Council of the European Union

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BUDGET 26

EXPLANATORY MEMORANDUM

Subject:	Draft amending budget No 3 to the general budget for 2025: Adjustment in payment appropriations, update of revenues and other technical updates: Council position of 17 November 2025

I. INTRODUCTION

On 3 October 2025, the Commission submitted to the Council draft amending budget (DAB) No 3 to the general budget for 2025 concerning adjustments in payment appropriations, an update of revenues and other technical updates[1].

[1] Doc. 13516/25.

The aim of this proposal is to update both the expenditure and revenue side of the budget:

(a) The proposed changes on the expenditure side of the budget concern the following elements:

- an increase in the level of payment appropriations (p/a) for the European Regional Development Fund (ERDF) for an amount of EUR 2 billion, for the European Social Fund Plus (ESF+) for an amount of EUR 0.7 billion and for the Border Management and Visa Instrument (BMVI) for an amount of EUR 357 million. These amounts could not be included in the redeployments proposed in the "Global transfer" (DEC No 15/2025) submitted to the European Parliament and the Council on 3 October 2025;

- an update of the needs for the Sustainable Fisheries Partnership Agreements (SFPAs), taking into account the latest developments;

- a decrease in commitment appropriations (c/a) and p/a for the Customs Control Equipment Instrument (CCEI) due to delays in implementation in the Member States;

- a decrease in c/a for the Technical Support Instrument due to efficiency gains from competitive procurement procedures;

- a decrease in p/a for the Ukraine Facility as the 2025 payment profile has been impacted by changes to assumptions such as in the pace of implementation of reforms and investments, the date of signature of guarantee and blending agreements, and the timing of the payment of the borrowing costs subsidies;

- an adjustment of the EU contribution to several decentralised agencies, linked to implementation or other specific reasons, as follows:

    - a decrease of the c/a and p/a allocated to the Anti-Money Laundering Authority (AMLA), as a significant number of the staff that AMLA has recruited will only take up post towards the end of 2025,

- a return of c/a and p/a by the European Insurance and Occupational Pensions Authority (EIOPA) and European Securities Markets Authority (ESMA) because of delays in the adoption of the Retail investment strategy;

- an increase in c/a and p/a for the European Centre for Disease Prevention and Control (ECDC) to cover the financial impact of exchange rate fluctuations;

- a decrease in c/a and p/a allocated to the EU Asylum Agency (EUAA), due to the fact that EUAA's activities to support the implementation of the Pact on Migration and Asylum will now only start in 2026. The returned c/a and p/a will be transferred to the Asylum and Migration Fund (AMIF) Thematic Facility to support AMIF's own activities in implementing the Pact and to cover an increased need for p/a as a result of higher-than-expected interim payments to Member States;

- a return of c/a and p/a to the programme for the Environment and Climate Action (LIFE) by the European Chemicals Agency (ECHA) and the European Environment Agency (EEA). This is due to delays in the adoption of the proposals on Integrated Water Management/Zero Pollution Package, Green Claims, Forest Monitoring and also due to reduced needs in 2025 for the early stages of the implementation of the Regulation on reattribution of tasks in the area of chemicals;

- a return of c/a and p/a to the Connecting Europe Facility (CEF) transport programme by the European Maritime Safety Agency (EMSA) due to delays in the adoption of the maritime safety package;

- a return of c/a and p/a to the Single Market Programme (SMP) Food line) by the European Food Safety Authority (EFSA) due to delays in the adoption of the proposal on new genomic techniques.

Overall, the net impact of this DAB on expenditure amounts to a decrease of EUR 123.7 million in c/a and an increase of EUR 2 517.0 million in p/a.

(b) On the revenue side, this DAB incorporates an additional EUR 1 185.1 million of definitive fines and penalty payments paid until 30 September 2025 and EUR 1 300 million of the estimated TOR surplus. As a result, the overall impact on the GNI contributions is an increase of EUR 31.9 million.

II. CHANGES TO THE INITIAL PROPOSAL AT THE COMMISSION'S REQUEST

Updated information on the salary adjustment for 2025 provided by the Commission:

- assumption 2025 salary adjustment used for the budget 2025: +3.7 %;
- final salary update for 2025, as confirmed by Eurostat on 31 October 2025: +3.0%.

The lower-than-expected salary update for 2025 leads to a reduced need for administrative expenditure in heading 7, which the Commission proposed to integrate into DAB No 3/2025, for the Commission and all Institutions.

Overall, this leads to a reduction of administrative expenditure in 2025 of EUR 78.8 million, and a corresponding reduction of the use of the Single Margin Instrument in heading 7.

The reduction of non-differentiated appropriations in heading 7 reduces the overall level of payments accordingly.

The Commission's recalculation of the own resources contributions leads to an overall reduction in Member States's GNI contributions, as opposed to the increase in GNI contributions expected at the time of the initial DAB No 3/2025.

The remaining elements of DAB No 3/2025 remain unchanged.

III. CONCLUSION

On 17 November 2025, the Council adopted its position on DAB No 3 to the general budget for 2025, including the final salary update for 2025, as set out in the technical annex contained in Addendum 1 to this explanatory memorandum.