



Brussels, 18.6.2024
C(2024) 4179 final

COMMISSION IMPLEMENTING DECISION

of 18.6.2024

on the financing of the legacy costs linked to the loans under the Union's exceptional macro-financial assistance provided to Ukraine in 2022 and the adoption of the first part of the annual work programme of pillar III under the Ukraine Facility for 2024

COMMISSION IMPLEMENTING DECISION

of 18.6.2024

on the financing of the legacy costs linked to the loans under the Union’s exceptional macro-financial assistance provided to Ukraine in 2022 and the adoption of the first part of the annual work programme of pillar III under the Ukraine Facility for 2024

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU, Euratom) 2018/1046¹ of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012, and in particular Articles 110 and 220 thereof,

Having regard to Regulation (EU) 2024/792² of the European Parliament and of the Council of 29 February 2024 establishing the Ukraine Facility, and in particular Articles 34 and 38 thereof,

Whereas:

- (1) In order to ensure the implementation of the financing of the legacy costs linked to the loans under the Union’s exceptional macro-financial assistance provided to Ukraine in 2022, as referred to in Article 34(6), points (b) and (c) of Regulation (EU) 2024/792 of the European Parliament and of the Council of 29 February 2024 establishing the Ukraine Facility (‘Ukraine Facility Regulation’), it is necessary to adopt an annual financing decision which constitutes the annual work programme of pillar III under the Ukraine Facility for 2024 – part I.
- (2) The envisaged assistance should comply with the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 TFEU³.
- (3) The objective pursued by the annual work programme of pillar III under the Ukraine Facility for 2024 – part I is to contribute to the macro-financial stability of Ukraine by granting an interest rate subsidy in respect of the loans under the Union’s exceptional macro-financial assistance provided to Ukraine in 2022, pursuant to Article 34(6), point (b) of the Ukraine Facility Regulation, as well as contributing to the provisioning paid into the common provisioning fund in relation to such loans, pursuant to Article 34(6), point (c) of the Ukraine Facility Regulation.

¹ OJ L 193, 30.7.2018, p.1, ELI: <http://data.europa.eu/eli/reg/2018/1046/oj>.

² OJ L, 29.2.2024, p.1, ELI: <http://data.europa.eu/eli/reg/2024/792/oj>.

³ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

- (4) As part of the response to Russia's ongoing unprovoked and unjustified war of aggression against Ukraine, the Union's exceptional macro-financial assistance of up to EUR 1 billion pursuant to Decision (EU) 2022/1201 of the European Parliament and of the Council⁴, provided swift and urgent support to the Ukrainian budget and was fully disbursed in two tranches in August 2022. Decision (EU) 2022/1628 of the European Parliament and of the Council⁵ constituted a further step in the Union's exceptional macro-financial assistance and disbursed additional loans on highly concessional terms of EUR 5 billion in three instalments between October and December 2022.
- (5) Decision (EU) 2022/1201 and Decision (EU) 2022/1628 establish that, by derogation from Article 220(5), point (e), of Regulation (EU, Euratom) 2018/1046, the Union may bear interest by granting an interest rate subsidy in respect of the loans under both Decisions. Ukraine may request the interest rate subsidy by the Union by the end of March of each year.
- (6) Pursuant to Article 11 of Decision (EU) 2022/1628, a provisioning rate of 70% applies for this exceptional macro-financial assistance, instead of the 9% set out in Article 31(5), third subparagraph, of Regulation (EU) 2021/947⁶. However, the level of provisioning paid into the common provisioning fund is to be kept at 9% of the outstanding liability, and it is to be replenished if drawn down, until the contributions in the form of guarantees by Member States referred to in Article 9 of the same Decision are fully drawn on.
- (7) For the years 2024-2027, support under pillar III of the Ukraine Facility should cover, among other things, the legacy costs linked to the loans under the Union's exceptional macro-financial assistance of 2022.
- (8) By official letter of 26 January 2024, Ukraine requested to receive an interest rate subsidy in respect of the loans under Decision (EU) 2022/1201 and Decision (EU) 2022/1628 for the year 2024. Consequently, it is appropriate to adopt a financing decision to enable the Commission to grant such subsidy for the interest rate charges due in the year 2024.
- (9) In addition, in order to contribute to the provisioning paid into the common provisioning fund in relation to the exceptional macro-financial assistance, pursuant to Article 34(6), point (c) of the Ukraine Facility Regulation, it is appropriate to provision the common provisioning fund with a contribution from the general budget of the Union in 2024.
- (10) In order to allow for flexibility in the implementation of the work programme, it is appropriate to determine the changes which should not be considered substantial for the purposes of Article 110(5) of the Financial Regulation.
- (11) Pursuant to Article 38(1) of the Ukraine Facility Regulation, the measures provided for in this decision do not fall within the categories of measures for which the prior opinion of the Ukraine Facility Committee is required.

⁴ OJ L 186, 13.7.2022, p. 1, ELI: <http://data.europa.eu/eli/dec/2022/1201/oj>.

⁵ OJ L 245, 22.9.2022, p. 1, ELI: <http://data.europa.eu/eli/dec/2022/1628/oj>.

⁶ OJ L 209, 14.6.2021, p.1, ELI: <http://data.europa.eu/eli/reg/2021/947/oj>.

HAS DECIDED AS FOLLOWS:

Article 1
The work programme

The annual financing decision, constituting the annual work programme of pillar III of the Ukraine Facility for 2024 – part I for the financing of the legacy costs linked to the loans under the Union’s exceptional macro-financial assistance provided to Ukraine in 2022, as set out in the annex, is adopted.

Article 2
Union contribution

The maximum Union contribution for the implementation of the work programme for 2024 is set at EUR 195 333 904,11, and shall be financed from the appropriations entered in budget line 16 06 03 02 of the general budget of the Union.

Article 3
Provisioning of budgetary guarantees

The maximum Union contribution for the provisioning of the common provisioning fund for 2024 in relation to the exceptional macro-financial assistance to Ukraine is set at EUR 32 533 128,00 and shall be financed from the appropriations entered in budget line 16 06 03 03 of the general budget of the Union.

Article 4
Flexibility clause

Cumulated changes to the allocations to specific actions not exceeding 20% of the maximum Union contribution set in Article 2 and Article 3 of this Decision shall not be considered to be substantial for the purposes of Article 110(5) of Regulation (EU, Euratom) 2018/1046, where those changes do not significantly affect the nature of the actions and the objective of the work programme. The increase of the maximum Union contribution set in Article 2 and Article 3 of this Decision shall not exceed 20%.

The authorising officer responsible may apply the changes referred to in the first paragraph. Those changes shall be applied in accordance with the principles of sound financial management and proportionality.

Done at Brussels, 18.6.2024

For the Commission
Olivér VÁRHELYI
Member of the Commission