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

date of receipt: 24 March 2026

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

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Subject: Recommendation for a COUNCIL DECISION authorising the opening of negotiations on the conditions for the Union's membership in the Council of Europe Development Bank (CEB)

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Delegations will find attached document COM(2026) 131 final.

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Encl.: COM(2026) 131 final



Brussels, 24.3.2026  
COM(2026) 131 final

Recommendation for a

**COUNCIL DECISION**

**authorising the opening of negotiations on the conditions for the Union's membership in  
the Council of Europe Development Bank (CEB)**

## **EXPLANATORY MEMORANDUM**

With this recommendation for a Council Decision, the European Commission is requesting authorisation from the Council to open negotiations on an agreement that would allow the European Union (EU) to become a shareholder of the Council of Europe Development Bank (CEB).

### **1. CONTEXT OF THE PROPOSAL**

#### **• Reasons for and objectives of the proposal**

##### Introduction

The CEB is a multilateral development bank (MDB) set up as a Partial Agreement<sup>1</sup> of the Council of Europe. Founded in 1956, the CEB was originally established to provide support to refugees and displaced people but has progressively widened its scope of action to other sectors contributing to strengthening social cohesion in Europe. It currently has 43 member states<sup>(2)</sup>, including 26 out of 27 EU Member States<sup>(3)</sup>. Together, the EU Member States hold 87.9% of the CEB's shares. France, Germany and Italy are the largest shareholders with 16.9% of shares each. The CEB provides loans and guarantees to its participating member states, including their central governments, to financial institutions and local authorities for the financing of projects in the social sector, mainly in social infrastructure. The activity is mainly carried out through the CEB's own resources and partly through donor funding. The EU is the CEB's largest donor, having provided EUR 844 million<sup>(4)</sup> in favour of CEB projects since 2010.

The CEB enjoys a strong credit rating, reflecting a strong capital base, a solid asset quality and excellent asset performance. It has had triple-A status since 2020 (Scope), 2021 (S&P) and 2023 (Fitch and Moody's). In 2025, its triple-A status has been confirmed by all major rating companies.

The CEB's official remit, reinforced in its Strategic Framework 2023-2027, is to promote social cohesion and strengthen social integration in Europe, as well as to assist migrants and refugees. The aims are broadly in line with the Commission's priorities when it comes to social, economic and territorial cohesion, as well as regarding migration policy. The CEB's social investments serving vulnerable groups have the potential to contribute to implementing the EU's European Pillar of Social Rights. In addition, given that Ukraine became on 15 June 2023 a member of the CEB, the Bank now provides assistance to Ukraine and supports the country's reconstruction efforts. Engaging with Ukraine is one of the overarching goals of the CEB's Strategic Framework 2023-2027.

Becoming a shareholder will allow the EU to ensure better coordination of the EU position in the wider network of the boards of International Financial Institutions (IFIs), contribute to the

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<sup>1</sup> A Partial Agreement is a particular form of co-operation within the Council of Europe whereby only some Member States, not all, decide to participate in a certain activity. A partial agreement has its own budget and working methods, determined solely by the members of the partial agreement.

<sup>2</sup> Shareholders are currently: Albania, Andorra, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Holy See, Hungary, Iceland, Ireland, Italy, Kosovo, Latvia, Liechtenstein, Lithuania, Luxembourg, North Macedonia, Malta, Moldova, Montenegro, Netherlands, Norway, Poland, Portugal, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Türkiye and Ukraine. Neither Russia nor Belarus are shareholders of the CEB. In addition, in March 2022, the Council of Europe expelled the Russian Federation from the organisation and suspended all relations with Belarus and its rights to participate in all meetings and activities of the Council of Europe.

<sup>3</sup> All EU Member States, except Austria, are members of the CEB.

<sup>4</sup> Up to September 2025, EUR 594 million in grants and EUR 250 million in guarantees (InvestEU).

implementation of EU priorities, deepen its strategic partnership with the CEB to foster social investments in Europe, support legal migration and integration and promote stability and economic growth in enlargement and neighbourhood countries. EU participation in the CEB would be enacted by the Commission.

### Objectives

Acquiring a share in the CEB has the potential to increase synergies of the CEB's priorities with those of the EU, in particular in the area of social infrastructure and social inclusion, migration, enlargement and neighbourhood policy, with significant emphasis on assistance to Ukraine. It would allow the EU to have a voice in the setting of the CEB's strategy and on its investment decisions and operations beyond those already supported by EU mandates. It could also help deepen the relationship between the EU institutions and the Council of Europe, as well as with the many partner countries in the immediate neighbourhood that are members of the CEB. Moreover, it could help coordinate support to Ukraine with that of the other international players in its reconstruction.

The Council has encouraged the Commission and Member States to ensure closer coordination with and among the IFIs in the context of the European Financial Architecture for Development<sup>(5)</sup> and Climate Finance<sup>(6)</sup>. The participation in the governing bodies of financial institutions has clearly shown to have benefits in this regard. It has allowed to develop strong coordination of the Commission's policy and financial cooperation with these institutions, including through the implementation of EU mandates.

### Presence in the CEB governing bodies

By becoming a shareholder, the EU would be formally involved in the development of the policies of the CEB and their implementation, it would participate in the CEB's decision-making process and be represented in its governing bodies by the European Commission. It would obtain voting rights in proportion to the number of subscribed shares and secure a seat in both the Governing Board and the Administrative Council of the CEB<sup>7</sup>.

The Governing Board sets out the general orientations for the CEB's activity, lays down the conditions for membership by other states, decides on capital increases and endorses the institution's key corporate and financial documents. It elects its own Chairperson and the Chairperson of the Administrative Council and appoints the Governor and the members of the Auditing Board. In general, decisions in the Governing Board require a majority of members voting for or against, and those members must represent at least two-thirds of the voting rights. The Administrative Council exercises the powers delegated to it by the Governing Board, establishes and supervises operational policies, and approves investment projects submitted by the governments.

### General objectives on capital participation

Following the approval of the CEB's first-ever capital increase with paid-in capital in 2022, the subscription period closed on 31 December 2024 with a participation rate of over 95%. As a result, with a capital increase of EUR 4.14 billion, the total subscribed capital of CEB stands at EUR 9.62<sup>(8)</sup> billion (out of which EUR 1.766 billion is paid-in capital).

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<sup>5</sup> Council conclusions on enhancing the European financial architecture for development of 14 June 2021

<sup>6</sup> Council conclusions on international climate finance of 8 October 2024

<sup>7</sup> CEB Members may also appoint a substitute representative to both governing bodies.

<sup>8</sup> To be corrected in 2026 with the addition of new earnings from 2025, indicatively EUR 100 million.

