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FIN 204

NOTE

From:	General Secretariat of the Council
To:	Budget Committee
Subject:	Estimate of expenditure and revenue for the financial year 2026 for the European Council and Council (Section II of the EU Budget) - Explanatory memorandum

I. INTRODUCTION

1. The budgetary procedure for the financial year 2026 will be carried out in conformity with the Inter-institutional Agreement of 16 December 2020 on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources¹.

¹ OJ L 433I, 22.12.2020, p. 28.

The Council conclusions on the budget guidelines for 2026, approved by the ECOFIN Council at its meeting on 18 February 2025, stress the need for all Union institutions, bodies, offices and agencies to respect and comply with all elements of the revised multiannual financial framework (MFF) 2021-2027 when establishing and implementing the budget for 2026, to maintain budgetary discipline and to budget only expenditure items considered necessary. It is reaffirmed that the ceiling for heading 7 of the MFF 2021-2027 is founded on the premise that all Union institutions adopt a comprehensive and strict approach for ensuring that staff resources are optimized in respect of the stable staffing principle, as well as for achieving efficiency gains in non-salary related administrative expenditure.

2. The general inter-institutional framework for elaborating the proposals for the draft budget (DB) 2026 has been laid down in the Commission's letters dated 12/12/2024 and 19/12/2024, where all institutions were invited to prepare their estimates based on the following guidelines:
 - include the following estimates for the update of staff remuneration: +1,2 % as of 01/04/2025 (relating to a delayed part of the 2024 salary update, due to the application of the moderation clause), +4,6 % as of 01/07/2025, +0,6 % as of 01/04/2026, and +3,4 % as of 01/07/2026,
 - aim at a stable staffing policy,
 - aim at limiting the increase for all non-salary related expenditure to a maximum of 2 % compared to the 2025 level.

According to the Commission, the evolution of the cost of living to be used for DB 2026 is estimated at 1,9 % for Brussels and 1,8 % for Luxembourg.

3. Taking into account the above guidelines, the General Secretariat of the Council (GSC) has elaborated a proposal for DB 2026 estimates for the European Council and Council (Section II of the EU budget).

The GSC proposes DB 2026 estimates of EUR 749,2 million. This amount corresponds to an overall increase of EUR 33,3 million or 4,7 % compared to the voted budget 2025.

Salary related expenditure amounts to EUR 485,2 million - an increase of EUR 28,0 million or 6,1 % compared to 2025.

Non-salary related expenditure totals EUR 264,0 million - an increase of EUR 5,3 million or 2,0 % compared to 2025.

4. Several years of persistent inflation have resulted in a loss of purchasing power in the non salary-related part of the budget. Therefore, the GSC is prioritising and seeking more efficient ways to manage the budget. While certain projects and activities can be reprogrammed or postponed, others must be scaled down or cancelled in order to cope with the real terms decrease in its budget. Margins are limited to cover unexpected increases in cost or unforeseen increases in activity that might be triggered by external developments.

In the 2026 estimates, provision is made to launch preparatory works for the future renovation of the Justus Lipsius building. These works are needed to ensure the continuity of Council activities once the main construction phases start in future years. To this end, additional space for meetings will be created in the LEX building and preparations for the construction of new interpretation facilities will be launched. It also foresees a provision to start work on the secure interpretation hub, should green light be given. The GSC is planning to absorb these significant projects in its normal budget, despite the abovementioned constraints, resulting in zero-growth or reductions across a substantial number of budget lines in 2026.

As regards staffing, following the entry into force of the Cybersecurity Regulation², the Secretary-General of the Council is required to put in place, for the European Council and the Council, new formal cybersecurity risk management, governance and control processes and measures, including regular maturity assessments and a cybersecurity plan. In the annual budgetary procedure for 2025 the GSC made a request for six additional AD posts in order to recruit experienced IT security specialists. Three posts were granted, but two out of them were transferred immediately to the interinstitutional body CERT-EU. Therefore, the GSC's needs remain largely unmet and it seeks five additional AD posts for qualified cybersecurity experts, to be recruited in the course of 2026.

² Regulation (EU, Euratom) 2023/2841 of the European Parliament and of the Council of 13 December 2023 laying down measures for a high common level of cybersecurity at the institutions, bodies, offices and agencies of the Union (OJ L, 2023/2841, 18.12.2023).

Table 1 presents the budget proposal for 2026 by category. More detailed comments on the development of each category are set out in Section II below.

