Council of the European Union

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BUDGET 28

EXPLANATORY MEMORANDUM

Subject:	Draft amending budget No 2 to the general budget for 2026: Update of revenue (own resources) and adjustments to expenditure: Council position of 4 September 2026

I. INTRODUCTION

On 9 June 2026[1], the Commission submitted to the Council draft amending budget (DAB) No 2 to the general budget for 2026 concerning updates to both the revenue and the expenditure side of the budget[2].

[1] All language versions became available on 22 June 2026.
[2] Doc. 10212/26.

2. The aim of this proposal is to update the **revenue side** of the budget to take into account the latest developments as regards:

- the updated own resources forecasts for the budget 2026 agreed by the Advisory Committee on Own Resources (ACOR) on 29 May 2026. 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 No 2/2026 includes the following specific elements:

- a reinforcement of payment appropriations (p/a) of EUR 7.6 billion, of which EUR 3.4 billion for the European Regional Development Fund (ERDF), EUR 0.6 billion for the Cohesion Fund (CF), EUR 1.4 billion for the European Social Fund Plus (ESF+) and EUR 2.2 billion for the European Agricultural Fund for Rural Development (EAFRD);
- a reinforcement of the agricultural reserve for an amount of EUR 300 million in c/a and p/a to provide targeted, exceptional support to farmers facing severe liquidity challenges in particular due to the rising cost of fertilisers;
- a reinforcement of the European Agricultural Guarantee Fund (EAGF) for an amount of EUR 140 million in c/a and p/a to ensure timely reimbursement of EAGF expenditure to Member States;
- an increase in the number of establishment plan posts for the Commission, a reinforcement of administrative expenditure in heading 7 and a reinforcement of the support line for borrowing and debt management activities to ensure effective administration of the Ukraine Support Loan, in line with the related Legislative Financial Digital Statement;
- two budgetary neutral transfers from the European Environment Agency (EEA) back to the LIFE programme following the withdrawal of the European forest monitoring proposal and delays in the adoption of the Green Claims Directive;

- changes to the budget remarks for budget line 02 02 02 (*EU guarantee from the InvestEU Fund – Provisioning of the common provisioning fund*) to accommodate the possibility for Member States to contribute funds from the Recovery and Resilience Facility (RRF) to the InvestEU financial instrument, following the InvestEU Omnibus II Regulation.

Overall, the net impact of DAB No 2/2026 on expenditure amounts to an increase of EUR 444.2 million in c/a and an increase of EUR 8.0 billion in p/a.

II. CONCLUSION

On 4 September 2026, the Council adopted its position on DAB No 2 to the general budget for 2026 as set out in the technical annex contained in Addendum 1 to this explanatory memorandum.