



Brussels, 4 July 2025
(OR. en)

11202/25

**Interinstitutional File:
2025/0206 (BUD)**

FIN 819

COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	4 July 2025
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union

No. Cion doc.:	COM(2025) 410 final
Subject:	Draft amending budget No 2 to the general budget 2025: Update of revenue (own resources) and adjustments to expenditure

Delegations will find attached document COM(2025) 410 final.

Encl.: COM(2025) 410 final



Brussels, 4.7.2025
COM(2025) 410 final

2025/0206 (BUD)

**DRAFT AMENDING BUDGET No 2
TO THE GENERAL BUDGET 2025**

Update of revenue (own resources) and adjustments to expenditure

Having regard to:

- the Treaty on the Functioning of the European Union, and in particular Article 314 thereof, in conjunction with the Treaty establishing the European Atomic Energy Community, and in particular Article 106a thereof,
- Council Decision (EU, Euratom) 2020/2053 of 14 December 2020 on the system of own resources of the European Union¹, entered into force on 1 June 2021,
- Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast)², and in particular Article 44 thereof,
- the general budget of the European Union for the financial year 2025, as adopted on 27 November 2024³,
- draft amending budget No 1/2025⁴, adopted on 9 April 2025,

The European Commission hereby presents to the European Parliament and to the Council the draft amending budget No 2 to the 2025 budget.

CHANGES TO THE STATEMENT OF REVENUE AND EXPENDITURE BY SECTION

The changes to the general statement of revenue and to the individual section III are available on EUR-Lex (<https://eur-lex.europa.eu/budget/www/index-en.htm>).

¹ Council Decision (EU, Euratom) 2020/2053 of 14 December 2020 on the system of own resources of the European Union and repealing Decision 2014/335/EU, Euratom (OJ L 424, 15.12.2020, p.1, ELI: <http://data.europa.eu/eli/dec/2020/2053/oj>).

² OJ L, 2024/2509, 26.9.2024, ELI: <http://data.europa.eu/eli/reg/2024/2509/oj>.

³ OJ L, 2025/31, 27.2.2025, ELI: <http://data.europa.eu/eli/budget/2025/31/oj>.

⁴ COM(2025) 350, 9.4.2025.

Table of Contents

1.	INTRODUCTION	3
2.	UPDATE OF REVENUE	4
2.1	OVERALL IMPACT OF DAB 2/2025 ON THE DISTRIBUTION OF TOTAL OWN RESOURCES PAYMENTS BETWEEN MEMBER STATES	4
2.2	REVISION OF THE FORECASTS OF TOR, VAT, PPW AND GNI BASES	5
2.3	UNITED KINGDOM CONTRIBUTION	8
2.4	FINES AND PENALTY PAYMENTS	9
2.5	IMPACT ON THE GNI-BASED OWN RESOURCE CONTRIBUTION FOR 2025	9
3.	UPDATE OF EXPENDITURE ITEMS	12
3.1	REINFORCEMENT OF THE EUROPEAN AGRICULTURAL FUND FOR RURAL DEVELOPMENT (EAFRD)	12
3.2	ADJUSTMENTS OF PROGRAMMES IN COMMITMENTS IN HEADINGS 1, 3 AND 4	12
3.3	REINFORCEMENT OF THE ECONOMIC AND MONETARY UNION BUDGET LINE	13
3.4	ANTI-MONEY LAUNDERING AUTHORITY (AMLA)	14
4.	FINANCING	14
5.	SUMMARY TABLE BY MFF HEADING	16

EXPLANATORY MEMORANDUM

1. INTRODUCTION

The Draft Amending Budget (DAB) No 2 for the year 2025 updates both the revenue and the expenditure side of the budget. As regards the revenue side, the update takes into account the latest developments as regards:

- the updated own resources forecasts for the 2025 budget agreed by the Advisory Committee on Own Resources (ACOR) on 26 May 2025. This update is typically presented shortly after the ACOR forecast meeting, in line with the Member States' expectations that the ACOR updates are budgeted as soon as possible;
- the other revenues such as fines and the United Kingdom contribution.

As regards the expenditure side, DAB 2/2025 includes the following specific elements:

- a reinforcement of payment appropriations for the European Agricultural Fund for Rural Development (EAFRD), following an acceleration of payment needs. This is driven by Member States' efforts to accelerate implementation of their CAP Strategic Plans for 2023-2027, while also finalising the closure of the previous programming period (2014-2022);
- a reinforcement in commitment appropriations for the Customs programme in Heading 1, to support the implementation of new political initiatives in the field of centralised custom systems, and a reinforcement in commitment appropriations for the Carbon Border Adjustment Mechanism (CBAM) in Heading 3, linked to IT investments to deliver on the simplification measures proposed by the Commission in February 2025⁵. These reinforcements will be compensated by an equivalent reduction in commitment appropriations from the Customs Control Equipment Instrument (CCEI) in Heading 4;
- a reinforcement in commitment and payment appropriations of the Economic and Monetary Union budget line as a result of the additional needs linked to the preparations of Bulgaria joining the euro area, with the aim of co-financing euro related communication activities in Bulgaria;
- a frontloading from 2026 to 2025 of a number of posts in the establishment plan of the Anti-Money Laundering Authority (AMLA) to allow this newly created agency to start recruitments without impact on the level of the contribution from the EU budget.