Table 1: Proposal for draft budget of the EC/C for 2026 (by category, EUR)

Chapter / article / item	Category of expenditure	Budget 2025	DB 2026	Difference	Change 2026/2025
		1	2	3=2-1	4=3/1
10	Member of the Institution (President)	2.528.000	2.534.000	6.000	0,2%
11	Statutory staff (Establishment plan)	442.910.151	470.253.591	27.343.440	6,2%
12	Other staff and external services	16.795.000	17.458.500	663.500	4,0%
13	Other expenditure relating to personnel	12.842.000	12.842.000	0	0,0%
TITLE 1	Persons working with the Institution	475.075.151	503.088.091	28.012.940	5,9%
200, 201	Buildings	60.185.000	63.230.500	3.045.500	5,1%
210	Computer systems	54.410.707	55.781.000	1.370.293	2,5%
211	Furniture	1.055.000	1.055.500	500	0,0%
212	Technical equipment	3.644.000	3.476.500	-167.500	-4,6%
213	Transport	2.190.000	2.068.500	-121.500	-5,5%
2200	Travel expenses of delegations	15.505.000	15.505.000	0	0,0%
2202	Interpreting costs	85.060.000	85.060.000	0	0,0%
2201, 2203, 2204, 2205	Meetings and conferences	7.609.000	8.784.000	1.175.000	15,4%
2210, 2212, 2213	Information	9.808.000	9.814.000	6.000	0,1%
223	Miscellaneous	1.407.000	1.386.000	-21.000	-1,5%
TITLE 2	Buildings, equipment and operating expenditure	240.873.707	246.161.000	5.287.293	2,2%
TITLE 10	Reserve	p.m	p.m	n/a	n/a
TOTAL BUDGET		715.948.858	749.249.091	33.300.233	4,7%
	Salary related expenditure	457.166.151	485.214.591	28.048.440	6,1%
	Non-salary related expenditure	258.782.707	264.034.500	5.251.793	2,0%
TOTAL BUDGET		715.948.858	749.249.091	33.300.233	4,7%

II. COMMENTS BY CATEGORY OF EXPENDITURE

1. Member of the Institution, President (Chapter 10)

This chapter is intended to cover the expenses of the President of the European Council and ensure the fulfilment of his/her duties according to the Treaties.

The overall amount of this budget chapter remains practically unchanged compared to 2025.

2. Officials and temporary staff (Chapter 11)

The increase of 6 % (EUR 27,3 million) in this chapter is mainly determined by the following factors:

a) Salary adjustment

The increase in the basic salaries budget line (EUR 22,9 million) reflects the Commission guidance set out in Section I.2 above. The final rates for the 2025 and 2026 adjustments of remuneration will become available in December 2025 and in December 2026 respectively.

b) Establishment plan

The request for five additional AD 8 posts is based on needs for meeting the GSC's obligations under the EU Cybersecurity Regulation.

Continuing previous years' efforts to adapt staff profiles to changing job requirements, it is proposed to transform 15 AST posts into 15 AD posts.

The flat-rate reduction, applied to salaries, allowances and payments, is kept at the same level as in the budget for 2025 (-1,8 %).

3. Other staff and external services (Chapter 12)

The total change of just under 4 % (EUR 0,66 million) in appropriations within this chapter is mainly related to the estimated salary adjustments of other staff in 2026. The number of Full Time Equivalents of all categories of external staff (contractual agents, seconded national experts and interim staff) remains unchanged in 2026.

The appropriations for traineeships increase by 8 % (EUR 0,08 million) to ensure the opportunity for highly qualified young people from as many Member States as possible to spend time working in the GSC.

4. Other expenditure relating to persons working with the institution (Chapter 13)

The budget of this Chapter remains unchanged compared to 2025.

5. Buildings and associated costs (Chapter 20)

a) Buildings (Article 200)

The budget for the functioning of the buildings increases by 17 % (EUR 1,9 million), due to the allocation of funds for the preparatory works in view of the JL renovation (EUR 2,75 million) partly compensated by savings on other sub-lines.

b) Costs relating to buildings (Article 201)

The overall budget for the operating and maintenance costs of buildings remains stable. The 2 % increase (EUR 1,1 million) absorbs higher costs of insurance, maintenance and utilities.

