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PROPOSAL

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	1 April 2026
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2026) 153 final
Subject:	Proposal for a DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Decision (EU) 2015/1814 as regards ceasing the invalidation of allowances in the market stability reserve

Delegations will find attached document COM(2026) 153 final.

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COM(2026) 153 final

2026/0085 (COD)

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Decision (EU) 2015/1814 as regards ceasing the invalidation of allowances in the market stability reserve

(Text with EEA relevance)

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

Directive (EU) 2018/410[1] amended Decision (EU) 2015/1814[2] concerning the operation of the market stability reserve (MSR) for the Union greenhouse gas emission trading system (EU ETS). The purpose was improving the effectiveness and stability of the EU ETS in the long term, including by invalidating from 2023 onwards allowances, in the reserve above a threshold equal to the total number of allowances auctioned during the previous year. This threshold was changed by Directive (EU) 2023/959[3] from a dynamic threshold to a fixed threshold of 400 million allowances from 2024, to ensure that the level of allowances in the reserve is predictable.

Decision (EU) 2015/1814 tasks the Commission with continuously monitoring the functioning of the reserve and reviewing the reserve on the basis of an analysis of the market for EU ETS allowances, and where appropriate making a legislative proposal. This proposal addresses a specific conclusion from this review. Since the provision for the invalidation of allowances in the reserve entered into force, a total of 3.2 billion allowances have been invalidated and the balance between supply and demand has been restored to the EU ETS. Allowing a greater number of allowances to remain in the MSR rather than invalidating them could provide an essential liquidity buffer to manage future market tightness after the mid-2030s and beyond. For this reason, allowances in the reserve should no longer be invalidated to allow a larger number of allowances to remain in the reserve. This will increase the firepower of the MSR for possible future releases in the next decade to balance the market. This targeted amendment contributes to safeguarding the orderly, smooth and efficient operation of the EU ETS framework. The upcoming review of the MSR will, based on an in-depth forward looking analysis, assess the appropriateness of the parameters used to determine whether intakes or releases take place and propose changes where necessary to enable the MSR to continue to effectively address both surplus and scarcity situations, to achieve EU climate targets.

• Consistency with existing policy provisions in the policy area

The MSR is a tool to promote the stability of the market for EU ETS emission allowances. The MSR ensures that the EU ETS is consistent with other policy areas. For instance, if other policies are successful then a surplus of allowances is created which the MSR absorbs. By contrast, if other policies are not successful and emissions remain high, the MSR supports the carbon market by releasing extra allowances. This proposal makes a targeted change to one parameter of the MSR without affecting its overall design and without directly affecting other Union policies.

• Consistency with other Union policies

Consistency with other EU policies is ensured through the consistency of the legislative framework in place for meeting the 2030 climate and energy targets. This is assessed in the

[1] OJ L 76, 19.3.2018, p. 3.
[2] OJ L 264, 9.10.2015, p. 1.
[3] OJ L 130, 16.5.2023, p. 134.

impact assessment accompanying Directive (EU) 2023/959 which amended Decision (EU) 2015/1814 with the remainder of the 'Fit for 55' package.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

• Legal basis

The legal basis for the proposal is Article 192 (1) of the Treaty on the Functioning of the European Union (TFEU). In accordance with Articles 191 and 192(1) TFEU, the European Union is required to contribute to the pursuit of several objectives. These include preserving, protecting and improving the quality of the environment and promoting measures at international level to deal with regional or worldwide environmental problems, in particular combating climate change. The EU ETS contributes to combating climate change, while the MSR plays an important role in the operation of the EU ETS as a tool for stability of the market for allowances established by Directive 2003/87/EC.

• Subsidiarity (for non-exclusive competence)

Climate change is a trans-boundary problem, where coordinated EU action supplements and reinforces national and local action more effectively than uncoordinated action. Coordination at EU level makes climate action more effective.