The aim for the EU would be to become a mid-range shareholder, situating it in the middle of the list of shareholders with an approximate 0.4% (0.419%) direct share of the total subscribed capital of the CEB thus obtaining voting rights in proportion to such number of subscribed shares and securing seats in the governing bodies of the CEB, i.e. a seat at the Governing Board and at the Administrative Council. This shareholding will allow the EU to engage more effectively with the CEB, coordinate the position among EU shareholders and ensure greater synergy with EU policy priorities, while committing a limited amount of resources.

This would necessitate a subscription of EUR 40.294 million in shares. According to the compulsory paid-in/subscribed capital ratio (18.59%) of the CEB, this would require an investment by the EU of EUR 20 million: EUR 7.49 million for paid-in capital EUR (with EUR 32.804 million as callable capital) plus EUR 12.51 million in compulsory reserves. To this end, the Commission would propose to make use of appropriations totalling EUR 20 million in both commitments and payments programmed for the Employment and Social Innovation (EaSI) strand of the European Social Fund Plus (ESF+), the Asylum, Migration and Integration Fund (AMIF) and the Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI-GE) programme under the EU's annual budget for the financial year 2027.

- **Consistency with existing policy provisions in the policy area**

The Union shareholding in the CEB would contribute to EU policies in the following areas:

Social and employment policy

The CEB's focus on social policy and infrastructure could complement the EU's funding programmes aimed at addressing economic and social disparities within and between Member States and/or other countries, particularly in areas such as affordable housing, healthcare, poverty reduction and education. With the EU becoming a shareholder, it could advocate for increased and adequate funding for such projects, particularly in less developed regions of Member States. The CEB's focus on social infrastructure complements EU programmes such as InvestEU or the Recovery and Resilience Facility (RRF).

The guarantee agreement with the CEB under InvestEU signed in November 2022 and last amended in December 2025 is currently worth up to EUR 318 million of EU guarantee and supports a portfolio of around EUR 1 billion of investments under the Social Investments and Skills window (SISW). The portfolio of projects covered includes social infrastructure (affordable social housing, public hospitals, education and training), microfinance and support for social enterprises with cross-cutting objectives such as the social and economic inclusion of vulnerable groups and gender equality. The CEB is the only InvestEU implementing partner – in addition to the EIF – that has a focus on supporting microfinance and social enterprises. The CEB is delivering on its InvestEU policy goals and is among the implementing partners with the highest implementation record, both when measured by approved operations and by signed operations.

The CEB could also play an important technical and funding role in housing policy in the EU, including through the European Affordable Housing Plan, given its decades-long experience in supporting housing for vulnerable groups. Together with the European Commission, the CEB is co-chairing the European Platform on Combatting Homelessness (EPOCH) workstream on access to finance, to look for additional ways to expand on common social cohesion objectives. For Roma populations, the CEB has implemented the Housing and Empowerment for Roma (HERO) European Parliament Pilot Project and continues to strengthen its efforts to further support this segment of vulnerable groups.

## Enlargement and neighbourhood policy

The CEB's expertise in post-conflict reconstruction and social integration aligns with the EU's goals of promoting stability and cohesion in Europe and of boosting economic growth in enlargement and neighbourhood countries. By becoming a shareholder, the EU could amplify these efforts and further use the CEB's unique expertise. The Commission has a long-standing relationship with the CEB in the enlargement region, both as a major donor and in terms of the CEB participating in EU initiatives and frameworks, such as the Western Balkans Investment Framework (WBIF) or the Neighbourhood Investment Platform (NIP). The WBIF blends different forms of non-reimbursable and reimbursable types of financing in the public and private sectors of the Western Balkans, which aims to support socio-economic development. The WBIF is designated as the main vehicle for the delivery and implementation of the Global Gateway Strategy and the main channel for developing the investments of the Growth Plan and the Reform and Growth Facility for the Western Balkans. The CEB is also an implementing partner under the EU blending platform for the Eastern Partnership countries – the Neighbourhood Investment Platform. Up until end 2025, two blending operations were approved in the health sector in the Republic of Moldova (Moldova) with CEB. The CEB has also received grant funding from the Eastern Europe Energy Efficiency and Environment Partnership (E5P) – of which the EU is a key donor. The CEB is also a key partner in implementing the Growth Plan for Moldova which will boost Moldova's economy and bring the country closer to EU membership by accelerating reforms.

The EU's partnership with the CEB can also be crucial as regards the reconstruction of Ukraine. With Ukraine having become a new member country of the CEB in 2023, new possibilities for closer coordination and cooperation have emerged. The CEB is an implementing partner of the Ukraine Facility and through it is helping rebuild the social infrastructure damaged or destroyed in the country, with a focus on housing and healthcare.

As of June 2025, the CEB has approved EUR 553 million in loans to Ukraine, out of which EUR 400 million are for housing solutions. A programme of EUR 200 million (EUR 100 million approved in March 2024 and another EUR 100 million approved in January 2025) benefits from an amount of EUR 10 million in Technical Assistance (TA) from the Ukraine Investment Framework (UIF). In addition to housing and healthcare, in September 2024, the CEB approved its first microfinance operation in Ukraine - EUR 3 million to Bank Lviv to ensure access to credit for microentrepreneurs and small businesses in Ukraine. The Bank's activities in this sector are expanding. In cooperation with the Commission, an EUR 40 million product was approved by the UIF board in June 2025 (including a EUR 15 million UIF grant).

With regards to Türkiye, it is one of the most important recipient countries for the CEB and one of its founding members. With the EU becoming a shareholder of the bank, the CEB could become a solid partner in the Mediterranean basin via enhanced investments in Türkiye, where the CEB provides new loans in the range of up to EUR 300 million annually, focused on human capital infrastructure, especially in health, education and seismic risk mitigation. In particular, the CEB collaborates with the EU through the EU Facility for Refugees in Türkiye (FRiT). Going forward, the CEB would be interested in participating in the Türkiye Investment Platform. This is coherent with the EU's recent phased and proportionate re-engagement with Türkiye aimed at enhancing cooperation in a number of areas of common interest.

## Migration policy

Aid to refugees, migrants and displaced persons is one of the CEB's statutory priorities. In the area of migration the CEB has reported an overall project value of EUR 2.5 billion over the

past 15 years. The CEB has been particularly active in helping Türkiye cope with the unprecedented influx of Syrian refugees fleeing from the country after the war. The CEB has collaborated with the Commission through PAFMI, the Partnerships and Financing for Migrant Inclusion programme, designed to support new ways of financing to address integration and inclusion challenges faced by third country nationals. The programme focuses mainly on promoting employment opportunities (including entrepreneurship) and education. Another collaboration with the European Commission has been the Urban Agenda Partnership on Inclusion, including on developing a potential project pipeline based on EU grants and/or financial instruments.

