin beneath the 2,00% GNI own resources ceiling in application of Council Decision (EU, Euratom) 2020/2053	*0,02%*	*0,86%*	0, 97%	1,01%	1,04%	1,06%	1,07%	0,98%[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

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 2023 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 and 2022 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)) and 2022 (communicated to the European Parliament and the Council on 07.06.2021 (COM(2021)365 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 1,02% 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.

act establishing these transfers. The total amount of the ceiling for commitment appropriations for Heading 3 does not change.

The sub-ceiling of Heading 3 is adjusted for the third time[8] in the technical adjustment of the MFF for 2023.

The deadline for submitting transfer notifications by Member States to the Commission was 1 August 2021. The result was set out in Commission Delegated Regulations 2022/42[9] of 8 November 2021 and 2022/648 of 15 February 2022[10]. These transfers covered the reduction of payments and flexibility between pillars in accordance with Article 11(1), Article 11(6), fourth subparagraph, Article 14(1), seventh subparagraph, and Article 14(2), seventh subparagraph of Regulation (EU) No 1307/2013[11]. These amendments affect the application of Regulation (EU) 2021/2115[12] for the year 2023.

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.

---

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.

9 Commission Delegated Regulation (EU) 2022/42 of 8 November 2021 amending Annexes II and III to Regulation (EU) No 1307/2013 of the European Parliament and of the Council as regards the national and net ceilings for direct payments for certain Member States for calendar year 2022.

10 Commission Delegated Regulation (EU) 2022/648 of 15 February 2022 amending Annex XI to Regulation (EU) 2021/2115 of the European Parliament and of the Council as regards the amount of Union support for types of intervention for rural development for financial year 2023.

11 Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009 (OJ L 347, 20.12.2013, p. 608).
According to Article 11(1), Member States shall reduce the amount of direct payments by at least 5 % for the part of the amount exceeding EUR 150 000. In accordance with Article 11(6), Member States shall notify the Commission of their decisions on the reduction of payments for calendar year 2022 and of any estimated product of reduction by 1 August 2021. Article 14(1) provides that Member States can decide to make a certain share of their annual national ceilings for direct payments available as additional support under the EAFRD. Article 14(2) of Regulation (EU) No 1307/2013 provides that Member States can make available as direct payments a certain percentage of their EAFRD allocations.

12 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.

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

	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 (2022)	40 368,000	41 257,000	41 518,000	41 649,000	41 782,000	41 913,000	42 047,000	290 534,000
Net transfers to date	- 557,046	- 618,811						- 1 175,857
Net transfer in the current technical adjustment (2023)			-825,789					-825,789
Total net transfers (Pillar 1 to Pillar 2) compared to initial sub-ceiling	- 557,046	- 618,811	-825,789	0,000	0,000	0,000	0,000	-2 001,646
EAGF net balance after all transfers	40 367,954	40 638,189	40 692,211	41 649,000	41 782,000	41 913,000	42 047,000	289 089,354
H3 sub-ceiling after transfers	**40 368,000**	**40 639,000**	**40 693,000**	**41 649,000**	**41 782,000**	**41 913,000**	**42 047,000**	**289 091,000**
Rounding difference	*0,046*	*0,811*	*0,789*	*0,000*	*0,000*	*0,000*	*0,000*	*1,646*
Difference to original sub-ceiling after all transfers	***- 557,000***	***- 618,000***	***-825,000***	***0,000***	***0,000***	***0,000***	***0,000***	***-2 000,000***
	- 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 (2022)	38 040,000	38 115,000	37 604,000	36 983,000	36 373,000	35 772,000	35 183,000	258 070,000
Net transfers to date	- 524,375	- 571,595						- 1 095,970
Net transfer in the current technical adjustment (2023)			-747,811					-747,811
Total net transfers (Pillar 1 to Pillar 2) compared to initial sub-ceiling	- 524,375	- 571,595	-747,811	0,000	0,000	0,000	0,000	-1 843,781
EAGF net balance after all transfers	38 039,625	37 543,405	36 856,189	36 983,000	36 373,000	35 772,000	35 183,000	256 750,219
H3 sub-ceiling after transfers	**38 040,000**	**37 544,000**	**36 857,000**	**36 983,000**	**36 373,000**	**35 772,000**	**35 183,000**	**256 752,000**
Rounding difference	*0,375*	*0,595*	*0,811*	*0,000*	*0,000*	*0,000*	*0,000*	*1,781*
Difference to original sub-ceiling after all transfers	***- 524,000***	***- 571,000***	***-747,000***	***0,000***	***0,000***	***0,000***	***0,000***	***-1 842,000***

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 2023, 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 2021, the revenue from fines (and related interest) imposed under Council Regulations (EC) No 1/2003[13] and (EC) No 139/2004[14] and recorded as budgetary revenue up to the end of the year amounts to EUR 1 233 million[15] (EUR 1 117 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 2023 in 2018 prices.