6. Computer systems, equipment, and furniture (Chapter 21)

a) Computer systems and telecommunications (Article 210)

The budget for IT increases by 3 % (EUR 1,4 million) due to additional funding for the development of the Event Management programme for the coordination of meetings and events, the modernisation of Workflow (the business application for Council decision-making documents) and work related to the new interpretation facilities.

b) Furniture (Article 211)

The budget for rental and renewing of furniture remains at the same level as in 2025.

c) Technical equipment and installations (Article 212)

The budget for replacing and renewing technical equipment and installations decreases by 5 % (-EUR 0,2 million).

d) Transport (Article 213)

The budget on this article decreases by 6% (-EUR 0,1 million).

7. Operating expenditure (Chapter 22)

a) Travel expenses of delegations (Item 2200)

The budget for the travel expenses of delegations remains unchanged compared to 2025.

b) Interpreting costs (Item 2202)

The budget for the interpreting costs remains unchanged in 2026 after benefitting from a 4% rise in 2025.

c) Meetings and conferences (Items 2201, 2203, 2204, 2205)

The budget for meetings and conferences increases by EUR 1,2 million to ensure the GSC has adequate resources available to cater for any potential additional high-level meetings.

d) Information (Article 221)

The budget for the information and communication remains unchanged compared to 2025.

e) Miscellaneous expenses (Article 223)

The budget of this article decreases by 1 % (-EUR 0,02 million).

8. More detailed information is provided in the annexes:

Annex I: Estimate of Revenue and Expenditure for the financial year 2026

Annex II: Establishment plan 2026

Annex III: Evolution of number of and expenditure on external staff

**Estimate of Revenue and Expenditure
For the financial year 2026
Section II - European Council and Council**

Item	Description	Outturn 2024	Budget 2025	DB 2026	% 2026/2025
TITLE 1 - Persons working with the Institution					
1000	Basic salary	402.182	440.000	470.000	7%
1001	Entitlements related to the post held	82.269	96.000	104.000	8%
1002	Entitlements related to the personal circumstances	24.054	44.000	16.000	-64%
1003	Social security cover	15.210	23.000	24.000	4%
1004	Other management expenditure	460.370	1.650.000	1.650.000	0%
1006	Entitlements related to entering, transfer and leaving the service	0	0	0	
1007	Annual adjustment of the remuneration	0	0	0	
100	Remuneration and other entitlements	984.085	2.253.000	2.264.000	0%
1010	Transitory allowance	0	275.000	270.000	-2%
101	Termination of service	0	275.000	270.000	-2%
Total Chapter 10 - Members of the Institution		984.085	2.528.000	2.534.000	0%
1100	Basic salaries	303.865.667	326.621.151	349.538.591	7%
1101	Entitlements under the Staff Regulations related to the post held	1.546.767	1.956.000	2.011.000	3%
1102	Entitlements under the Staff Regulations related to the personal circumstances of the staff member	76.689.635	82.905.000	88.737.000	7%
1103	Social security cover	12.283.913	13.601.000	14.099.000	4%
1104	Salary weightings	147.646	157.000	162.000	3%
1105	Overtime	677.631	1.290.000	1.290.000	0%
1106	Entitlements under the Staff Regulations related to entering the service, transfer and leaving the service	1.674.555	2.195.000	2.195.000	0%
1107	Annual adjustment of the remuneration	0	11.799.000	9.835.000	-17%
110	Remuneration and other entitlements	396.885.812	440.524.151	467.867.591	6%
1110	Allowances in the event of retirement in the interests of the service	1.361.997	2.386.000	2.386.000	0%
1112	Entitlements of the former Secretaries-General	0	0	0	
111	Termination of service	1.361.997	2.386.000	2.386.000	0%
Total Chapter 11 - Officials and temporary staff		398.247.810	442.910.151	470.253.591	6%
1200	Other staff	12.929.297	13.508.000	14.164.000	5%
1201	National experts on secondment	1.221.997	1.507.000	1.541.000	2%
1202	Traineeships	842.516	928.000	1.004.000	8%
1203	External services	103.787	328.000	328.000	0%
1204	Supplementary services for the translation service	119.824	158.000	122.500	-22%
1207	Annual adjustment of the remuneration	0	366.000	299.000	-18%
120	Other staff and external services	15.217.422	16.795.000	17.458.500	4%
Total Chapter 12 - Other staff and external services		15.217.422	16.795.000	17.458.500	4%
1300	Miscellaneous expenditure on recruitment	122.852	163.000	163.000	0%
1301	Professional development	2.165.295	2.241.000	2.241.000	0%
130	Expenditure relating to staff management	2.288.146	2.404.000	2.404.000	0%
1310	Special assistance grants	0	24.000	24.000	0%
1311	Social contacts between members of staff	65.212	162.000	162.500	0%
1312	Supplementary aid for the disabled	357.000	360.000	361.500	0%
1313	Other welfare expenditure	75.000	53.000	53.000	0%
131	Measures to assist the institution's staff	497.212	599.000	601.000	0%
1320	Medical service	306.752	425.000	425.000	0%
1322	Crèches and childcare facilities	3.052.014	3.284.000	3.282.000	0%
1323	Interinstitutional cooperation in the field of staff management	1.228.659	1.460.000	1.460.000	0%
132	Activities relating to all persons working with the Institution	4.587.425	5.169.000	5.167.000	0%
1331	Mission expenses of the Council Secretariat	2.465.196	2.970.000	2.970.000	0%
1332	Travel expenses of staff related to the European Council	1.350.000	1.700.000	1.700.000	0%
133	Missions	3.815.196	4.670.000	4.670.000	0%
134	Schooling fees for Type II European schools	0	0	0	
Total Chapter 13 - Other expenditure relating to persons working with the institution		11.187.980	12.842.000	12.842.000	0%
TOTAL TITLE 1		425.637.296	475.075.151	503.088.091	5,9%