Overall, the net impact of DAB 2/2025 on expenditure amounts to an increase of EUR 3,3 million in commitment and EUR 3,5 billion in payment appropriations.

⁵ COM(2025) 87, 26.2.2025.

2. UPDATE OF REVENUE

2.1 Overall impact of DAB 2/2025 on the distribution of total own resources payments between Member States

The revised forecasts for 2025 were agreed in the 194th ACOR meeting on 26 May 2025. The adjustments of the revenue side of the budget are required to update the estimates for Traditional Own Resources (TOR) as well as for the own resources based on the Value Added Tax (VAT), the non-recycled Plastic Packaging Waste (PPW) and Gross National Income (GNI), taking into account the Spring economic forecasts (see section 2.2).

Moreover, the amount of other revenues is updated to take into account the revised United Kingdom contribution and definitively cashed fines and penalty payments since 1 January 2025 (see sections 2.3 and 2.4, respectively).

The overall impact of the revenue adjustments of this DAB is shown in the summary table below. This table also shows the distribution of total own resources payments among Member States as budgeted in the initial 2025 budget, as included in DAB 1/2025 and finally as included in this DAB 2/2025.

Distribution of total own resources payments by Member States (in million EUR)

	Budget 2025	DAB 1/2025	DAB 2/2025
	(1)	(2)	(3)
BE	6 890,9	6 844,4	7 125,2
BG	929,8	922,4	977,8
CZ	2 753,6	2 731,0	2 732,3
DK	2 961,0	2 930,5	3 103,5
DE	33 695,7	33 362,2	33 605,4
EE	348,5	345,6	352,2
IE	3 605,0	3 573,7	3 435,8
EL	2 075,6	2 058,1	2 169,4
ES	14 183,6	14 066,9	14 990,3
FR	25 787,2	25 563,9	25 712,1
HR	740,5	734,1	783,8
IT	19 039,8	18 877,7	19 233,6
CY	273,9	271,7	292,2
LV	381,8	378,5	367,5
LT	685,0	679,3	718,5
LU	447,0	442,8	461,0
HU	2 006,0	1 990,2	1 904,2
MT	179,5	178,1	185,4
NL	9 243,1	9 161,7	9 664,6
AT	3 500,9	3 463,1	3 361,3
PL	7 952,6	7 888,6	8 045,7
PT	2 514,1	2 493,3	2 649,1

RO	3 117,1	3 089,9	3 182,4
SI	689,0	683,9	705,8
SK	1 094,9	1 085,0	1 210,2
FI	2 352,6	2 331,1	2 330,6
SE	3 712,2	3 668,8	3 768,5
EU	151 160,9	149 816,3	153 068,4

2.2 Revision of the forecasts of TOR, VAT, PPW and GNI bases

In line with Article 44(1) first subparagraph point (b) of the Financial Regulation⁶, the Commission proposes to revise the financing of the budget on the basis of updated economic forecasts. According to the established practice, the revised revenue forecasts are agreed with the Member States in the ACOR forecast procedure.

The revision concerns the forecast of TOR to be paid to the budget in 2025 as well as the forecast of the 2025 VAT, PPW and GNI bases. The forecast included in the adopted 2025 budget was agreed at the 191st ACOR meeting held on 23 May 2024. The revision in the present DAB 2/2025 takes into account the agreed forecasts of the 194th ACOR meeting held on 26 May 2025. The use of an updated forecast of own resources improves the accuracy of the revenue forecasts and hence of the payments that Member States are asked to make to the EU budget during the budgetary year.

The Commission's revenue projections are based on the Commission 2025 spring economic forecast⁷. The EU economy is projected to keep growing at a modest rate this year, with growth expected to pick up in 2026 despite heightened global policy uncertainty and trade tensions. Inflation continues to decline and is expected to reach the ECB 2 % target this year. Risks remain tilted to the downside as global tensions might escalate.

The Spring forecast projects real GDP growth in 2025 at 1,1 % in the EU and 0,9 % in the euro area – broadly the same rates attained in 2024. This represents a considerable downgrade compared to the Autumn 2024 Forecast, largely due to the impact of increased tariffs and the heightened uncertainty caused by the recent abrupt changes in US trade policy and the unpredictability of the tariffs' final configuration. Despite these challenges, EU GDP growth is expected to rise to 1,5 % in 2026, supported by continued consumption growth and a rebound of investment.