The objectives of the EU ETS, which operates as an EU-wide system in a fully harmonised manner, cannot be sufficiently achieved by Member States acting alone. Due to the scale and effects of the system, these objectives can best be achieved at EU level. Similarly, as the MSR is a tool to ensure the stability of the market for EU ETS allowances established by Directive 2003/87/EC, its objective cannot be sufficiently achieved by uncoordinated action by Member States. Decision (EU) 2015/1814 is an existing EU measure in the area of combating climate change. In accordance with the principle of subsidiarity set out in Article 5 of the TFEU, amending it, as this proposal does, cannot be achieved at national or local level but requires action at EU level.

• Proportionality

The proposal complies with the proportionality principle because it does not go beyond what is necessary to achieve the EU's greenhouse gas emission reduction target for 2030 in a cost-effective manner while ensuring the proper functioning of the market in EU ETS emission allowances established by Directive 2003/87/EC.

• Choice of instrument

A decision is the appropriate instrument for the targeted amendment to the decision that established the MSR.

3. RESULTS OF EX POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

• *Ex post* evaluations/fitness checks of existing legislation

The proposal considers the experience gained from operating the MSR and the invalidation of allowances held in the MSR above a certain level since 2023. The MSR functioning overall, through the intake and invalidation mechanism, has successfully fulfilled its purpose of eliminating the historical surplus of allowances that accumulated from the 2008 economic crisis and the direct use of international credits in the EU ETS, thereby restoring confidence in the system and supporting a robust carbon price signal.

From the time the MSR started operating in 2019, its total operational intake until the end of 2024 was 2.7 billion allowances, well exceeding – together with the 900 million allowances from backloading in 2014 to 2016 which were placed in the reserve – the historical surplus.[4] Of those MSR holdings, 3.2 billion allowances have been invalidated by the end of 2024.

The MSR successfully achieved its specific objective of reducing the historical surplus in the allowance market. The review has concluded that, in the next decade, the reserve should have larger holdings than the current 400million limit, to allow for releases to balance the market. Therefore, the invalidation of allowances held in the reserve should be stopped to allow for a larger number of allowances to remain in the reserve.

- **Stakeholder consultations**

The proposal builds on the stakeholder consultation from the 2021 review of the EU ETS and MSR and on the stakeholder consultation for the upcoming 2026 review of the EU ETS and MSR. When asked about potential future changes to the MSR, the change most frequently considered important in the public consultation was adjusting the invalidation rule for holdings in the reserve to raise it above 400 million allowances. This position was explained by the fact that the MSR has been effective in addressing the market surplus and by the need to ensure market liquidity and for stronger intervention to prevent price volatility going forward.

The proposal further builds on feedback from Member States and regular discussions with national competent authorities and stakeholders on various issues concerning the implementation of the EU ETS with a view to improving its functioning and effectiveness.

- **Collection and use of expertise**

Based on these circumstances and the timeline, the Commission collected feedback from Member States and stakeholders on the best measures for achieving the proposal's objectives of improving the functioning of the market for EU ETS emission allowances.

- **Impact assessment**

A separate impact assessment has not been conducted for this proposal, as it has benefited from the work undertaken for the impact assessment of the EU ETS and the MSR for the overall revision proposal planned for adoption by the Commission in July 2026. In addition, the Commission is tasked under Decision (EU) 2015/1814 with continuously monitoring the functioning of the reserve and, if necessary, proposing reviews to improve the effectiveness, administration and practical application on the basis of this monitoring. Moreover, several elements in the impact assessment accompanying Directive (EU) 2023/959, which amended the MSR, contribute to the assessment of the targeted change to the MSR in this proposal.

The specific objective of the invalidation mechanism was to help reduce the historical surplus in the allowance market in a predictable way, contributing to the overall objective of the MSR of ensuring long-term market stability and resilience. However, the indefinite nature of the current invalidation threshold may not align optimally with evolving market needs and the reducing cap. Ceasing invalidations allows for a larger pool of allowances in the reserve,

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[4] In 2012, there was an excess historical surplus of 917 million European Union allowances (EUAs). Considering the starting volume of the total number of allowances in circulation ('TNAC') was 1 750 million EUA in 2012, everything above the MSR upper threshold of 833 million EUA can be assessed as being excess historical surplus.

thereby providing a liquidity buffer for managing future market tightness from the mid-2030s and beyond. The analysis carried out in the context of the ETS review planned for adoption by the Commission in July 2026 indicated a need for a fast-tracked proposal to stop invalidating allowances held in the reserve as soon as possible to allow a larger number of allowances to remain in the reserve.