The adjustment in current prices amounts to EUR 1 657 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 2023.

13 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.

14 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.

15 Based on the 2021 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.

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 euro[16].

COMMITMENT CEILING:	Current prices	2018 prices
1. Single Market, Innovation and Digital	**602 000 000**	**545 000 000**
Horizon Europe	451 500 000	408 750 000
InvestEU Fund	150 500 000	136 250 000
2b. Resilience and Values	**904 000 000**	**819 000 000**
EU4Health	437 302 384	395 912 558
Erasmus+	256 202 383	232 112 557
Creative Europe	90 317 140	81 824 931
Rights and Values	120 478 093	109 149 954
4. Migration and Border Management	**151 000 000**	**136 000 000**
Integrated Border Management Fund	151 000 000	136 000 000
Total commitment ceiling:	**1 657 000 000**	**1 500 000 000**
PAYMENT CEILING:	**1 657 000 000**	**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).

In accordance with Article 11(1)(b), this adjustment is carried out for the first time in 2022 for the technical adjustment of 2023.

The 2021 payment ceiling was EUR 166 140 million in current prices. The payments executed in 2021 amount to EUR 165 587 million. To this amount the carry-overs from 2021 to 2022 must be added (EUR 2 226 million) as they are considered as executed.

The payments and carry-overs related with the special instruments (EUR 4 316 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 163 496 million.

The remaining margin under the 2021 payment ceiling is EUR 2 644 million in current prices.

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

[16] 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.

Single Margin Instrument part 11(1)(b) (payments)		
million EUR		**2021**
(1)	PA ceiling (2018 prices) before SMI 11(1)(b)	156 557,0
(2)	PA ceiling (current prices) before SMI 11(1)(b)	166 140,0
(3)	**Mobilisation SMI Art 11(1)(c) in payments (+/-)**	**0,0**
(4) = (2) + (3)	**TOTAL CEILING TO COMPARE THE IMPLEMENTATION ON VOTED BUDGET**	**166 140,0**
(5)	**Executed payments on the voted budget**	**165 586,5**
(6)	*Executed payments on the voted budget for EGF*	*9,7*
(7)	*Executed payments on the voted budget for the SEAR - EUSF*	*791,4*
(8)	*Executed payments on the voted budget for the SEAR - EAR*	*455,5*
(9)	*Executed payments on the voted budget for Brexit Adjustment Reserve*	*407,2*
(10)	*Executed payments on the voted budget for Flexibility instrument*	*1 286,6*
***(11)** = (6) + (7) + (8) + + (9) + (10)*	***Executed payments on the voted budget for special instruments***	***2 950,4***
(12)	**Carry-overs from year n to year n+1**	**2 225,5**
(13)	*Carry-over from year n to year n+1 for the EGF*	*0,0*
(14)	*Carry-over from year n to year n+1 for the SEAR*	*74,5*
(15)	*Carry-over from year n to year n+1 for Brexit Adjustment Reserve*	*1 290,7*
***(16)** = (13) + (14) + (15)*	***Carry-over of special instruments***	***1 365,2***
(17)	**Lapsed carry-overs from year n-1 to year n**	**0,0**
(18)	*Lapsed carry-over from year n-1 to year n EGF*	*0,0*
(19)	*Lapsed carry-over from year n-1 to year n SEAR*	*0,0*
(20)	*Lapsed carry-over from year n-1 to year n for Brexit Adjustment Reserve*	*0,0*
(21) = (18) + (19) + (20)	***Lapsed carry-over of special instruments***	***0,0***
(22) = (5) + (12) - (17)	**TOTAL EXECUTED PAYMENTS n + CARRY-OVER n TO n+1 - LAPSED CARRY OVER n-1**	**167 812,0**
(23) = (11) + (16) - (21)	***Special instruments: total execution + carry-over - lapsed carry-over***	***4 315,6***
(24) = (4) - (22) + (23)	**Remaining margin**	**2 643,6**
(25) = (24) rounded to millions	**Single Margin Instrument part 11(1)(b) (current prices)**	**2 644,0**
(26) = (25) adjusted to 2018 prices using 2% deflator and rounded to millions	**Single Margin Instrument part 11(1)(b) (2018 prices)**	**2 492,0**