The TOR forecast builds on the projections of extra-EU imports in the Commission's Spring 2025 economic forecast. In 2024, stronger-than-expected growth in China and robust performance in the US pushed global real GDP growth (excluding the EU) to 3,6 %. Looking ahead, growth momentum is expected to weaken. Global growth outside the EU is projected at 3,2 % for both 2025 and 2026, below the 3,6 % anticipated in autumn. Although trade growth remained robust in the first quarter of 2025, likely due to advance purchases ahead of tariffs, global trade (outside the EU) is expected to expand at a rate well below global economic activity over the forecast horizon.

The economic scenario underlying the 2025 budget underpins the latest estimates for Traditional Own Resources and the estimated bases of the other own resources:

- Total customs duties to be collected in 2025, net of 25 % collection costs, are forecast at EUR 20 878,6 million, which represents a decrease of 1,0 % compared with the forecast of EUR 21 082,0 million included in the 2025 budget. The Commission compared the results of the traditional

⁶ Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast) (OJ L, 2024/2509, 26.9.2024, ELI: <http://data.europa.eu/eli/reg/2024/2509/oj>).

⁷ European Commission, 2025, European Economic Forecast Spring 2025, European Economy, Institutional Paper 318.

ACOR forecast method (based on the forecast growth rates of extra-EU imports) with the results of the extrapolation method (based on the latest outturn data for collected customs duties, i.e. January – April 2025). As in the past years, the Commission takes a conservative approach, ensuring sound financial management of the EU budget in a context of volatility and of high economic and financial uncertainties. Therefore, it is proposed to use the traditional forecast method for the revision of the 2025 TOR forecast. This results in marginally lower revenues of EUR 0.2 billion when compared to the adopted 2025 Budget.

- The total 2025 EU uncapped VAT base is forecast at EUR 7 987 388,2 million, which represents a decrease of 2,3 % compared to the May 2024 forecast of EUR 8 178 934,6 million entered in the adopted 2025 budget. The total 2025 EU capped VAT base⁸ is forecast at EUR 7 938 170,6 million, which represents a decrease of 2,4 % compared to the May 2024 forecast of EUR 8 131 540,0 million. Member States' contributions based on the capped VAT-based own resource are presented in Tables 2 and 6 of the accompanying budgetary annex.
- The forecast of non-recycled PPW in the EU amounts to 9 449 256,7 tonnes in 2025, which is a decrease of 3,5 % compared to the May 2024 forecast of 9 790 925,7 tonnes. Member States' contributions based on the non-recycled PPW-based own resource are presented in Tables 3 and 6 of the accompanying budgetary annex.
- The total 2025 EU GNI base is forecast at EUR 18 544 533,7 million, which is a slight increase of 0,5 % compared to the May 2024 forecast of EUR 18 444 991,2 million.

The exchange rates of 31 December 2024 have been used for converting the forecast VAT and GNI bases in national currencies into EUR, for the seven Member States that are not members of the euro area. This avoids distortions, since these rates are the same as those used to convert budgeted own resources payments from EUR into national currencies when the amounts are called in, as stipulated in Article 10a(1) of Council Regulation 609/2014⁹.

The revised forecasts of TOR, uncapped VAT bases, non-recycled PPW bases and GNI bases for 2025, as adopted at the 194th ACOR meeting, are set out in the following table:

⁸ Article 2(1), point (b) of ORD 2020 stipulates that for each Member State the VAT base shall not exceed 50 % of GNI. For DAB 2/2025, Bulgaria, Estonia, Croatia, Cyprus, Luxembourg, Malta and Portugal will have their VAT base capped at 50 % of GNI.

⁹ Council Regulation (EU, Euratom) No 609/2014 of 26 May 2014 on the methods and procedure for making available the traditional, VAT and GNI-based own resources and on the measures to meet cash requirements (OJ L 168, 7.6.2014, p. 39, ELI: <http://data.europa.eu/eli/reg/2014/609/oj>), as last amended by Council Regulation (EU, Euratom) 2022/615 of 5 April 2022 (OJ L 115, 13.4.2022, p. 51, ELI: <http://data.europa.eu/eli/reg/2022/615/oj>).