In the evolving market context, with the reduction of the historical surplus and forecasted market tightness, continued invalidation is forecast to reduce the cumulative allowance supply in the market that will be available over the next decades in the EU ETS, increasing overall scarcity in the market and leading to higher prices both today and in the future. This will in turn affect the overall objective of the MSR of ensuring market stability and resilience in the long term.

This proposal therefore provides for a targeted amendment to the MSR to discontinue invalidation, without changing the overall design of the MSR. The purpose is to improve its ability to ensure future market stability and resilience based on up-to-date information by allowing a greater number of allowances to remain in the reserve as a liquidity and stability buffer.

- **Fundamental rights**

The proposal respects fundamental rights and observes the principles outlined in the Charter of Fundamental Rights of the European Union[5]. It contributes to the objective of a high level of environmental protection in accordance with the principle of sustainable development laid down in Article 37 of the Charter.

4. BUDGETARY IMPLICATIONS

The ETS generates significant revenue for Member States' budgets and the proposal may indirectly affect national budgets primarily because of this link. The proposal contributes to improving long-term price predictability for Member States by reducing price volatility.

The implementation of this proposal will not require an increase in the Commission's budgetary capacity, as set out in the attached legislative financial and digital statement.

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

The proposal makes a targeted amendment to the provision in the MSR which invalidates allowances held in the reserve above a certain level. The proposal builds on the conclusions of the impact assessment for the 2021 EU ETS and MSR review. It also takes into account feedback from a majority of Member States and from other stakeholders in the context of the 2026 ETS and MSR review as well as in-depth economic analysis carried out as part of that review.

- **Detailed explanation of the specific provisions of the proposal**

The proposal sets an end date for the provision in the MSR Decision which invalidates EU ETS allowances above a level of 400 million.

[5] OJ C 326, 26.10.2012, p. 391.

Since the start of application of Article 1(5a) of the MSR Decision in 2023, which provides for invalidating allowances held in the reserve above a certain level, a total of 3.2 billion allowances have been invalidated and the balance between supply and demand has been restored to the EU ETS. Therefore, the invalidation provision has served its purpose. It should cease to apply from the date of entry into force of this amendment. The earlier the proposal is adopted, the more allowances could be prevented from being invalidated and could be held in the MSR.

2026/0085 (COD)

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Decision (EU) 2015/1814 as regards ceasing the invalidation of allowances in the market stability reserve

(Text with EEA relevance)

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 192(1) 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,

Whereas:

(1) The Paris Agreement adopted under the United Nations Framework Convention on Climate Change, approved on behalf of the European Union by Council Decision (EU) 2016/1841[3], (the 'Paris Agreement') entered into force in November 2016. The Parties to the Paris Agreement have agreed to hold the increase in the global average temperature to well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1,5 °C above pre-industrial levels.

(2) Decision (EU) 2015/1814 of the European Parliament and of the Council[4] established a market stability reserve in order to address the risk of supply and demand imbalances in the European carbon market and to improve its resilience to shocks.

(3) An analysis of the orderly functioning of the European carbon market and the market stability reserve carried out in accordance with Article 3 of Decision (EU) 2015/1814 indicates that, in order to increase long-term market predictability, allowances held in the reserve above 400 million allowances should no longer be considered invalid.

(4) Decision (EU) 2015/1814 should therefore be amended accordingly,

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1 OJ C , , p. .

2 OJ C , , p. .

3 Council Decision (EU) 2016/1841 of 5 October 2016 on the conclusion, on behalf of the European Union, of the Paris Agreement adopted under the United Nations Framework Convention on Climate Change (OJ L 282, 19.10.2016, p. 1, ELI: http://data.europa.eu/eli/dec/2016/1841/oj).

4 Decision (EU) 2015/1814 of the European Parliament and of the Council of 6 October 2015 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme and amending Directive 2003/87/EC (OJ L 264, 9.10.2015, p. 1, ELI: http://data.europa.eu/eli/dec/2015/1814/oj).