The CEB's opening to operations in Ukraine is highly relevant, given that the CEB is Europe's specialised bank in dealing with refugees and the integration of third-country nationals with considerable experience with former Yugoslavia and Syrian refugees. There could be a strong role for the CEB in the reconstruction of Ukraine. It could also channel the appropriate aid and support to Moldova and relevant Member States that are CEB members and currently share a significant part of the responsibility in re-integrating displaced persons from Ukraine.

## **2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY**

### **• Procedural legal basis**

Article 218(3) TFEU provides that, where the agreement envisaged does not relate exclusively or principally to the common foreign and security policy, the Commission shall submit recommendations to the Council. The Council shall adopt a decision authorising the opening of negotiations and nominating the Union negotiator or the head of the Union's negotiating team.

Article 218(4) TFEU provides that the Council may address negotiating directives to the negotiator and designate a special committee to consult the negotiator.

The Commission recommends to open negotiations on the conditions for the Union's membership in the CEB. The CEB's activities relate to providing loans and guarantees to its participating members, including their central governments, to financial institutions and local authorities for the financing of projects in the social sector, mainly in social infrastructure. The Commission is to be nominated as negotiator.

The procedural legal basis for the proposed decision to authorise the opening of negotiations of the envisaged agreement is Article 218(3) and (4) TFEU.

### **• Substantive legal basis**

The CEB's aim is to promote social cohesion and strengthen social integration in Europe, as well as to assist migrants and refugees. To this effect, it provides financial assistance to its members. This assistance is given both to EU Member States and to third countries.

Article 175 TFEU provides that the Union conducts and coordinates its economic policies in such a way as to attain the objectives set out in Article 174 TFEU which are the strengthening of its economic, social and territorial cohesion.

Article 212(1) and 212(3) TFEU provide that the Union carries out economic, financial and technical cooperation measures with third countries other than developing countries, and that the Union shall cooperate with third countries and competent international organisations.

Therefore, the substantive legal basis underpinning this proposal are Article 175(3) TFEU and Article 212 TFEU.

- **Choice of negotiator**

Given that the agreement envisaged exclusively covers matters other than the common foreign and security policy, the Commission should be nominated as the negotiator pursuant to Article 218(3) TFEU.

- **Union competence**

Pursuant to Article 175 TFEU, the Union supports actions leading to the strengthening of its economic, social and territorial cohesion. In accordance with Article 212(1) and 212(3) TFEU the Union carries out economic, financial and technical cooperation measures with third countries other than developing countries, and the Union shall cooperate with third countries and competent international organisations. Thus, the Union has the competence to accede to the CEB.

- **Proportionality**

The present Recommendation for a Council Decision authorising the opening of negotiations on behalf of the Union for its membership in the Council of Europe Development Bank does not go beyond what is necessary to achieve the policy objectives at stake. The conditions of the membership of the EU in the CEB can only be achieved through negotiations by the Commission with the CEB.

The authorised capital will provide the CEB with additional resources to complement EU objectives.

- **Choice of the instrument**

This recommendation for a Council decision is submitted in accordance with Article 218(3) and (4) TFEU, which envisage the adoption by the Council of a decision authorising the opening of negotiations and nominating the Union negotiator. The Council may also address negotiating directives to the negotiator. There exists no other legal instrument that could be used in order to achieve the objective expressed in this recommendation.

### **3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS**

- **Stakeholder consultations**

There have been frequent consultations with the CEB at management and technical level. CEB shareholders actively discussed and reflected on Union membership during several Governing Boards sessions in 2025. The CEB in its letter to the Commission expressed<sup>9</sup> its willingness to continue to explore how membership of the Union could further strengthen the mutual partnership.

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<sup>9</sup> CEB letter to the Commission of 21.10.2025.

- **Collection and use of expertise**

There have been frequent consultations with technical experts within the CEB.

- **Impact assessment**

Against the background laid out in the previous two sections, in accordance with the proportionality principle and past practice, the Commission has not developed a formal impact assessment.

- **Fundamental rights**

The aim of the CEB is to promote social cohesion in Europe, defined as “the capacity of a society to ensure the well-being of all its members, minimising disparities and avoiding marginalisation”.

The CEB pursues its mission by financing social investment and projects that serve vulnerable people, across three lines of action:

- Investing in people and enhancing human capital;
- Promoting inclusive and resilient living environments;
- Supporting jobs and economic and financial inclusion.

It is, therefore, expected that the increase of the capital of the CEB will allow it to be more active in the above areas, which should be beneficial for the protection of fundamental rights.

#### **4. BUDGETARY IMPLICATIONS**

Reaching the stated aim of acquiring an approximate 0.419% direct share of the total subscribed capital of the CEB would necessitate a subscription of EUR 40.294 million in shares, in the form of EUR 7.49 million in paid-in shares and EUR 32.804 million in non-paid-in shares. This would imply a contingent liability for the EU budget of the same amount, EUR 32.804 million. In addition, the Union would need to contribute EUR 12.51 million to the compulsory reserves. This totals an investment of EUR 20 million for the EU, which the Commission proposes to fund by making use of appropriations programmed for the Employment and Social Innovation (EaSI) strand of the European Social Fund Plus (ESF+), the Asylum, Migration and Integration Fund (AMIF) and the Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI-GE) programme under the EU’s annual budget for the financial year 2027.

Becoming a shareholder of the CEB will also entail the obligation to contribute annually to the budget of the secretariat that manages the Partial Agreement upon which CEB is constituted within the rules of the Council of Europe. These costs are of an administrative nature and represent a modest annual contribution, which will be funded by the Commission.

Recommendation for a

## **COUNCIL DECISION**

### **authorising the opening of negotiations on the conditions for the Union's membership in the Council of Europe Development Bank (CEB)**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 175(3), Article 212 and Article 218(3) and (4) thereof,

Having regard to the recommendation from the European Commission,

Whereas:

- (1) The conditions of membership of the Council of Europe Development Bank (the 'CEB') are laid down in its Articles of Agreement. Pursuant to article III.c thereof, international institutions with a European focus may become Members of the Bank. The Governing Board of the CEB decides on the conditions of admission of new Members. For the Union to become a member, it is, therefore, necessary to enter into negotiations on those conditions with the CEB.
- (2) In view of the Council's invitation to the Commission and the Member States to ensure closer coordination with and among International Financial Institutions in the context of the European Financial Architecture for Development, it is appropriate for the Union to become a member of the CEB by acquiring shares in its capital in order to deliver more effective coherence of the CEB's priorities with Union priorities and achieve the Union's objectives in the field of social cohesion and external economic relations, by exercising the voting power that is conferred with ownership. It will in addition help deepen the relationship between the EU and the other partner countries in the enlargement and neighbourhood region that are members of the CEB. Moreover, it will also help bolster support for Ukraine, including as regards its post-war reconstruction, now that this country is a member of the CEB and a core target of its policies.
- (3) The CEB's focus on social policy and infrastructure can complement and create synergies with the EU's funding programmes and policy actions aimed at addressing economic and social disparities in the Union, particularly in areas such as affordable and social housing, healthcare, poverty reduction, education, gender equality and the social and economic inclusion of vulnerable groups, including persons with disabilities, Roma populations and the homeless. The CEB can also play an important technical and funding role in housing policy in the EU, given its decades-long experience in supporting housing for vulnerable groups.
- (4) The CEB's expertise in post-conflict reconstruction and social integration aligns with the EU's goals of promoting stability and cohesion in Europe. The CEB could support the EU to prepare accession countries in their path towards EU membership and support the implementation of the Growth Plans in the Western Balkans and Moldova. With the geographic scope of the CEB operations having been extended to Ukraine, providing assistance to support the country's reconstruction, recovery and long-term