Revised forecasts of TOR, VAT, PPW and GNI bases for 2025

	Customs (75 %)	Uncapped VAT bases	Non- recycled PPW bases	GNI bases	Capped VAT bases¹⁰
	EUR million		tonnes	EUR million	
BE	2 414,9	242 960,1	170 848,0	643 991,4	242 960,1
BG	134,7	55 830,5	87 669,3	106 413,7	53 206,9
CZ	346,7	133 413,7	141 805,8	318 930,8	133 413,7
DK	392,5	153 370,4	168 243,8	430 779,0	153 370,4
DE	3 961,5	1 860 530,2	1 560 637,0	4 564 313,5	1 860 530,2
EE	33,3	21 581,6	23 346,4	40 726,9	20 363,5
IE	436,2	139 643,2	245 358,6	399 384,3	139 643,2
EL	282,8	108 367,1	177 245,2	243 316,8	108 367,1
ES	1 980,1	758 468,3	1 187 191,7	1 662 759,2	758 468,3
FR	1 970,5	1 399 344,8	1 744 099,3	3 039 807,3	1 399 344,8
HR	68,0	54 205,2	57 002,4	91 450,9	45 725,5
IT	2 226,0	953 830,8	1 180 664,8	2 242 071,3	953 830,8
CY	46,0	24 125,5	13 643,4	31 904,7	15 952,4
LV	44,5	20 350,5	27 823,9	41 144,8	20 350,5
LT	91,1	34 633,3	60 831,5	81 046,3	34 633,3
LU	15,2	46 632,5	13 786,3	58 199,2	29 099,6
HU	227,7	79 312,8	299 165,9	205 894,6	79 312,8
MT	19,8	11 361,5	14 909,2	20 761,5	10 380,8
NL	3 221,2	499 764,0	266 974,5	1 181 192,8	499 764,0
AT	211,0	240 404,2	206 872,5	493 506,8	240 404,2
PL	1 153,8	389 614,4	683 974,8	886 542,4	389 614,4
PT	252,7	157 286,3	287 871,6	294 154,0	147 077,0
RO	296,0	135 991,7	386 302,6	373 417,3	135 991,7
SI	175,4	32 045,5	31 861,1	69 517,2	32 045,5
SK	200,4	58 380,7	67 432,7	133 619,8	58 380,7
FI	141,7	130 137,0	109 231,0	286 612,9	130 137,0
SE	534,9	245 802,4	234 463,4	603 074,3	245 802,4
EU	20 878,6	7 987 388,2	9 449 256,7	18 544 533,7	7 938 170,6

¹⁰ The amounts highlighted in grey result from the capped VAT bases, as explained in footnote 9 above.

2.3 United Kingdom contribution

The United Kingdom contribution is to be paid in accordance with Article 148 of the Agreement on the withdrawal of the United Kingdom from the European Union (the ‘Withdrawal Agreement’)¹¹ and covers in particular the United Kingdom’s share in the outstanding commitments prior to 2021 to be paid in 2025 as well as the United Kingdom’s share in the Union’s liabilities (such as pensions), fines and the contingent financial liabilities. The overall contribution of the United Kingdom also includes the amounts due to the United Kingdom related to own resources corrections and adjustments for financial years until 2021.

The United Kingdom contribution is based on the United Kingdom’s share¹², which is calculated as the ratio between the own resources made available by the United Kingdom in the years 2014 to 2020 and the own resources made available during that period by all Member States including the United Kingdom. The United Kingdom’s share was adjusted in 2022 in accordance with Article 139 of the Withdrawal Agreement. The definitive share of the United Kingdom has been set at 12,431681219587700 %.

The table below presents the updated United Kingdom contribution to the budget 2025. It includes the elements that the United Kingdom has already paid in January-May 2025 as part of the 2024 September invoice, the elements included in the 2025 April invoice, and estimates for the elements to be included in the 2025 September invoice that are known at this stage. The update results in a slightly lower United Kingdom contribution compared to the estimate included in the budget 2025, mainly due to the reported amounts of contingent liabilities, net financial corrections and fines. The revised amount of the United Kingdom contribution included in DAB 2/2025 is calculated taking into account the payment modalities set out in Article 148 of the Withdrawal Agreement.

It is therefore proposed to update the estimate introduced in the 2025 budget accordingly. Overall, this will reduce the estimated United Kingdom contribution to the budget 2025 by EUR 25 million resulting from the decrease of EUR 28 million in general revenue and the increase of EUR 3 million in assigned revenues.

Updated United Kingdom contribution in 2025 (in EUR)

	Reference to the Article of the Withdrawal agreement	2025
Total United Kingdom contribution in 2025, of which:		1 531 558 230
1. RAL prior 2021 (including net financial corrections) - due for payment in 2025	Art. 140	1 962 577 295
2. Union's liabilities/pensions*	Art.142	333 909 059
3. Own resources corrections and adjustments, of which:		-112 481 913
3.1 Surplus/deficit of 2020	Art.136(3)(a)	n/a
3.2 UK correction updates (2018-2019)	Art.136	n/a
3.3. VAT&GNI	Art.136	-129 385 294
3.4. TOR	Art.136, Art. 140(4)	16 903 381
4. Fines	Art.141	-430 713 697
5. Contingent liabilities, of which:		-179 528 681
5.1 ELM, EFSI, EFSF, loans (Guarantee funds)	Art.143	-190 618 069
5.2 Financial Instruments	Art.144	-57 908 118
5.3 Legal cases (incl. fines)	Art.147	68 997 506
6. ECSC net assets	Art.145	-36 874 795

¹¹ Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, (OJ L 29, 31.01.2020, p. 7, ELI: http://data.europa.eu/eli/treaty/withd_2020/sign).

