

Brussels, 17 December 2025  
(OR. en)

16963/25

**ECOFIN 1765**  
**UEM 642**  
**FIN 1567**  
**ECB**  
**EIB**

**COVER NOTE**

---

From: Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director

date of receipt: 15 December 2025

To: Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union

---

No. Cion doc.: C(2025) 8900 final

---

Subject: COMMISSION IMPLEMENTING DECISION establishing the framework for Union borrowing, debt and liquidity management operations in 2026 under the diversified funding strategy

---

Delegations will find attached document C(2025) 8900 final.

---

Encl.: C(2025) 8900 final



Brussels, 15.12.2025  
C(2025) 8900 final

**COMMISSION IMPLEMENTING DECISION**

**of 15.12.2025**

**establishing the framework for Union borrowing, debt and liquidity management operations in 2026 under the diversified funding strategy**

# COMMISSION IMPLEMENTING DECISION

of 15.12.2025

## establishing the framework for Union borrowing, debt and liquidity management operations in 2026 under the diversified funding strategy

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to the Treaty establishing the European Atomic Energy Community,

Having regard to 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)<sup>1</sup>, and in particular Article 224 thereof,

Having regard to 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<sup>2</sup>, and in particular Article 5(1), point (a), thereof,

Whereas:

- (1) Article 3 of Commission Implementing Decision (EU, Euratom) 2023/2825<sup>3</sup> provides for the adoption of a framework borrowing, debt and liquidity management decision which sets certain annual maximum limits for the borrowing and debt management operations and which grants the authorisation for liquidity management operations that can be entered into over the course of a calendar year in the implementation of the diversified funding strategy established in accordance with Article 224 of Regulation (EU, Euratom) 2024/2509. On that basis, it is necessary to adopt an annual borrowing decision for 2026.
- (2) It is necessary to set the maximum limits for the borrowing and debt management operations for 2026 by determining the maximum amounts of long-term and short-term funding, the average maturity of the Union's long-term funding and a limit for the amount per issuance.
- (3) The funding needs should, over time, be met through the issuance of long-term funding instruments. The maximum amount of long-term funding for 2026 should be based on the amounts of projected disbursements communicated by the programme authorising officers to the Directorate General for the Budget in line with Article 5(2) and (3) of Implementing Decision (EU, Euratom) 2023/2825.
- (4) The funding needs in 2026 are mainly driven by the disbursements schedule under the Recovery and Resilience Facility (RRF) established by Regulation (EU) 2021/241 of

---

<sup>1</sup> OJ L, 2024/2509, 26.9.2024, ELI: <http://data.europa.eu/eli/reg/2024/2509/oj>

<sup>2</sup> OJ L 424, 15.12.2020, p. 1, ELI: <http://data.europa.eu/eli/dec/2020/2053/oj>

<sup>3</sup> OJ L, 2023/2825, 18.12.2023, ELI: [http://data.europa.eu/eli/dec\\_impl/2023/2825/oj](http://data.europa.eu/eli/dec_impl/2023/2825/oj)

the European Parliament and of the Council<sup>4</sup>. The funding needs for RRF taken into account for the purposes of this Decision reflect the latest amounts known at the time of adoption following the latest revisions of Member States' recovery and resilience plans.

- (5) The pre-financing and further financing of loans under the Security Action For Europe (SAFE) instrument will add to the funding needs in 2026. Finally, bonds for an amount of EUR 33 billion, issued under the diversified funding strategy since 2021, will mature in 2026 and need to be refinanced.
- (6) In order to ensure coverage of disbursement needs for all programmes under the diversified funding strategy, this Decision should also be sufficient to cover new financial assistance programmes that are adopted after its entry into force. Given the uncertainty about the final amounts required for established programmes and to cater for unforeseen needs, a precautionary buffer needs to be reflected in the ceilings.
- (7) Alongside outflows, the Union's funding planning in 2026 should also take account of inflows arising from early repayment of European Financial Stabilisation Mechanism (EFSM) loans. The recent change to the Implementing Decision (EU, Euratom) 2023/2825 allows the Union to implement such early repayments as part of its funding strategy. The present Annual Borrowing Decision takes into account early repayment of up to EUR 10 billion. These inflows can be used to reduce the need for new debt issuance to finance other programmes.
- (8) On the basis of these combined funding needs, it is appropriate to set the maximum amount for long-term funding in 2026 at EUR 200 billion. This maximum amount is set taking account of forecast payment and refinancing needs in 2026, with consideration for potential funding needs to be covered by short-term funding. That amount may exceed by a limited margin the funding targets that will be communicated to the market via six-month funding plans. The target volumes communicated via those plans represent the Commission's considered guidance to investors on intended issuances over an upcoming period.
- (9) To meet the large funding needs stemming from the increasing number of programmes that rely on EU-Bond issuance for financing, the long-term funding should be complemented by short-term funding, as in previous years and to an additional extent in 2026. Given remaining uncertainties around amounts needed for some funding programmes, greater reliance will be placed on short-term funding in 2026. Short-term funding avoids long-term debt servicing costs and is therefore a more efficient funding solution for the uncertain component of funding needs, which is more elevated in 2026 compared to previous years. However, a greater reliance on short-term funding increases the exposure of the Union to interest rate rises and should therefore only be used in a transitory manner and to address the uncertainty around eventual long-term funding needs over the year. A maximum amount of EUR 100 billion should be fixed for outstanding credit under the EU-Bill programme and other similar tools to meet short-term liquidity needs such as credit lines.
- (10) In addition to amounts raised through the EU-Bill programme, a separate limit should be established for short-term funding raised via secured money market transactions