social development is now one of the overarching new goals of the CEB. The recently completed capital increase provides further financial capacity to support Ukraine on its EU membership path. The CEB could support the EU in its implementation of the Ukraine Facility. The EU and CEB could also further enhance their partnership with regard to social infrastructure investments in Türkiye.

- (5) Aid to refugees, migrants and displaced persons is one of the CEB's statutory priorities, making it Europe's specialised bank in dealing with beneficiaries of international protection and the integration of third country nationals. This expertise can complement the EU's actions in support of beneficiaries of international protection, focusing the CEB's action among others on the reintegration of returning refugees, migrants or internally-displaced persons and contributing to the lasting integration of third country nationals in host countries.

HAS ADOPTED THIS DECISION:

*Article 1*

The opening of negotiations with the Council of Europe Development Bank (the 'CEB') on the conditions of the Union's membership in the CEB is hereby authorised.

*Article 2*

The Commission is hereby nominated as the Union negotiator.

*Article 3*

The negotiating directives set out in the addendum to this decision are hereby addressed to the Commission.

*Article 4*

The negotiations shall be conducted in consultation with the [name of the special committee to be inserted by the Council], which is hereby designated as the special committee within the meaning of Article 218(4) TFEU.

*Article 5*

This Decision is addressed to the Commission.

Done at Brussels,

*For the Council  
The President*

## LEGISLATIVE FINANCIAL STATEMENT

### **1. FRAMEWORK OF THE PROPOSAL/INITIATIVE**

#### **1.1. Title of the proposal/initiative**

Recommendation for a COUNCIL DECISION authorising the opening of negotiations on the conditions for the Union's membership in the Council of Europe Development Bank (CEB).

#### **1.2. Policy area(s) concerned**

Heading 6. Neighbourhood and the World

#### **1.3. Objective(s)**

##### *1.3.1. General objective(s)*

Aid the EU's social cohesion policies through investment, including assistance for Ukraine in its preparation for accession to the EU.

##### *1.3.2. Specific objective(s)*

To deliver more effective alignment of the CEB's priorities with Union priorities and achieve the Union's objectives in the field of social cohesion and economic external relations; to help deepen the relationship between the EU institutions, the Council of Europe and the 26 EU Member States that form part the CEB, as well as with the many partner countries in the immediate neighbourhood that are members of the CEB; to help in providing more and better support to Ukraine and its recovery efforts.

##### *1.3.3. Expected result(s) and impact*

More effective alignment of the CEB's priorities with EU priorities in Europe, as well as with those of other International Financial Institutions (IFIs), in particular in the area of social infrastructure, social inclusion and social innovation. With the formal involvement of the Commission in its decision-making bodies, facilitating the steering of the CEB Board in a more efficient manner than through only existing mandates such as InvestEU and the Financial Framework Partnership Agreement (FFPA). Shaping the CEB's political priorities, investment decisions and operations largely beyond those already supported by EU mandates. Deepening of the relationship between the EU institutions, the Council of Europe and the 26 EU Member States that form part the CEB, as well as with the many partner countries in the immediate neighbourhood that are members of the CEB. Helping provide more and better support to Ukraine and its recovery efforts, given that Ukraine is now a member of the CEB and engaging with Ukraine is one of the overarching goals of the Strategic Framework of the Bank.

##### *1.3.4. Indicators of performance*

The attainment of objectives will be measured by the volume of CEB financing operations by regions, especially in Ukraine and other countries of operations affected by Russia's war, by sectors and by the volume of CEB financing operations co-financed with other IFIs and/or Commission programmes, as well as by other indicators set out in the CEB impact framework.

#### **1.4. The proposal/initiative relates to:**

A new action.

## **1.5. Grounds for the proposal/initiative**

### *1.5.1. Requirement(s) to be met in the short or long-term including a detailed timeline for roll-out of the implementation of the initiative*

In order to implement the initiative, the Union needs to purchase shares of the CEB capital and thus become a member of the CEB allowing it to exercise the voting power that is conferred with ownership so as to deliver more effective coherence of the CEB's priorities with Union priorities and achieve the Union's objectives in the field of social cohesion and external economic relations.

The legislative process under article 218 TFEU, consists first in the adoption by the Commission of a Recommendation to the Council under article 218(3) and 218(4) TFEU to adopt a Decision authorising the opening of negotiations for Union membership in the CEB. The Decision should contain broad 'negotiating guidelines/objectives' set by the Council. Once adopted, the Commission will send a formal request for membership/accession to the CEB Governing Board, after which a process of negotiations would start with the CEB on the conditions of Membership. Once an agreement will have been reached, the Commission can adopt a proposal for a Council decision under Article 218(6) TFEU on the approval of the agreement. Once the Council has adopted the decision on the conclusion of the international agreement on membership, the next phase is the deposition of the instrument of accession (including subscription of shares to the CEB). Membership is then effective, and Commission representatives can appoint representatives in the CEB statutory bodies: Governing Board and Administrative Council.

*1.5.2. Added value of Union involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this point 'added value of Union involvement' is the value resulting from Union intervention, which is additional to the value that would have been otherwise created by Member States alone.*

EU membership of the CEB aims at delivering more effective coherence of the CEB's priorities with Union priorities that would otherwise be achieved solely by Member States' presence at the CEB's governing bodies. EU membership could increase synergies of the CEB's priorities with those of the EU, in particular in the area of social infrastructure and social inclusion, migration, enlargement and neighbourhood policy, with significant emphasis on assistance to Ukraine. Sitting at the CEB decision-making bodies will allow the EU to have a stronger voice, in addition to that of Member States alone, in the setting of the CEB's strategy and on its investment decisions and operations beyond those already supported by EU mandates. It could also help deepen the relationship between the EU institutions and the Council of Europe, as well as with the many partner countries in the immediate neighbourhood which are members of the CEB. Moreover, it could help coordinate support to Ukraine with that of the other international players in its reconstruction.