¹² Referred to in Article 136(3), points (a) and (c), and in Articles 140 to 147 of the Withdrawal Agreement.

	Reference to the Article of the Withdrawal agreement	2025
7. EIF investment	Art.146	-6 648 463
8. Access to networks/systems/data bases**	Art.34(2), Art. 50 and 53, Art. 62(2), Art. 63(1)(e), Art. 63(2), Art.99(3),Art. 100(2)	1 319 424
* The amount of EUR 306 million will be entered in the EU budget as assigned revenues.		
** To be entered in the EU budget as assigned revenues.		

2.4 Fines and penalty payments

Considering the fines and penalty payments cashed since 1 January, it is proposed to enter the following amounts in the 2025 budget:

- EUR 409 million of competition fines.
- EUR 36 million of penalty payments and lump sums imposed on Member States, which did not comply with judgments of the Court of Justice of the European Union on their failure to fulfil an obligation under the Treaties.
- EUR 54 million of negative returns on cancelled or reduced fines.

It is therefore proposed to increase the initial forecasts introduced in the 2025 budget of EUR 101 million by EUR 291 million, thus totalling EUR 392 million.

The detail by line is shown in the table below.

EUR

Revenue line	Name	Budget 2025	DAB 2/2025	New amount
4 2 0	Fines in connection with the implementation of the rules on competition	100 000 000	309 213 301	409 213 301
4 2 1	Penalty payments and lump sums imposed on a Member State	p.m.	35 915 569	35 915 569
4 2 4	Interest connected with fines and penalty payments	1 000 000	-1 000 000	0
4 2 5	Interest, other charges due and negative returns on cancelled or reduced fines	p.m.	-53 553 502	-53 553 502
4 2 9	Other non-assigned fines and penalty payments	p.m.	0	0
Total		101 000 000	290 575 368	391 575 368

2.5 Impact on the GNI-based own resource contribution for 2025

Taking into account the revised forecasts for TOR, for the VAT-based own resource and for the own resource based on non-recycled PPW, the amount of own resources other than GNI has decreased by EUR 1 056 848 116. Together with the increase of other revenues by EUR 262 916 406 (as the combined effect of the increase of revenue from fines by EUR 291 million and the decrease of the UK contribution by EUR 28 million) and the increase of payment appropriations by EUR 3 515 000 500, this increases the GNI contribution by EUR 4 308 932 210 compared to DAB 1/2025.

In order to respect the principle of equilibrium applicable to the budget of the European Union enshrined in Article 310(1) TFEU, the uniform rate to be applied to the sum of all Member States' GNI has to be recalculated taking into account all the other revenue.

The recalculated uniform rate for the GNI-based own resource is fixed as follows:

Uniform rate to be applied on 1 % of GNI = (total expenditure – other revenue – total net amount of TOR – VAT-based own resource – non-recycled PPW-based own resource) / 1 % of GNI

Uniform rate:

$$= (158\,724\,322\,482 - 5\,655\,892\,524 - 20\,878\,600\,000 - 23\,814\,511\,650 - 6\,848\,152\,160) / 185\,445\,337\,000$$

$$= 0,547477589840935$$

The revised GNI-based own resources contributions considering the new uniform rate are set out in the following table:

Budgetary year 2025 (in EUR)

Member State	1 % of GNI base used for DAB 1/2025	Uniform rate of GNI-based own resource (in %) according to DAB 1/2025	1 % of GNI base (Agreed ACOR forecast)	Uniform rate of GNI-based own resource (in %) according to DAB 2/2025	Difference in the GNI
	(1)	(2)	(3)	(4)	(5) = (3 x 4) - (1 x 2)
BE	6 373 532 000	0,5270712	6 439 914 000	0,5474776	166 403 524
BG	1 016 864 000		1 064 137 000		46 631 445
CZ	3 105 884 000		3 189 308 000		109 052 692
DK	4 183 696 000		4 307 790 000		153 312 873
DE	45 754 657 000		45 643 135 000		872 632 197
EE	402 230 000		407 269 000		10 966 808
IE	4 305 400 000		3 993 843 000		- 82 712 746
EL	2 396 683 000		2 433 168 000		68 882 400
ES	16 010 458 000		16 627 592 000		664 582 901
FR	30 632 824 000		30 398 073 000		496 584 855
HR	879 236 000		914 509 000		37 253 221
IT	22 236 829 000		22 420 713 000		554 446 075
CY	303 168 000		319 047 000		14 879 966
LV	441 106 000		411 448 000		- 7 235 704
LT	773 462 000		810 463 000		36 040 796
LU	573 891 000		581 992 000		16 146 167
HU	2 169 944 000		2 058 946 000		- 16 488 164
MT	201 752 000		207 615 000		7 326 894
NL	11 174 919 000		11 811 928 000		576 788 058
AT	5 186 936 000		4 935 068 000		- 32 045 377
PL	8 789 073 000	8 865 424 000	221 153 831		
PT	2 849 768 000	2 941 540 000	108 396 629		