The amount of the SMI part 11(1)(b) in 2018 prices corresponds to EUR 2 492 million. Taking into account the provisions of Article 11(3), the payment ceiling in 2021 shall be decreased by this amount. The amount of the SMI part 11(1)(b) is transferred to the payment ceilings of the years 2022 (EUR 1 246 million) and 2023 (EUR 1 246 million). 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 2021 ceiling in current prices is therefore reduced by EUR 2 644 million and the ceiling in current prices is increased by EUR 1 349 million for 2022 and EUR 1 376 million for 2023. 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 1 196 916 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)	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**
Single Margin Instrument Part (1)(b) from 2021								
adjustment of the payment ceiling (2018 prices)	*-2 492*	*1 246*	*1 246*					*0*
adjustment of the payment ceiling (current prices)	*-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**

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)[17] can be mobilised up to a maximum of EUR 186 million per year in 2018 prices, or EUR 205,4 million in current prices for 2023[18]. Unused amounts of the previous year cannot be carried over.

The table below shows the details of the annual availability and mobilisation in 2021 of the EGF.

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							**24,0**
Lapsed	*173,4*							***173,4***

17 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.

18 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.

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 year in 2018 prices, or EUR 1 324,9 million at current prices for 2023. 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.

An amount of EUR 40 776 273, which remained unused at the end of 2021, was carried over from 2021 to 2022.

The table below shows the details of the annual availability and the mobilisation of the SEAR.

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 folowing year (EUSF)	-							
Annual mobilisation	1 280,7							**1 280,7**
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 act[19]. The table below shows the details of the annual allocation profile of the overall amount in commitment appropriations and the mobilisation in 2021:

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							**1 697,9**

[19] 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.

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 2021, the margin left available under the commitment ceiling amounts to EUR 629,0 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 2021 which shall be made available for 2022 corresponds to EUR 629,0 million in current prices in 2021 or EUR 641,5 million in current prices in 2022. In case it is not used in 2022, the SMI available in 2023 will therefore be equal to EUR 654,4 million (in current prices in 2023).

The table below shows the details of the calculation of the SMI originating from 2021.

	SMI Art 11(1)(a) - originating in 2021	
		EUR million, current prices
(1)	Ceiling CA 2021 (at 31/12/2021)	163 483,000
(2)	Total authorised appropriations budget 2021	166 833,206
(3)= (4)+(5)+(6)+ +(7)+(8)+(9)	*of which special instruments:*	*3 979,172*
(4)	*SEAR (European Union Solidarity Fund + Emergency Aid Reserve)*	1 321,432
(5)	*European Globalisation Adjustment Fund*	197,385
(6)	*Brexit Adjustment Reserve*	1 697,933
(7)	*Flexibility instrument*	762,423
(8)	*SMI 11(1)(c) mobilised in 2021 (net of offsetting done in 2021)*	-
(9)	*SMI 11(1)(a) mobilised in 2021*	n/a
(10)= (1)-(2)+(3)	**SMI 11(1)(a) 2021 (current prices)**	***628,966***
(11)	*SMI 11(1)(a) (2018 prices)*	*592,689*
(12) = (10)*1,02	**SMI 11(1)(a) available in 2022 (current prices)**	**641,545**
(13)= (12)*1,02	**SMI 11(1)(a) available in 2023 (current prices)**	**654,376**

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 6 537,0 million in 2023.

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 4 902,8 million in 2023.

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 1 010,2 million in current prices for 2023. Any portion of the unused annual amounts of the previous two years may be carried over.

The table below details the annual availabilities and mobilisation of the Flexibility Instrument in commitment appropriations up to the adopted budget 2022[20].

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						
Annual mobilisation	762,4	368,4						**1 130,9**
Carried-over to the following year	208,6							
Lapsed	-							

The payment schedule of the mobilisation of the Flexibility Instrument up to the adopted budget 2022 and 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
Mobilisation origin	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**
2022		219,2	62,7	49,8	36,7			**368,4**
Total	**1 286,6**	**467,2**	**195,2**	**57,4**	**36,7**	**0,0**	**0,0**	**2 043, 2**

[20] OJ L 45, 24.2.2022, p. 1.

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			**602**					**602**
2. Cohesion, Resilience and Values			**904**					**904**
2a. Economic, social and territorial cohesion								0
2b. Resilience and Values			904					904
3. Natural Resources and Environment								**0**
of which: Market related expenditure and direct payments			-825					-825
4. Migration and Border Management			**151**					**151**
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**	**1 657**	**0**	**0**	**0**	**0**	**1 657**
Total change in payment appropriations	**-2 644**	**1 349**	**3 033**	**0**	**0**	**0**	**0**	**1 738**

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			-747					-747
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**	**1 500**	**0**	**0**	**0**	**0**	**1 500**
Total change in payment appropriations	**-2 492**	**1 246**	**2 746**	**0**	**0**	**0**	**0**	**1 500**