Membership of the CEB would also be a relatively cost-effective means of giving effect to the longstanding objective of enhancing the EU's role in international fora, as instructed by the June 2021 Council conclusions.

There is also potential financial added value to be gained by EU membership: with its current loan-to-equity ratio, the CEB is in a position to generate about EUR 5.4 in loans for every euro of equity. Such a ratio is consistent with the prudent but impactful leverage strategies typically employed by MDBs, which aim to maximise development financing while maintaining financial stability and strong credit ratings. When this ratio is applied to the

projected increase in CEB equity from EU membership – EUR 20 million in paid-in capital plus reserves - a hypothetical estimate suggests that the CEB could generate up to EUR 108 million in additional lending capacity as a result of EU membership. This estimate is derived from the fundamental financial multiplier effect of leveraging equity capital to mobilise loanable funds. This calculation provides an indication that the opportunity cost of the membership is modest, as membership will result in increased lending towards social infrastructure and their beneficiaries of support. The financial leverage enabled by CEB's capital structure, when combined with the catalytic effect of EU membership, suggests a net-positive economic rationale.

### *1.5.3. Lessons learned from similar experiences in the past*

The EU can build on its experience as a shareholder and board member in several International Financial Institutions (IFIs), such as the EBRD and the EIB Group (EIB and EIF). In the case of the EIB, the EU is not a shareholder of the EIB but has an institutional role anchored in the Bank's statutes, which includes board membership. In these institutions, EU presence at the respective Boards' deliberations has proven to have a significant positive impact on the institutions' policies and helps ensure their continued close alignment with EU policies. This impact does not directly depend on the size of the shareholding but rather on the Commission's expertise with financial instruments and its role as a donor, manager of the EU Budget and board member across different IFIs. Indeed, the added value created by EU participation in IFIs is multifaceted and extends beyond mere participation in Board deliberations. By leveraging its position, the Commission can help influence the strategic direction of the institutions and can contribute to policy formulation and advocacy, also facilitating dialogue between interested stakeholders.

### *1.5.4. Compatibility with the Multiannual Financial Framework and possible synergies with other appropriate instruments*

There is clear compatibility with the Multiannual Financial Framework and with several EU budgetary programmes. The CEB's focus on social infrastructure complements EU programmes like InvestEU or the Recovery and Resilience Facility (RRF).

The guarantee agreement signed with the CEB under InvestEU currently foresees up to EUR 318 million in EU guarantees and supports a portfolio of around EUR 1 billion of investments under the Social Investments and Skills window (SISW). The CEB is the only InvestEU implementing partner – in addition to the EIF – that has a focus on supporting microfinance and social enterprises. The CEB participates in several other EU initiatives and frameworks, such as the Western Balkans Investment Framework (WBIF) or the Neighbourhood Investment Platform (NIP). The CEB is also an implementing partner of the Ukraine Facility and through it is helping rebuild the social infrastructure damaged or destroyed in the country, with a focus on housing and healthcare. In the area of migration, the CEB has collaborated with the Commission through the Partnerships and Financing for Migrant Inclusion programme (PAFMI). With regards to Türkiye, the CEB collaborates with the EU through the EU Facility for Refugees in Türkiye (FRiT). Going forward, the CEB would be interested in participating in the Türkiye Investment Platform.

### *1.5.5. Assessment of the different available financing options, including scope for redeployment*

Reaching the stated aim of acquiring an approximate 0.419% direct share of the total subscribed capital of the CEB would necessitate a subscription of EUR 40.294 million in shares, in the form of EUR 7.49 million in paid-in shares and EUR 32.804 million in non-

paid-in shares. This would imply a contingent liability for the EU budget of the same amount, EUR 32.804 million. Out of this amount, the Union would need to contribute EUR 12.51 million to the compulsory reserves. This totals an investment of EUR 20 million for the EU.

For this purpose, a dedicated budget line under Heading 6 (Neighbourhood and the World) will need to cater for an amount of commitment appropriations equivalent to the full size of the EU participation in the CEB paid-in capital and reserves, i.e. EUR 20 million.

On the issue of the contingent liability created for the EU budget due to the existence of callable capital, it is to be noted that the future financial risks for the EU are negligible. The CEB is a prudent institution, with very large reserves, enjoying a triple-A credit rating from the leading rating agencies, reflecting its strong capital base, solid asset quality and the excellent track record of asset performance. In line with other IFI shareholdings the EU has (EBRD, EIF), no ex-ante cash provisioning would be necessary to cover the callable capital, given the extremely low likelihood that the capital will be called. It is to be noted that CEB has never called any capital from its members since its establishment in 1956. The same is true of all other Multilateral Development Banks (MDBs). In the remote case that the capital was to be called, the contingent liability should be covered through redeployment of resources from the contributing programmes or their successor programmes.

The proposal will be indirectly funded through appropriations programmed for the Employment and Social Innovation (EaSI) strand of the European Social Fund Plus (ESF+) (EUR 10 million), the Asylum, Migration and Integration Fund (AMIF) (EUR 5 million) and the Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI-GE) programme (EUR 5 million) under the EU's annual budget for the financial year 2027. The programmed commitment and payment appropriations of these three programmes for 2027 will be reduced. The reduction under the AMIF will lead to an increased margin under the heading 4 of the MFF. The reduction under the EaSI of the ESF+ will result in an increased margin under the heading 2b of the MFF, before the application of the EURI (European Union Recovery Instrument) cascade. The reduction under the heading 2b will ultimately lead to a higher availability of margin in the EURI cascade, and thus lower use of special instruments.

In this context, financing the proposal under Heading 6 would require the use of the unallocated margin under Heading 6 for EUR 15 million and redeployment of EUR 5 million of programmed appropriations from NDICI-GE.

Finally, it is to be mentioned that becoming a shareholder of the CEB will also entail the obligation to contribute annually to the budget of the secretariat that manages the Partial Agreement upon which CEB is constituted within the rules of the Council of Europe. These costs are of an administrative nature and represent a modest annual contribution (approximately EUR 10,000 per year) which will be funded from DG ECFIN's administrative expenditure under Heading 7. The appropriations required for other expenditure of an administrative nature will be met by appropriations already allocated to the DG.

## **1.6. Duration and financial impact of the proposal/initiative**

Limited duration: Financial impact in 2027 for operational commitment and payment appropriations.

As of 2027, a permanent annual financial impact is expected for administrative commitment and payment appropriations for as long as the EU remains a shareholder in the CEB.

### **1.7. Method(s) of budget implementation planned**

Direct management by the Commission, by its departments, including by its staff in the Union delegations.

## **2. MANAGEMENT MEASURES**

### **2.1. Monitoring and reporting rules**

The CEB operations will be managed in accordance with the CEB's own monitoring and reporting procedures. The CEB reports on its operations, the attainment of its policy objectives as well as on its audited accounts for each financial year to its Governing Board. The Governing Board approves, after reviewing the auditor's report, the general balance sheet and the statement of profit and loss of the CEB.