HAVE ADOPTED THIS DECISION:

Article 1

In Article 5 of Decision (EU) 2015/1814, the following paragraph is added:

“Article 1(5a) shall cease to apply from [insert date of entry into force of this act].”

Article 2

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

Done at Brussels,

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

LEGISLATIVE FINANCIAL AND DIGITAL STATEMENT

Contents

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

Proposal for a Commission Decision of the European Parliament and of the Council amending Decision (EU) 2015/1814 as regards ceasing the invalidation of allowances in the market stability reserve.

1.2. Policy area(s) concerned

Climate action Heading 3 – Natural resources and environment Title 9 – Environment and climate action

1.3. Objective(s)

1.3.1. General objective(s)

The proposal aims to enhance the effectiveness of the market stability reserve in relation to the balance of supply and demand.

1.3.2. Specific objective(s)

The proposal provides for targeted amendments to the parameters of the market stability reserve.

1.3.3. Expected result(s) and impact

Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.

The proposal is expected to improve the EU ETS market liquidity, stability and predictability.

1.3.4. Indicators of performance

Specify the indicators for monitoring progress and achievements.

The reserve addresses the structural balance of supply and demand for allowances in the market.

1.4. The proposal/initiative relates to:

☐ a new action

☐ a new action following a pilot project / preparatory action[10]

✓the extension of an existing action

☐ a merger or redirection of one or more actions towards another/a new action

1.5. Grounds for the proposal/initiative

1.5.1. Requirement(s) to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative

The targeted amendment to the parameters of the market stability reserve.

1.5.2. Added value of EU involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes

[10] As referred to in Article 58(2), point (a) or (b) of the Financial Regulation.

of this section 'added value of EU involvement' is the value resulting from EU action, that is additional to the value that would have been otherwise created by Member States alone.

The EU emissions trading system is an EU-wide instrument.

1.5.3. *Lessons learned from similar experiences in the past*

Given the emission reduction target for 2030 and the climate neutrality objective for 2050, stronger EU action is needed, including by ensuring a more effective, well-functioning and resilient carbon market.

1.5.4. *Compatibility with the multiannual financial framework and possible synergies with other appropriate instruments*

The proposal complements the existing policy framework.

It is compatible with the 2021-2027 multiannual financial framework.

1.5.5. *Assessment of the different available financing options, including scope for redeployment*

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1.6. Duration of the proposal/initiative and of its financial impact

☐ **limited duration**

– ☐ in effect from [DD/MM]YYYY to [DD/MM]YYYY

– ☐ financial impact from YYYY to YYYY for commitment appropriations and from YYYY to YYYY for payment appropriations.

✓**unlimited duration**

– Implementation with a start-up period from YYYY to YYYY,

– followed by full-scale operation.

1.7. Method(s) of budget implementation planned

✓**Direct management** by the Commission

– ✓ by its departments, including by its staff in the Union delegations;

– ☐ by the executive agencies

☐ **Shared management** with the Member States

☐ **Indirect management** by entrusting budget implementation tasks to:

– ☐ third countries or the bodies they have designated

– ☐ international organisations and their agencies (to be specified)

– ☐ the European Investment Bank and the European Investment Fund

– ☐ bodies referred to in Articles 70 and 71 of the Financial Regulation

– ☐ public law bodies

– ☐ bodies governed by private law with a public service mission to the extent that they are provided with adequate financial guarantees

– ☐ bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that are provided with adequate financial guarantees

– ☐ bodies or persons entrusted with the implementation of specific actions in the common foreign and security policy pursuant to Title V of the Treaty on European Union, and identified in the relevant basic act

– ☐·bodies established in a Member State, governed by the private law of a Member State or Union law and eligible to be entrusted, in accordance with sector-specific rules, with the implementation of Union funds or budgetary guarantees, to the extent that such bodies are controlled by public law bodies or by bodies governed by private law with a public service mission, and are provided with adequate financial guarantees in the form of joint and several liability by the controlling bodies or equivalent financial guarantees and which may be, for each action, limited to the maximum amount of the Union support.

Comments

The current team will continue managing the initiative. No additional staff are required.

