











Procedure file

Basic information		
BUD - Budgetary procedure	2021/0022(BUD)	Awaiting budgetary conciliation convocation
Draft amending budget 1/2021: Brexit Adjustment Reserve		
Subject 8.70.51 2021 budget		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Budgets	 LARROUTUROU Pierre	25/01/2021
		Shadow rapporteur	
		 RESSLER Karlo	
		 TORVALDS Nils	
		 CORMAND David	
		 LAPORTE Hélène	
		 RZOŃCA Bogdan	
		 PAPADIMOULIS Dimitrios	
	Committee for opinion	Rapporteur for opinion	Appointed
	 Regional Development	The committee decided not to give an opinion.	
	 Fisheries	The committee decided not to give an opinion.	
Council of the European Union European Commission	Commission DG Budget	Commissioner HAHN Johannes	

Key events			
22/01/2021	Commission draft budget published	COM(2021)0030	Summary
19/07/2021	Council position on draft budget published	10945/2021	
31/08/2021	Vote in committee		
03/09/2021	Budgetary report tabled for plenary	A9-0263/2021	
13/09/2021	Committee referral announced in Parliament		

14/09/2021	Debate in Parliament		
15/09/2021	Decision by Parliament	T9-0370/2021	Summary

Technical information	
Procedure reference	2021/0022(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Budget
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Awaiting budgetary conciliation convocation
Committee dossier	BUDG/9/05191

Documentation gateway					
Commission draft budget		COM(2021)0030	22/01/2021	EC	Summary
Committee draft report		PE681.108	17/02/2021	EP	
Amendments tabled in committee		PE689.804	16/03/2021	EP	
Council position on draft budget		10945/2021	19/07/2021	CSL	
Budgetary report tabled for plenary, 1st reading		A9-0263/2021	03/09/2021	EP	
Budgetary text adopted by Parliament		T9-0370/2021	15/09/2021	EP	Summary

Draft amending budget 1/2021: Brexit Adjustment Reserve

PURPOSE: presentation of the Draft Amending Budget (DAB) No 1 to the 2021 budget in order to enter in the EU budget the budgetary impact of the Brexit adjustment reserve.

CONTENT: the [proposal for a Regulation](#) of the European Parliament and of the Council establishing the Brexit Adjustment Reserve (the Reserve) on 25 December 2020³ provides for the establishment of a Reserve within the thematic special instruments outside of the EU budget ceilings of the multiannual financial framework to counter unforeseen and adverse consequences in Member States and sectors that are worst affected by the adverse consequences of the withdrawal of the United Kingdom (UK) from the Union, mitigating thus its impact on the economic, social and territorial cohesion.

Following the adoption of the proposed Regulation, this DAB proposes to enter the budgetary impact of this reserve in the EU budget for 2021.

Amount to be entered in the 2021 budget

The purpose of Draft Amending Budget (DAB) No 1 for the year 2021 is to enter in the Union annual budget 2021 EUR 4 244 832 000 in current prices (EUR 4 000 000 000 in 2018 prices), both in commitment and in payment appropriations, to meet the pre-financing needs resulting from the implementation of the Brexit Adjustment Reserve in 2021.

The maximum resources for the implementation of the Reserve amount to EUR 5 000 000 000 in 2018 prices (EUR 5 370 994 000 in current prices)

Implementation

Upon adoption of the Regulation, the support should be disbursed in two allocation rounds:

- the first round (covered by this DAB) should be paid in 2021 in the form of pre-financing whereby an amount per Member State has been set based on an allocation key taking into account the relative degree of economic integration with the UK, including trade in goods and services, and the negative implications on the EU fisheries sector;

- the second round should be activated in 2024 following the clearance of the pre-financing and calculation of the additional amounts due to Member States from the Reserve, where eligible. The corresponding appropriations should be added to the Reserve in the context of the 2024 draft budget.

Funding

The Brexit adjustment reserve is one of the special thematic instruments foreseen in the MFF regulation for 2021-2027. The corresponding appropriations are therefore entered in the budget over and above the expenditure ceilings of the MFF 2021-2027.

Draft amending budget 1/2021: Brexit Adjustment Reserve

The European Parliament adopted by 645 votes to 14, with 36 abstentions, a resolution approving the Council position on draft amending budget No 1 to the general budget 2021 concerning the Brexit adjustment reserve.

The purpose of Draft amending budget No 1/2021 is to enter in the Union annual budget for 2021 EUR 4 244 832 000 in current prices (EUR 4 000 000 000 in 2018 prices), both in commitment and in payment appropriations, to meet the pre-financing needs resulting from the implementation of the Reserve in 2021.

The maximum resources for the implementation of the Reserve amount to EUR 5 000 000 000 in 2018 prices (EUR 5 370 994 000 in current prices).

Parliament underlined that the reserve is one of the thematic special instruments provided for in the Multiannual Financial Framework (MFF) regulation and that the related appropriations are therefore budgeted over and above the expenditure ceilings of the MFF (2021-2027).