The Governor of the CEB representing the Union shall report on the CEB's activities and operations to promote the EU's objectives in the field of social cohesion, the use of the CEB's capital, measures to ensure transparency of the CEB's operations via financial intermediaries, the CEB's contributions to risk-taking and effectiveness in leveraging additional financing from the private sector, and cooperation between the CEB and the EIB and EBRD inside and outside the Union.

### **2.2. Management and control system(s)**

#### *2.2.1. Justification of the management mode(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed*

The Governing Board (GB) is the supreme organ and highest decision-making authority of the Bank with regard to strategic issues and is vested with all powers of the Bank which have not been delegated to the Administrative Council (AC). The key prerogatives of the GB are to determine the strategic orientation of the Bank, exercise high-level institutional oversight, decide on capital matters, approve annual accounts, and appoint senior officials. There are three governance bodies which are independent of the management of the Entity: the Governing Board, the Administrative Council and the Auditing Board. The composition, mandate and operating standards of each body are provided in the Articles of Agreement of the Bank and in the rules of procedure of each body. The key powers of the AC are to approve the operating budget of the Bank, to approve loan requests and to discharge the Governor from his responsibility for financial management each year. The Governor is the legal representative of the Bank, the Head of the Bank's operational services and is responsible for the Bank's staff under the general supervision of the Administrative Council. The Auditing Board, as an independent supervising body of the Bank's activities, shall inspect the Bank's accounts and certify in its annual report the Bank's balance sheet and operational accounts.

The internal audit and compliance departments regularly monitor the risks of significant loss or damage to the Bank's reputation resulting from failure to comply with procedures attached to its operations, whether it would be its own rules, current legislation, the code of conduct, professional and ethical standards, or good practices.

Control activities are defined by high level policies and operational procedures. Policies are adopted by the Collegial Organs or approved by the Governor whereas operational procedures are approved by the Directors supervising the different business lines and endorsed by the dedicated CORO (Committee for Operational Risks & Organisation) Sub-committees.

The Bank's financial policies (i.e. liquidity, investments, ALM and derivatives) and the new prudential framework approved by the Administrative Council constitute a set of standards for risk-related control activities. In addition, the Administrative Council receives from the management a financial report and a risk management report with details on all risks incurred by the Bank, on a quarterly basis. Operational procedures are established by the Heads of business lines with the assistance of the Operational Risk Department. In close cooperation with the various business lines, the Operational Risk Department regularly reviews the

procedures from an operational risk management perspective, recommending process improvements and new controls in order to mitigate the risks identified. Procedures are modelled by the Operational Risk Department in a specialised Business Process Management tool (MEGA) and are accessible to all staff members via a dedicated intranet site in order to maintain awareness of their application

It is the Chief Compliance Officer's mission to ensure that the Bank conducts its activities in compliance with its own rules, current legislation, codes of conduct, good practices and standards in order to avoid any risk of irregularity in the functioning of the Institution, of its Organs or its staff. A set of high-level policies (Compliance Policy, Anti-Corruption Charter, Codes of Conduct) are in place to ensure the highest ethical level in the CEB's operations. In its Operational Risk Policy, the CEB declares that it has a zero tolerance for fraud and corruption.

#### *2.2.2. Information concerning the risks identified and the internal control system(s) set up to mitigate them*

The CEB specifies its objectives through its medium- term Development Plan. This plan sets out strategic guidelines for the activity over the next 3 years. CEB has an integrated risk management system with the directorate for Risk & Control. A clearly defined framework has been provided for managing the Bank's risks. Risk assessment procedures are documented. Dedicated Risk management departments have been established by CEB in order to identify, manage and control risks.

Subject to a mid-term review, this document defines the Bank's scope of action, assesses its budgetary and organisational means and makes sure that these objectives are in line with the Institution's capital.

In addition, as regards the CEB implementing EU programmes, its internal control systems have been found equivalent to the Commission ones in the pillar assessment conducted in line with the Financial Regulation

#### *2.2.3. Estimation and justification of the cost-effectiveness of the controls (ratio of "control costs ÷ value of the related funds managed"), and assessment of the expected levels of risk of error (at payment & at closure)*

See reply above in 2.2.2.

### **2.3. Measures to prevent fraud and irregularities**

The Bank attaches the greatest importance to the prevention against fraud and irregularities, both within the institution itself and within the framework of the projects it finances. To avoid any risk of fraud and corruption in the functioning of the institution, its organs and its staff, the CEB has drawn up a compliance policy. In this context, mention should also be made of the Code of Conduct and the Anti-Corruption Charter.

The CEB has elaborated a framework composed of principles and procedures to prevent and manage cases of errors, fraud or irregularities. Controlling bodies in charge of anti-fraud actions, errors or irregularities:

#### *Internal Audit:*

Internal Audit recommends process improvements to increase overall effectiveness of the business activities and lends support to the bank to assure proper reflection and implementation of the agreed corrective action. Internal Audit provides assurance to management that the accounting entries for the business transactions are processed in a

correct and controlled manner. Recommendations are reported in the Internal Audit Reports. Follow up actions are formalised by Internal Audit in a corrective action plan.

*Compliance:*

The compliance purpose is to enable the CEB to limit its exposure to the legal, administrative or regulatory sanctions, material financial loss, or loss to reputation incurred in the event of non-compliance.

If any suspicion arises, the Chief Compliance Officer (CCO) reports functionally and administratively directly to the Governor. Furthermore, a committee is established within the Governing Board (the *Compliance Committee*), with the mandate to address cases of alleged violations of the applicable codes of conduct involving the Governor, a member of the Bank's Collegial Organs including their Chairperson, or a member of the Auditing Board. This Committee is composed of the Chairperson, Vice Chairperson and a third member, drawn by lots from the Governing Board, who will act in this capacity for a three-year term.

*External audit:*

The External Auditor is appointed by the Governing Board for a three-year term, renewable once, based on the Auditing Board's opinion and recommendations by the Administrative Council, following a tender procedure. The External Auditor is responsible for auditing the Bank's financial statements and reviewing its internal control and risk management processes. The external auditor issues an interim report related to CEB Internal control with recommendations and follow up of former ones. This report is presented to the Auditing board annually.

### 3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

#### 3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

Existing budget lines.

*In order of multiannual financial framework headings and budget lines.*

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number	Diff./Non-diff. <sup>10</sup>	from EFTA countries <sup>11</sup>	from candidate countries and potential candidates <sup>12</sup>	From other third countries	other assigned revenue
		Diff	NO	NO	NO	NO

New budget lines requested.