Estimate of Revenue and Expenditure
For the financial year 2026
Section II - European Council and Council

Item	Description	Outturn 2024	Budget 2025	DB 2026	% 2026/2025
TITLE 2 - Buildings, equipment and operating expenditure					
2000	Rent	252.568	452.000	452.000	0%
2003	Fitting-out and installation work	10.214.428	8.378.000	10.745.000	28%
2004	Work to make premises secure	3.068.804	1.934.000	1.500.000	-22%
2005	Expenditure preliminary to the acquisition, construction and fitting-out of buildings	525.366	570.000	543.000	-5%
200	Buildings	14.061.166	11.334.000	13.240.000	17%
2010	Cleaning and maintenance	19.600.442	21.587.000	22.413.000	4%
2011	Water, gas, electricity and heating	6.521.180	7.021.000	6.931.000	-1%
2012	Building security and surveillance	18.090.332	19.089.000	19.257.000	1%
2013	Insurance	738.927	636.000	831.500	31%
2014	Other expenditure relating to buildings	384.386	518.000	558.000	8%
201	Costs relating to buildings	45.335.267	48.851.000	49.990.500	2%
Total Chapter 20 - Buildings and associated costs		59.396.433	60.185.000	63.230.500	5%
2100	Acquisition of equipment and software	18.634.687	16.470.000	16.465.500	0%
2101	Outside assistance for the operation and develop. of computer systems	35.299.475	29.385.000	30.409.000	3%
2102	Servicing and maintenance of equipment and software	6.884.102	6.959.707	7.196.500	3%
2103	Telecommunications	1.657.356	1.596.000	1.710.000	7%
210	Computer systems and telecommunications	62.475.619	54.410.707	55.781.000	3%
211	Furniture	1.043.067	1.055.000	1.055.500	0%
2120	Purchase and replacement of technical equipment and installations	2.927.964	2.199.000	2.037.000	-7%
2121	Outside assistance for the operation and development of technical equipment and installations	91.800	103.000	103.000	0%
2122	Rental, servicing, maintenance and repair of technical equipment and installations	1.219.166	1.342.000	1.336.500	0%
212	Technical equipment and installations	4.238.930	3.644.000	3.476.500	-5%
213	Transport	2.041.572	2.190.000	2.068.500	-6%
Total Chapter 21 - Computer systems, equipment and furniture		69.799.187	61.299.707	62.381.500	2%
2200	Travel expenses of delegations	9.731.151	15.505.000	15.505.000	0%
2201	Miscellaneous travel expenses	275.642	510.000	510.000	0%
2202	Interpreting costs	70.679.063	85.060.000	85.060.000	0%
2203	Representation expenses	125.759	191.000	191.000	0%
2204	Miscellaneous expenditure on internal meetings	4.687.432	5.662.000	5.662.000	0%
2205	Organisation of conferences, congresses and meetings	482.676	1.246.000	2.421.000	94%
220	Meetings and conferences	85.981.723	108.174.000	109.349.000	1%
2210	Documentation and library expenditure	2.914.873	2.853.000	2.853.000	0%
2212	General publications	519.000	320.000	326.000	2%
2213	Information and public events	6.969.280	6.635.000	6.635.000	0%
221	Information	10.403.153	9.808.000	9.814.000	0%
2230	Office supplies	427.581	396.000	390.000	-2%
2231	Postal charges	58.000	45.000	45.000	0%
2232	Expenditure on studies, surveys and consultations	0	45.000	45.000	0%
2234	Removals	25.000	33.000	33.000	0%
2235	Financial charges	0	15.000	0	-100%
2236	Legal expenses and costs, damages and compensation	544.000	556.000	556.000	0%
2237	Other operating expenditure	263.520	317.000	317.000	0%
223	Miscellaneous expenses	1.318.101	1.407.000	1.386.000	-1%
Total Chapter 22 - Operating expenditure		97.702.976	119.389.000	120.549.000	1%
TOTAL TITLE 2		226.898.597	240.873.707	246.161.000	2,2%
TOTAL BUDGET		652.535.893	715.948.858	749.249.091	4,7%

