

ANNEX I

Methodology for the calculation of the maximum financial contribution per Member State under the Facility

This Annex sets out the methodology for calculating the maximum financial contribution available for each Member State in accordance with Article 11. The method takes into account, with regard to each Member State:

- the population;
- the inverse of the GDP per capita;
- the average unemployment rate over the past five years compared to the Union average (2015-2019);
- the fall in real GDP in 2020 and the fall in real GDP in 2020 and 2021 combined.

To avoid excessive concentration of resources:

- the inverse of the GDP per capita is capped at a maximum of 150 % of the Union average;
- the deviation of an individual Member State's unemployment rate from the Union average is capped at a maximum of 150 % of the Union average;
- to account for the generally more stable labour markets of wealthier Member States (with GNI per capita above the Union average) the deviation of their unemployment rate from the Union average is capped at a maximum of 75 %.

The maximum financial contribution of a Member State under the Facility (MFC_i) is defined as follows:

$$MFC_i = v_i \times (FS)$$

where:

FS (Financial Support) is the available financing under the Facility as referred to in Article 6(1)(a); and

v_i is the allocation key of Member State i , defined as:

$$v_i = 0,7 \kappa_i + 0,3 \alpha_i$$

where:

κ_i is the allocation key applied to 70 % of the amount referred to in point (a) of Article 6(1) and set out in Annex II; and

α_i is the allocation key applied to 30 % of the amount referred to in point (a) of Article 6(1) and set out in Annex III.