RO	3 734 533 000		3 734 173 000		76 011 295
SI	696 184 000		695 172 000		13 652 564
SK	1 351 469 000		1 336 198 000		19 218 092
FI	2 942 462 000		2 866 129 000		18 254 460
SE	5 962 952 000		6 030 743 000		158 796 458
Total	184 449 912 000		185 445 337 000		4 308 932 210

3. UPDATE OF EXPENDITURE ITEMS

3.1 Reinforcement of the European Agricultural Fund for Rural Development (EAFRD)

The payment appropriations initially included in the 2025 budget for the European Agricultural Fund for Rural Development (EAFRD) were based on cautious assumptions, reflecting the under-execution of the programmes in previous years. However, based on the declarations of expenditure received so far and the latest forecasts submitted by the Member States at the end of January 2025, a year-end deficit of payments of EUR 3,5 billion is currently estimated.

The execution of the 2023-2027 CAP Strategic Plans is now accelerating, making up for the under-execution in the first years of this programming period. The Commission estimates an additional need in payments amounting to EUR 1,78 billion in 2025 on top of the voted budget appropriations.

Similarly, the pace of submission of declarations of expenditure for EAFRD 2014-2022 programmes has exceeded expectations in the first half of 2025 and this acceleration is expected to be sustained throughout the year. A deficit of EUR 1,73 billion is anticipated at year-end. These developments are driven by Member States' efforts to maximise execution and avoid decommitments before the closure of the programmes in 2026.

The overall impact on expenditure is therefore as follows:

EUR

Budget line	Name	Commitment appropriations	Payment appropriations
<i>Section III – Commission</i>			
08 03 01 01	Rural development types of interventions under the CAP Strategic Plans	0	1 784 000 000
08 03 01 02	Rural development types of interventions under the 2014-2022 programmes	0	1 730 000 000
Total		0	3 514 000 000

In parallel, the Commission will continue to monitor the implementation across the budget. After the summer, it will take stock of the updated Member States' forecasts for Cohesion (to be provided by end-July) and of the actual budget implementation by September, as part of the Global Transfer exercise to adjust budget appropriations to the updated year-end needs for all programmes.

3.2 Adjustments of programmes in commitments in Headings 1, 3 and 4

A reinforcement of the Customs programme in Heading 1 for an amount of EUR 60 million in commitment appropriations is required for the implementation of new political initiatives in the field of centralised custom systems, including for e-commerce and the preparation of the Customs Data Hub, as well as for a number of smaller initiatives such as the electronic proof of origin, digitalisation of drug precursors, mobility of military equipment, export of cultural goods and modernisation of the common network.

In addition, a reinforcement of the Carbon Border Adjustment Mechanism (CBAM) in Heading 3 for an amount of EUR 8,35 million in commitment appropriations is needed following the Commission proposal on CBAM simplification¹³. It will enable the Commission to finance the necessary measures to simplify and rationalise the administrative requirements of the CBAM, including the development of new IT solutions, the enhancement of risk reduction and monitoring capabilities, and the implementation of fraud prevention measures. The reinforcement will also be used to cover the costs of outreach activities and studies related to the CBAM simplification.

¹³ COM(2025) 87 final, 2025/0039 (COD)

These reinforcements will be compensated by a reduction in commitment appropriations for the Customs Control Equipment Instrument (CCEI) in Heading 4. Savings have been identified in CCEI due to prolonged national procurement procedures or shortages in the supply of relevant equipment on the global market, which have caused implementation delays in the Member States.

The overall impact on expenditure is therefore as follows:

EUR

Budget line	Name	Commitment appropriations	Payment appropriations
<i>Section III – Commission</i>			
03 05 01	Cooperation in the field of customs (Customs)	60 000 000	0
09 20 04 01	Carbon Border Adjustment Mechanism	8 350 000	0
11 03 01	Instrument for financial support for customs control equipment	- 68 350 000	0
Total		0	0

3.3 Reinforcement of the Economic and Monetary Union budget line

Bulgaria is on track to join the euro area on 1 January 2026. The European Commission has published a positive Convergence Report on 4 June¹⁴ confirming Bulgaria’s fulfilment of all the criteria for adopting the single currency. This will be followed by an opinion from the European Parliament on 7 July and a final decision by the ECOFIN Council on 8 July. Subject to a positive decision, communication activities will be needed to contribute to timely, targeted, and concise information for citizens, businesses, and administrations about the practical aspects of the euro changeover and the benefits of its introduction.

