



2024/2761

28.10.2024

COUNCIL IMPLEMENTING REGULATION (EU) 2024/2761

of 24 October 2024

implementing Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 215 thereof,

Having regard to Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine ⁽¹⁾, and in particular Article 5a(14) thereof,

Having regard to the joint proposal from the High Representative of the Union for Foreign Affairs and Security Policy and the European Commission,

Whereas:

- (1) On 31 July 2014, the Council adopted Regulation (EU) No 833/2014.
- (2) Regulation (EU) No 833/2014 gives effect to certain measures provided for in Council Decision 2014/512/CFSP ⁽²⁾.
- (3) On 21 May 2024, the Council adopted Regulation (EU) 2024/1469 ⁽³⁾. Regulation (EU) 2024/1469 amended Regulation (EU) No 833/2014 and established a financial contribution due to the Union by central securities depositories that hold reserves and assets of the Central Bank of Russia with a total value of more than EUR 1 million, equivalent to 99,7 % of net profits ensuing from the unexpected and extraordinary revenues accruing to those depositories since 15 February 2024 as a result of the implementation of restrictive measures, in particular the prohibition laid down in Article 1a(4) of Decision 2014/512/CFSP and Article 5a(4) of Regulation (EU) No 833/2014. Regulation (EU) 2024/1469 introduced Annex XLI to Regulation (EU) No 833/2014 in order to set out the allocation of the financial contributions payable to different spending instruments or Union programmes under the Union budget.
- (4) On 24 October 2024, the Council adopted Implementing Decision (CFSP) 2024/2760 ⁽⁴⁾ amending the allocation of the financial contribution paid to the Union in accordance with Article 1a(11) of Decision 2014/512/CFSP.
- (5) Russia's war of aggression against Ukraine has caused tremendous damage in Ukraine, with estimated recovery and reconstruction costs of EUR 452,8 billion as of 31 December 2023. Moreover, Ukraine has lost access to international financial markets and experienced a significant drop in public revenue, while public expenditure has increased substantially. Against that background, substantive funding needs for the coming years can be foreseen.
- (6) On 30 March 2023, the International Monetary Fund (IMF) agreed with Ukraine a USD 15,6 billion four-year programme under the Extended Fund Facility to sustain economic and financial stability at a time of exceptionally high uncertainty, restore debt sustainability, and promote reforms that support Ukraine's recovery in the post-war period. The baseline total financing gap over the IMF programme period is estimated by the IMF at USD 121,9 billion.
- (7) Given the continued intensity of the war, and the damage to Ukraine's critical civilian infrastructure from increased large-scale attacks by Russia, Ukraine needs to mobilise significant additional resources for its budgetary and long-term recovery and reconstruction priorities. Given that a residual financing gap remains over and above the resources already provided by the Union, other donors and international financial institutions, including the IMF, the Union should continue to provide an appropriate response.

⁽¹⁾ OJ L 229, 31.7.2014, p. 1

⁽²⁾ Council Decision 2014/512/CFSP of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (OJ L 229, 31.7.2014, p. 13).

⁽³⁾ Council Regulation (EU) 2024/1469 of 21 May 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (OJ L, 2024/1469, 22.5.2024, ELI: <http://data.europa.eu/eli/reg/2024/1469/oj>).

⁽⁴⁾ Council Implementing Decision (CFSP) 2024/2760 of 24 October 2024 implementing Decision 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (OJ L, 2024/2760, 28.10.2024, ELI: http://data.europa.eu/eli/dec_impl/2024/2760/oj).

- (8) In its conclusions of 27 June 2024, the European Council invited the Commission, the High Representative and the Council to take work forward, while addressing all relevant legal and financial aspects, in order to provide additional funding for Ukraine by the end of the year in the form of loans serviced and repaid by future flows of the extraordinary revenues with a view to reaching approximately EUR 50 billion together with G7 partners as discussed by G7 Leaders, to support Ukraine's current and future military, budget and reconstruction needs. The European Council also stated that, subject to Union law, Russia's assets should remain immobilised until Russia ceases its war of aggression against Ukraine and compensates it for the damage caused by this war.
- (9) A Ukraine Loan Cooperation Mechanism has therefore been established by Regulation (EU) 2024/2773 of the European Parliament and of the Council ⁽⁵⁾ to provide Ukraine with non-repayable financial support. That support is to be provided with a view to assisting Ukraine to repay exceptional macro-financial assistance in the form of a loan to be provided by the Union and additional eligible loans to be provided by G7 partners to support Ukraine's budgetary needs.
- (10) The objectives of the Ukraine Loan Cooperation Mechanism and the exceptional macro-financial assistance loan to Ukraine to be provided by the Union are to provide additional funding to Ukraine to be repaid by future flows of extraordinary revenues accruing to central securities depositories as a result of the implementation of restrictive measures.
- (11) It is appropriate to designate the Ukraine Loan Cooperation Mechanism as the Union spending instrument in Annex XLI to Regulation (EU) No 833/2014 for which the financial contribution due to the Union budget is used.
- (12) This Regulation should apply to the second biannual payment of the financial contribution made in the year 2025 and to all payments thereafter,

HAS ADOPTED THIS REGULATION:

Article 1

Annex XLI to Regulation (EU) No 833/2014 shall be amended in accordance with the Annex to this Regulation.

Article 2

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*. It shall apply to the second biannual payment of the financial contribution made in the year 2025 and to all payments thereafter.

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

Done at Brussels, 24 October 2024.

For the Council

The President

BÓKA J.

⁽⁵⁾ Regulation (EU) 2024/2773 of the European Parliament and of the Council of 24 October 2024 establishing the Ukraine Loan Cooperation Mechanism and providing exceptional macro-financial assistance to Ukraine (OJ L, 2024/2773, 28.10.2024, ELI: <http://data.europa.eu/eli/reg/2024/2773/oj>).

ANNEX

In Annex XLI to Regulation (EU) No 833/2014, point 1 is replaced by the following:

‘1. Amounts transferred to the Union budget in accordance with Article 1a(11) of Decision 2014/512/CFSP as amended by Council Implementing Decision (CFSP) 2024/2760 (*) shall be allocated to the Ukraine Loan Cooperation Mechanism established by Regulation (EU) 2024/2773 of the European Parliament and of the Council (**) to assist Ukraine in repaying the macro-financial assistance loans provided by the Union and bilateral loans provided by G7 partners.

(*) Council Implementing Decision (CFSP) 2024/2760 of 24 October 2024 implementing Decision 2014/512/CFSP concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine (OJ L, 2024/2760, 28.10.2024, ELI: http://data.europa.eu/eli/dec_impl/2024/2760/oj).

(**) Regulation (EU) 2024/2773 of the European Parliament and of the Council of 24 October 2024 establishing the Ukraine Loan Cooperation Mechanism and providing exceptional macro-financial assistance to Ukraine (OJ L, 2024/2773, 28.10.2024, ELI: <http://data.europa.eu/eli/reg/2024/2773/oj>).