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

The proposal builds on the European Climate Law, including the same assessments carried by the Commission (as is already the case). The European Climate Law builds on the robust transparency framework for greenhouse gas emissions and other climate information set out in the Regulation on the Governance of the Energy Union and Climate Action, rather than creating additional reporting streams by Member States.

2.2. Management and control system(s)

2.2.1. Justification of the budget implementation method(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed

Not applicable. The proposal does not implement a financial programme but designs a long-term policy. Management mode, funding implementation mechanisms, payment arrangements modalities and control strategies in relation to error rates are not applicable.

2.2.2. Information concerning the risks identified and the internal control system(s) set up to mitigate them

Under the ETS Directive, the Commission carries out regular assessment of progress with possible recommendations and additional measures.

2.2.3. Estimation and justification of the cost-effectiveness of the controls (ratio between the control costs and the value of the related funds managed), and assessment of the expected levels of risk of error (at payment & at closure)

This initiative does not bring about new significant controls/risks that would not be covered be an existing internal control framework. No specific measures beyond the application of the Financial Regulation have been envisaged.

2.3. Measures to prevent fraud and irregularities

No specific measures beyond the application of the Financial Regulation have been envisaged.

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing budget lines

<u>In order</u> of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number	Diff./Non-diff.[11]	from EFTA countries[12]	from candidate countries and potential candidates[13]	From other third countries	other assigned revenue
3	09.02.03.00	Diff.	YES	YES	NO	YES
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO

- New budget lines requested

<u>In order</u> of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number	Diff./Non-diff.	from EFTA countries	from candidate countries and potential candidates	from other third countries	other assigned revenue
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO

[11] Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.
[12] EFTA: European Free Trade Association.
[13] Candidate countries and, where applicable, potential candidates from the Western Balkans.

3.2. Estimated financial impact of the proposal on appropriations

3.2.1. Summary of estimated impact on operational appropriations

– ✓ The proposal/initiative does not require the use of operational appropriations

– ☐ The proposal/initiative requires the use of operational appropriations, as explained below

3.2.1.1. Appropriations from voted budget

EUR million (to three decimal places)

Heading of multiannual financial framework	Number	

DG: <…….>			Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
Operational appropriations							
Budget line	Commitments	(1a)					0.000
	Payments	(2a)					0.000
Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes							
Budget line		(3)					0.000
TOTAL appropriations for DG <…….>	Commitments	=1a+1b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=2a+2b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=2a+2b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

			Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**

	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations under HEADING <….> of the multiannual financial framework	Commitments	=4+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=5+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

3.2.2. *Estimated output funded from operational appropriations (not to be completed for decentralised agencies)*

Commitment appropriations in EUR million (to three decimal places)

Indicate objectives and outputs ⇩			Year **2024**		Year **2025**		Year **2026**		Year **2027**		Enter as many years as necessary to show the duration of the impact (see Section1.6)						**TOTAL**	
	OUTPUTS																	
	Type[14]	Average cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	Total No	Total cost
SPECIFIC OBJECTIVE No 1[15]…																		
- Output																		
- Output																		
- Output																		
Subtotal for specific objective No 1																		
SPECIFIC OBJECTIVE No 2 ...																		

14 Outputs are products and services to be supplied (e.g. number of student exchanges financed, number of km of roads built, etc.).

15 As described in Section 1.3.2. 'Specific objective(s)'

- Output																		
Subtotal for specific objective No 2																		
TOTALS																		

3.2.3. *Summary of estimated impact on administrative appropriations*

– ✓ The proposal/initiative does not require the use of appropriations of an administrative nature

– ☐ The proposal/initiative requires the use of appropriations of an administrative nature, as explained below

3.2.3.1. Appropriations from voted budget

VOTED APPROPRIATIONS	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL 2021 - 2027
HEADING 7					
Human resources	0.000	0.000	0.000	0.000	**0.000**
Other administrative expenditure	0.000	0.000	0.000	0.000	**0.000**
Subtotal HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Outside HEADING 7					
Human resources	0.000	0.000	0.000	0.000	**0.000**
Other expenditure of an administrative nature	0.000	0.000	0.000	0.000	**0.000**
Subtotal outside HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
TOTAL	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