As was the case in previous euro changeovers, and in line with the Partnership Agreement for the organisation of communication activities signed between the European Commission and the Republic of Bulgaria on 12 April 2024, the Commission will co-finance Bulgaria’s communication activities for a maximum of 50 % of costs incurred. The total costs correspond to 1 euro per resident.

The dedicated budget line 06 20 04 01 “Coordination and surveillance of, and communication on the Economic and Monetary Union, including the euro” is financed under sub-heading 2b (Resilience and Values). A very limited level of appropriations is available for this purpose annually, which are already allocated to recurring actions across the eurozone. In order to cover this new exceptional expenditure, a reinforcement of EUR 3,3 million in commitment appropriations is necessary, while a reinforcement of EUR 1 million in payment appropriations is also required to cover the pre-financing to Bulgaria in 2025.

The overall impact on expenditure is therefore as follows:

EUR

Budget line	Name	Commitment appropriations	Payment appropriations
<i>Section III – Commission</i>			
06 20 04 01	Coordination and surveillance of, and communication on, the economic and monetary union, including the euro	3 335 000	1 000 500
Total		3 335 000	1 000 500

¹⁴ Institutional Paper 320, June 2025.

3.4 Anti-Money Laundering Authority (AMLA)

The Anti-Money Laundering Authority (AMLA)¹⁵ is in its start-up phase. While lengthy negotiations to establish the Authority in Frankfurt have led to some delays compared to the initially foreseen timetable for the phasing in of its activities, the development of AMLA has progressed significantly in 2025. The initial external recruitment process of temporary agents for the role of Anti-Money-Laundering (AML) experts commenced in January 2025, and a reserve list of 60 candidates has recently been established.

In order to enable the AMLA to carry out the tasks set out in its founding Regulation without delay and to ensure that the legal deadlines set for July 2026 can be met, the Commission proposes to frontload 30 establishment plan posts which were allocated to AMLA for 2026, and for which the Authority has already established a reserve list of suitable candidates. Moreover, it is proposed to upgrade two AST 3 posts to AST 5.

Due to the timing of the change in the establishment plan and the duration of the recruitment procedure (including notice periods), the related budgetary needs for AMLA in 2025 will be very low and the additional establishment posts can thus be financed within the existing EU budget contribution for 2025. Therefore, this staff frontloading is budgetary neutral for the EU budget. In addition, the 2026 EU budget contribution to the Authority will remain unaffected, as the total number of establishment plan posts already requested for 2026 will not change and the salary needs for staff can be accommodated within the planned 2026 EU budget contribution.

The updated establishment plan is set out in the budgetary annex.

4. FINANCING

Overall, the net impact of DAB 2/2025 on expenditure amounts to an increase of EUR 3,3 million in commitment appropriations and EUR 3 515,0 million in payment appropriations. The revenue side of the budget is proposed to be adjusted as set out in this DAB 2/2025.

Given the absence of margins and room for redeployment under sub-heading 2b, the Commission proposes to mobilise the Flexibility Instrument in line with Article 12 of Regulation (EU, Euratom) 2020/2093¹⁶ for an amount of EUR 3,34 million in commitment appropriations for sub-heading 2b, in order to reinforce the EMU budget line.

The 2025 payment appropriations related to the mobilisation of the Flexibility Instrument in the years 2022 to 2025 are estimated at EUR 1 399,81 million. The estimated payment schedule of the related outstanding amounts for these years is detailed in the following table:

¹⁵ Regulation (EU) 2024/1620 of the European Parliament and of the Council of 31 May 2024 establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism and amending Regulations (EU) No 1093/2010, (EU) No 1094/2010 and (EU) No 1095/2010 (OJ L, 2024/1620, 19.6.2024, ELI: <http://data.europa.eu/eli/reg/2024/1620/oj>).

¹⁶ Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027 (OJ L 433I, 22.12.2020, p. 11, ELI: <http://data.europa.eu/eli/reg/2020/2093/oj>).

<i>Flexibility Instrument - payment profile (in EUR million)</i>					
<i>Mobilisation year</i>	2025	2026	2027	Beyond MFF	Total
2022	36,7	0,0	0,0	0,0	36,7
2023	120,6	83,2	0,0	0,0	203,8
2024	107,6	83,7	46,3	0,0	237,5
2025	1 134,9	15,8	9,4	5,7	1 165,8
Total	1 399,8	182,7	55,7	5,7	1 643,9