*In order of multiannual financial framework headings and budget lines.*

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number	Diff./Non-diff.	from EFTA countries	from candidate countries and potential candidates	from other third countries	other assigned revenue
6	14.20XXX – Council of Europe Development Bank – Provision of paid-up shares of subscribed capital	Diff	NO	NO	NO	NO
6	14.20XXX - Council of Europe Development Bank – Callable portion of subscribed capital	Diff	NO	NO	NO	NO
X						

<sup>10</sup> Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.

<sup>11</sup> EFTA: European Free Trade Association.

<sup>12</sup> Candidate countries and, where applicable, potential candidates from the Western Balkans.

### 3.2. Estimated financial impact of the proposal on appropriations

#### 3.2.1. Summary of estimated impact on operational appropriations

The proposal/initiative requires the use of operational appropriations, as explained below:

EUR million (to three decimal places)

<b>Heading of multiannual financial framework</b>	Number	6
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DG: ECFIN			Year 2027	Year 2028	Year 2029	Enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
<input type="checkbox"/> Operational appropriations			2027	2028	2029 <sup>13</sup>	2030			
14.20XXXX - - Council of Europe Development Bank - Provision of paid-up shares of subscribed capital	Commitments	(1a)	20.000						<b>20.000</b>
	Payments	(2a)	20.000						<b>20.000</b>
14.20XXX - Council of Europe Development Bank - Callable portion of subscribed capital	Commitments	(1b)	p.m.	p.m.	p.m.				
	Payments	(2b)	p.m.	p.m.	p.m.				
Budget line		(3)							
<b>TOTAL appropriations for DG ECFIN</b>	Commitments	=1a+1b+3	20.000						<b>20.000</b>
	Payments	=2a+2b+3	20.000						<b>20.000</b>

<sup>13</sup> Possible budgetary implications for the years post 2027 are indicative and presented for information purposes only without pre-empting the agreement on the Multi-Annual Financial Framework Regulation post 2027.

□ TOTAL operational appropriations	Commitments	(4)	20.000						<b>20.000</b>
	Payments	(5)	20.000						<b>20.000</b>
□ TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)							
<b>TOTAL appropriations under HEADING 6</b> of the multiannual financial framework	Commitments	=4+6	20.000						<b>20.000</b>
	Payments	=5+ 6	20.000						<b>20.000</b>

**If more than one operational heading is affected by the proposal / initiative, repeat the section above:**

□ TOTAL operational appropriations (all operational headings)	Commitments	(4)	20.000						<b>20.000</b>
	Payments	(5)	20.000						<b>20.000</b>
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes (all operational headings)		(6)							
<b>TOTAL appropriations under HEADINGS 1 to 6</b> of the multiannual financial framework (Reference amount)	Commitments	=4+ 6	20.000						<b>20.000</b>
	Payments	=5+ 6	20.000						<b>20.000</b>

<b>Heading framework</b>	<b>of</b>	<b>multiannual</b>	<b>financial</b>	<b>7</b>	<b>‘Administrative expenditure’</b>
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This section should be filled in using the 'budget data of an administrative nature' to be firstly introduced in the [Annex to the Legislative Financial Statement](#) (Annex 5 to the Commission decision on the internal rules for the implementation of the Commission section of the general budget of the European Union), which is uploaded to DECIDE for interservice consultation purposes.

EUR million (to three decimal places)

		Year 2027	Year 2028	Year 2029	Year 2030	Enter as many years as necessary to show the duration of the impact (see point 1.6)	TOTAL
DG: <xxx>z							
<input type="checkbox"/> Human resources							
<input type="checkbox"/> Other administrative expenditure		0.010	0.010	0.010	0.010		0.040
<b>TOTAL DG ECFIN</b>	Appropriations	0.010	0.010	0.010	0.010		0.040

<b>TOTAL appropriations under HEADING 7 of the multiannual financial framework</b>	(Total commitments = Total payments)	0.010	0.010	0.010	0.010		0.040
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EUR million (to three decimal places)

		Year	Year	Year	Year	Enter as many years as necessary to show the duration of the impact (see point 1.6)	TOTAL		
		2027	2028	2029	2030				
<b>TOTAL appropriations under HEADINGS 1 to 7</b> of the multiannual financial framework	Commitments	20.010	0.010	0.010	0.010				<b>20.040</b>
	Payments	20.010	0.010	0.010	0.010				<b>20.040</b>

The financial impact on administrative commitment and payment appropriations is expected to be permanent for as long as the EU remains a shareholder in the CEB.

### 3.2.2. Estimated output funded with operational appropriations

Indicate objectives and outputs			2027	2028	2029	2030	2031	2032	TOTAL								
SPECIFIC OBJECTIVE No 1 <sup>14b</sup> Objective: to become a member of the CEB by acquiring shares in its capital in order to deliver more effective coherence of the CEB's priorities with Union priorities.	Type <sup>15</sup>	Average cost	Annual investment	Cost	Annual investment	Cost	Annual investment	Cost	Annual investment	Cost	Annual investment	Cost	Total Investment	Total cost			
				20.000											20.000		
			- Output														
			- Output														
			Subtotal for specific objective No 1														
			<b>TOTALS</b>			20.000											20.000

Commitment appropriations in EUR million (to three decimal places)/

<sup>14</sup> As described in point 1.4.2. 'Specific objective(s)...'.

<sup>15</sup> Outputs are products and services to be supplied (e.g.: number of student exchanges financed, number of km of roads built, etc.).

### 3.2.3. Summary of estimated impact on administrative appropriations

- The proposal/initiative requires the use of appropriations of an administrative nature.

#### 3.2.3.1. Appropriations from voted budget

VOTED APPROPRIATIONS	Year	Year	Year	Year	TOTAL
	2027	2028	2029	2030	
<b>HEADING 7</b>					
Human resources	0.000	0.000	0.000	0.000	<b>0.000</b>
Other administrative expenditure	0.010	0.010	0.010	0.010	<b>0.040</b>
<b>Subtotal HEADING 7</b>	<b>0.010</b>	<b>0.010</b>	<b>0.010</b>	<b>0.010</b>	<b>0.040</b>
<b>Outside HEADING 7</b>					
Human resources	0.000	0.000	0.000	0.000	<b>0.000</b>
Other expenditure of an administrative nature	0.000	0.000	0.000	0.000	<b>0.000</b>
<b>Subtotal outside HEADING 7</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>0.010</b>	<b>0.010</b>	<b>0.010</b>	<b>0.010</b>	<b>0.040</b>

The financial impact on administrative commitment and payment appropriations is expected to be permanent for as long as the EU remains a shareholder in the CEB.