3.2.4. *Estimated requirements of human resources*

– ✓ The proposal/initiative does not require the use of human resources

– ☐ The proposal/initiative requires the use of human resources, as explained below

3.2.4.1. Financed from voted budget

Estimate to be expressed in full-time equivalent units (FTEs)

VOTED APPROPRIATIONS		Year 2024	Year 2025	Year 2026	Year 2027
• Establishment plan posts (officials and temporary staff)					
20 01 02 01 (Headquarters and Commission's Representation Offices)		0	0	0	0
20 01 02 03 (EU Delegations)		0	0	0	0
01 01 01 01 (Indirect research)		0	0	0	0
01 01 01 11 (Direct research)		0	0	0	0
Other budget lines (specify)		0	0	0	0
• External staff (inFTEs)					
20 02 01 (AC, END from the 'global envelope')		0	0	0	0
20 02 03 (AC, AL, END and JPD in the EU Delegations)		0	0	0	0
Admin. Support line [XX.01.YY.YY]	- at Headquarters	0	0	0	0
	- in EU Delegations	0	0	0	0
01 01 01 02 (AC, END - Indirect research)		0	0	0	0
01 01 01 12 (AC, END - Direct research)		0	0	0	0
Other budget lines (specify) - Heading 7		0	0	0	0

Other budget lines (specify) - Outside Heading 7	0	0	0	0
TOTAL	**0**	**0**	**0**	**0**

3.2.5. *Overview of estimated impact on digital technology-related investments*

Compulsory: the best estimate of the digital technology-related investments entailed by the proposal/initiative should be included in the table below.

Exceptionally, when required for the implementation of the proposal/initiative, the appropriations under Heading 7 should be presented in the designated line.

The appropriations under Headings 1-6 should be reflected as "Policy IT expenditure on operational programmes". This expenditure refers to the operational budget to be used to re-use/ buy/ develop IT platforms/ tools directly linked to the implementation of the initiative and their associated investments (e.g. licences, studies, data storage etc). The information provided in this table should be consistent with details presented under Section 4 "Digital dimensions".

TOTAL Digital and IT appropriations	Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021 - 2027**
HEADING 7					
IT expenditure (corporate)	0.000	0.000	0.000	0.000	**0.000**
Subtotal HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Outside HEADING 7					
Policy IT expenditure on operational programmes	0.000	0.000	0.000	0.000	**0.000**
Subtotal outside HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
TOTAL	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

3.2.6. *Compatibility with the current multiannual financial framework*

The proposal/initiative:

– ✓ can be fully financed through redeployment within the relevant heading of the multiannual financial framework (MFF)

No additional resources required. The current team will continue managing the initiative.

– ☐ requires use of the unallocated margin under the relevant heading of the MFF and/or use of the special instruments as defined in the MFF Regulation

– ☐ requires a revision of the MFF

3.2.7. *Third-party contributions*

The proposal/initiative:

– ✓ does not provide for co-financing by third parties

– ☐ provides for the co-financing by third parties estimated below:

Appropriations in EUR million (to three decimal places)

	Year **2024**	Year **2025**	Year **2026**	Year **2027**	Total
Specify the co-financing body					
TOTAL appropriations co-financed					

3.3. Estimated impact on revenue

– ✓ The proposal/initiative has no financial impact on revenue.

– ☐ The proposal/initiative has the following financial impact:

  – ☐ on own resources

  – ☐ on other revenue

  – ☐ please indicate, if the revenue is assigned to expenditure lines

EUR million (to three decimal places)

Budget revenue line:	Appropriations available for the current financial year	Impact of the proposal/initiative[16]			
		Year **2024**	Year **2025**	Year **2026**	Year **2027**
Article ………….					

4. DIGITAL DIMENSIONS

4.1. Requirements of digital relevance

No requirements of digital relevance.

4.2. Data

No requirements of digital relevance identified.

4.3. Digital solutions

No requirements of digital relevance identified.

4.4. Interoperability assessment

No requirements of digital relevance identified.

4.5. Measures to support digital implementation

No requirements of digital relevance identified.

[16] As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 20% for collection costs.