5. SUMMARY TABLE BY MFF HEADING

In EUR

	Budget 2025 (incl. DAB 1/2025)		Draft Amending Budget 2/2025		Budget 2025 (incl. DABs 1-2/2025)	
	CA	PA	CA	PA	CA	PA
1 Single Market, Innovation and Digital	21 480 062 907	20 460 646 037	60 000 000		21 540 062 907	20 460 646 037
<i>Ceiling</i>	21 596 000 000				21 596 000 000	
<i>Margin</i>	115 937 093		-60 000 000		55 937 093	
2 Cohesion, Resilience and Values	77 980 175 680	44 445 178 937	3 335 000	1 000 500	77 983 510 680	44 446 179 437
<i>Ceiling</i>	75 697 000 000				75 697 000 000	
<i>Of which under Flexibility Instrument</i>	1 141 593 584		3 335 000		1 144 928 584	
<i>Of which under EURI</i>	1 141 582 096				1 141 582 096	
<i>Margin</i>						
2a. Economic, social and territorial cohesion	66 365 744 035	33 260 377 346			66 365 744 035	33 260 377 346
<i>Ceiling</i>	66 361 000 000				66 361 000 000	
<i>Of which under Flexibility Instrument</i>	4 744 035				4 744 035	
<i>Margin</i>						
2b. Resilience and values	11 614 431 645	11 184 801 591	3 335 000	1 000 500	11 617 766 645	11 185 802 091
<i>Ceiling</i>	9 336 000 000				9 336 000 000	
<i>Of which under Flexibility Instrument</i>	1 136 849 549		3 335 000		1 140 184 549	
<i>Of which under EURI</i>	1 141 582 096				1 141 582 096	
<i>Margin</i>						
3 Natural Resources and Environment	56 731 317 594	52 091 510 102	8 350 000	3 514 000 000	56 739 667 594	55 605 510 102
<i>Ceiling</i>	57 336 000 000				57 336 000 000	
<i>Margin</i>	604 682 406		-8 350 000		596 332 406	
Of which: Market related expenditure and direct payments	39 975 892 542	40 030 717 961			39 975 892 542	40 030 717 961
<i>EAGF sub-ceiling</i>	41 646 000 000				41 646 000 000	
<i>Rounding difference excluded for calculating the sub-margin</i>	72 000				72 000	
<i>Net transfers between EAGF and EAFRD</i>	-1 117 072 000				-1 117 072 000	
<i>Net balance available for EAGF expenditure (sub-ceiling corrected by transfers between EAGF and EAFRD)</i>	40 529 000 000				40 529 000 000	
<i>EAGF sub-margin</i>	553 107 458				553 107 458	
4 Migration and Border Management	4 791 148 024	3 203 947 754	-68 350 000		4 722 798 024	3 203 947 754
<i>Ceiling</i>	4 781 000 000				4 781 000 000	
<i>Margin</i>	79 851 976		68 350 000		148 201 976	
5 Security and Defence	2 632 589 260	2 143 154 694			2 632 589 260	2 143 154 694
<i>Ceiling</i>	2 617 000 000				2 617 000 000	

	<i>Of which under Flexibility Instrument</i>	15 589 260				15 589 260	
	<i>Margin</i>						
6	Neighbourhood and the World	16 308 245 797	14 426 257 975			16 308 245 797	14 426 257 975
	<i>Ceiling</i>	16 303 000 000				16 303 000 000	
	<i>Of which under Flexibility Instrument</i>	5 245 797				5 245 797	
	<i>Of which under Single Margin Instrument 11(1)(a)</i>						
	<i>Margin</i>						
7	European Public Administration	12 845 030 641	12 845 030 641			12 845 030 641	12 845 030 641
	<i>Ceiling</i>	12 124 000 000				12 124 000 000	
	<i>Of which under Single Margin Instrument 11(1)(a)</i>	721 030 641				721 030 641	
	<i>Margin</i>						
	of which: Administrative expenditure of the institutions	9 720 485 985	9 720 485 985			9 720 485 985	9 720 485 985
	<i>Sub-ceiling</i>	9 219 000 000				9 219 000 000	
	<i>Of which under Single Margin Instrument 11(1)(a)</i>	501 485 985				501 485 985	
	<i>Sub-margin</i>						
	Appropriations for headings	192 768 569 903	149 615 726 140	3 335 000	3 515 000 500	192 771 904 903	153 130 726 640
	<i>Ceiling</i>	190 544 000 000	175 378 000 000			190 544 000 000	175 378 000 000
	<i>Of which under Flexibility Instrument</i>	1 162 428 641	1 398 811 957	3 335 000	1 000 500	1 165 763 641	1 399 812 457
	<i>Of which under Single Margin Instrument 11(1)(a)</i>	721 030 641				721 030 641	
	<i>Of which under EURI</i>	1 141 582 096	1 141 582 096			1 141 582 096	1 141 582 096
	<i>Margin</i>	800 471 475	28 302 667 913		-3 514 000 000	800 471 475	24 788 667 913
	Thematic special instruments	6 669 866 079	5 593 595 842			6 669 866 079	5 593 595 842
	Total appropriations	199 438 435 982	155 209 321 982	3 335 000	3 515 000 500	199 441 770 982	158 724 322 482