#### 3.2.3.2. Appropriations from external assigned revenues

EXTERNAL ASSIGNED REVENUES	Year	Year	Year	Year	TOTAL
	2027	2028	2029	2030	
<b>HEADING 7</b>					
Human resources	0.000	0.000	0.000	0.000	<b>0.000</b>
Other administrative expenditure	0.000	0.000	0.000	0.000	<b>0.000</b>
<b>Subtotal HEADING 7</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Outside HEADING 7</b>					
Human resources	0.000	0.000	0.000	0.000	<b>0.000</b>
Other expenditure of an administrative nature	0.000	0.000	0.000	0.000	<b>0.000</b>
<b>Subtotal outside HEADING 7</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

#### 3.2.3.3. Total appropriations

TOTAL VOTED APPROPRIATIONS + EXTERNAL ASSIGNED REVENUES	Year	Year	Year	Year	TOTAL
	2027	2028	2029	2030	

<b>HEADING 7</b>					
Human resources	0.000	0.000	0.000	0.000	<b>0.000</b>
Other administrative expenditure	0.010	0.010	0.010	0.010	<b>0.040</b>
<b>Subtotal HEADING 7</b>	<b>0.010</b>	<b>0.010</b>	<b>0.010</b>	<b>0.010</b>	<b>0.040</b>
<b>Outside HEADING 7</b>					
Human resources	0.000	0.000	0.000	0.000	<b>0.000</b>
Other expenditure of an administrative nature	0.000	0.000	0.000	0.000	<b>0.000</b>
<b>Subtotal outside HEADING 7</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>0.010</b>	<b>0.010</b>	<b>0.010</b>	<b>0.010</b>	<b>0.040</b>

The figures in the tables above are all strictly indicative pending the outcome of the MFF negotiations.

The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together, if necessary, with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

### 3.2.4. *Estimated requirements of human resources*

- The proposal/initiative does not require the use of human resources.

#### 3.2.4.1. *Financed from voted budget*

*Estimate to be expressed in full-time equivalent units (FTEs)*

<b>VOTED APPROPRIATIONS</b>		<b>Year 2027</b>	<b>Year 2028</b>	<b>Year 2029</b>	<b>Year 2030</b>
<b>Establishment plan posts (officials and temporary staff)</b>					
20 01 02 01 (Headquarters and Commission's Representation Offices)		0	0	0	0
20 01 02 03 (EU Delegations)		0	0	0	0
01 01 01 01 (Indirect research)		0	0	0	0
01 01 01 11 (Direct research)		0	0	0	0
Other budget lines (specify)		0	0	0	0
<b>• External staff (inFTEs)</b>					
20 02 01 (AC, END from the 'global envelope')		0	0	0	0
20 02 03 (AC, AL, END and JPD in the EU Delegations)		0	0	0	0
Admin. Support line [XX.01.YY.YY]	- at Headquarters	0	0	0	0
	- in EU Delegations	0	0	0	0
01 01 01 02 (AC, END - Indirect research)		0	0	0	0
01 01 01 12 (AC, END - Direct research)		0	0	0	0
Other budget lines (specify) - Heading 7		0	0	0	0
Other budget lines (specify) - Outside Heading 7		0	0	0	0
<b>TOTAL</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 3.2.4.2. Financed from external assigned revenues

EXTERNAL ASSIGNED REVENUES	Year	Year	Year	Year
	2027	2028	2029	2030
<b>Establishment plan posts (officials and temporary staff)</b>				
20 01 02 01 (Headquarters and Commission's Representation Offices)	0	0	0	0
20 01 02 03 (EU Delegations)	0	0	0	0
01 01 01 01 (Indirect research)	0	0	0	0
01 01 01 11 (Direct research)	0	0	0	0
Other budget lines (specify)	0	0	0	0
<b>• External staff (in full time equivalent units)</b>				
20 02 01 (AC, END from the 'global envelope')	0	0	0	0
20 02 03 (AC, AL, END and JPD in the EU Delegations)	0	0	0	0
Admin. Support line [XX.01.YY.YY]	- at Headquarters	0	0	0
	- in EU Delegations	0	0	0
01 01 01 02 (AC, END - Indirect research)	0	0	0	0
01 01 01 12 (AC, END - Direct research)	0	0	0	0
Other budget lines (specify) - Heading 7	0	0	0	0
Other budget lines (specify) - Outside Heading 7	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 3.2.4.3. Total requirements of human resources

TOTAL VOTED APPROPRIATIONS + EXTERNAL ASSIGNED REVENUES	Year	Year	Year	Year
	2027	2028	2029	2030
<b>Establishment plan posts (officials and temporary staff)</b>				
20 01 02 01 (Headquarters and Commission's Representation Offices)	0	0	0	0
20 01 02 03 (EU Delegations)	0	0	0	0
01 01 01 01 (Indirect research)	0	0	0	0
01 01 01 11 (Direct research)	0	0	0	0
Other budget lines (specify)	0	0	0	0
<b>• External staff (in full time equivalent units)</b>				
20 02 01 (AC, END from the 'global envelope')	0	0	0	0
20 02 03 (AC, AL, END and JPD in the EU Delegations)	0	0	0	0
Admin. Support line [XX.01.YY.YY]	- at Headquarters	0	0	0
	- in EU Delegations	0	0	0
01 01 01 02 (AC, END - Indirect research)	0	0	0	0
01 01 01 12 (AC, END - Direct research)	0	0	0	0
Other budget lines (specify) - Heading 7	0	0	0	0
Other budget lines (specify) - Outside Heading 7	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The staff required to implement the proposal (in FTEs):

	To be covered by current staff available in the Commission services	Exceptional additional staff*		
		To be financed under Heading 7 or Research	To be financed from BA line	To be financed from fees
Establishment plan posts			N/A	
External staff (CA, SNEs, INT)				

Description of tasks to be carried out by:

Officials and temporary staff	
External staff	

### 3.2.5. *Overview of estimated impact on digital technology-related investments*

- There is no impact on digital technology-related investments.

### 3.2.6. *Compatibility with the current multiannual financial framework*

The proposal/initiative:

- for the share of the funding through appropriations programmed for NDICI-GE : can be fully financed through redeployment within the relevant heading of the multiannual financial framework (MFF).
- For the share of the funding through appropriations programmed for EaSI and AMIF: requires use of the unallocated margin under heading 6.

### 3.2.7. *Third-party contributions*

The proposal/initiative:

- does not provide for co-financing by third parties.

### 3.3. *Estimated impact on revenue*

- The proposal/initiative has no financial impact on revenue.

## **4. DIGITAL DIMENSIONS**

### **4.1. Requirements of digital relevance**

This policy initiative is assessed as having no requirement of digital relevance. The objectives of the proposal, to achieve the Union's objectives in the field of social cohesion and external economic relations through membership of the CEB, can only be achieved by becoming shareholders of the institution and attending physically the meetings of the governing bodies of the CEB.

### **4.2. Data**

N/A

### **4.3. Digital solutions**

N/A

### **4.4. Interoperability assessment**

N/A

### **4.5. Measures to support digital implementation**

N/A