---

<sup>4</sup> Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility (OJ L 57, 18.02.2021, p. 17, ELI: <http://data.europa.eu/eli/reg/2021/241/oj>).

(reverse repurchase transactions to provide an additional means of mobilising liquidity as needed). It is therefore appropriate that a maximum outstanding amount of EUR 80 billion of Union securities be established to be held on own account and used to raise temporary funding.

- (11) The maximum outstanding amount per issuance should be established, reflecting the concentration risk at maturity. In order that Commission long-term funding operations are positively received, the maximum maturity per issuance should be sufficiently high to favour the liquidity of bonds issued, so as to reduce costs by attracting the interest of more investors.
- (12) In order to facilitate the implementation of the bond programme in 2026, the maximum amount per issuance should be set at EUR 25 billion.
- (13) The maximum average maturity of long-term funding should ensure sufficient flexibility in the implementation of the programmes covered by the diversified funding strategy in order to attract investor demand while respecting the limits linked to the budgetary capacities to cover contingent liabilities. Taking into account the current market conditions, the interest from investors across the maturity spectrum and available budgetary capacities, the maximum average maturity of long-term funding at issuance should be set at 17 years.
- (14) Cash balances may accumulate on the Commission account at the European Central Bank when disbursements fall behind the planned schedule and the related pace of issuance. The Commission should be able to build cash balances proactively in order to meet heavy disbursement needs over an extended period. The Commission should be authorised to actively manage any amounts in excess of the prudential cash holdings, as defined in Article 2(7) of Implementing Decision (EU, Euratom) 2023/2825. The possibility to undertake liquidity management operations in 2026 should be authorised, in order to manage excess liquidity effectively. This authorisation allows the Commission to maintain open positions that extend into the following calendar year. This should be implemented on the basis of the liquidity management strategy referred to in Article 8(3) of Implementing Decision (EU, Euratom) 2023/2825.

HAS DECIDED AS FOLLOWS:

*Sole article*

1. From 1 January 2026 to 31 December 2026 the Commission shall implement operations within the following framework and limits:
  - (a) for long-term funding, up to a maximum amount of EUR 200 billion, which may be used for disbursements under existing financial assistance programmes as well as for financial assistance programmes that enter into force in 2026;
  - (b) for short-term funding, up to a maximum outstanding amount of EUR 100 billion in outstanding credit at any given moment, including from issuance of EU-Bills and other short-term funding instruments but excluding repurchase transactions;
  - (c) for repurchase transactions in accordance with paragraph 4 for up to a maximum amount of EUR 80 billion.
2. The maximum amount per issuance of long-term funding shall be EUR 25 billion.
3. The maximum average maturity of long-term funding shall be 17 years.
4. The maximum outstanding amount of own issuances which may be held on own account for the purpose of conducting repurchase transactions in order to support the secondary market in Union securities or to mobilise short-term funding shall be EUR 80 billion in 2026.
5. When the amount in the account referred to in Article 14 of Implementing Decision (EU, Euratom) 2023/2825 exceeds an amount necessary for the prudential cash holdings as defined in Article 2(7) of that Implementing Decision, the Commission may implement liquidity management operations in accordance with Article 8 of that Implementing Decision. This shall also allow the Commission to manage liquidity operations whose maturity date falls in the following calendar year.

Done at Brussels, 15.12.2025

*For the Commission*  
*Piotr SERAFIN*  
*Member of the Commission*