ESTABLISHMENT PLAN 2026
Section II - European Council and Council

Budget 2025			
Category and grade	Permanent posts	Temporary posts	
		President EC	Others
HC	1	0	0
AD 16	8	1	0
AD 15	33 ³⁾	1	0
AD 14	145 ⁴⁾	2	1
AD 13	140	3	0
AD 12	214	7	1
AD 11	112	2	0
AD 10	202	2	0
AD 9	250	0	1
AD 8	141	0	0
AD 7	136	1	0
AD 6	67	1	0
AD 5	101	0	0
Sub-total AD	1549	20	3
AST 11	42	0	0
AST 10	49	0	0
AST 9	191	7	0
AST 8	88	2	0
AST 7	164	0	0
AST 6	226	0	0
AST 5	250	1	0
AST 4	150	0	0
AST 3	46	2	0
AST 2	10	1	0
AST 1	8	0	0
Sub-total AST	1224	13	0
SC 6	0	0	0
SC 5	1	0	0
SC 4	9	0	0
SC 3	36	0	0
SC 2	97	0	0
SC 1	77	0	0
Sub-total SC	220	0	0
Total	2994	33	3
Overall total	3030		

Draft budget 2026			
Category and grade	Permanent posts	Temporary posts	
		President EC	Others
HC	1	0	0
AD 16	8	1	0
AD 15	33 ³⁾	1	0
AD 14	145 ⁴⁾	2	1
AD 13	140	3	0
AD 12	214	7	1
AD 11	112	2	0
AD 10	202	2	0
AD 9	250	0	1
AD 8	146	0	0
AD 7	134	1	2
AD 6	67	1	0
AD 5	116	0	0
Sub-total AD	1567	20	5
AST 11	42	0	0
AST 10	49	0	0
AST 9	191	7	0
AST 8	88	2	0
AST 7	164	0	0
AST 6	226	0	0
AST 5	235	1	0
AST 4	150	0	0
AST 3	46	2	0
AST 2	10	1	0
AST 1	8	0	0
Sub-total AST	1209	13	0
SC 6	0	0	0
SC 5	1	0	0
SC 4	9	0	0
SC 3	36	0	0
SC 2	97	0	0
SC 1	77	0	0
Sub-total SC	220	0	0
Total	2997	33	5
Overall total	3035		

- 1) Including 4 agents of grade AD16 ad personam.
2) Including 7 agents of grade AD15 ad personam.
3) Including 4 agents of grade AD16 ad personam.
4) Including 7 agents of grade AD15 ad personam.

Evolution of number of and expenditure on external staff

<i>Council</i>	<i>Voted budget 2025</i>		<i>Statement of estimates 2026</i>	
Type of staff	Appropriations (EUR)	Estimated number of FTE (*) on the basis of authorised appropriations	Appropriations (EUR)	Estimated number of FTE (*) on the basis of requested appropriations
Contractual Agents	13.340.000	232	13.993.000	232
Seconded National Experts	1.507.000	22	1.541.000	22
Local Agents	0	0	0	0
Intérimaires	244.000	3	244.000	3
Parliamentary Assistants	N/A	N/A	N/A	N/A
Total	15.091.000	257	15.778.000	257

* Full-time equivalent units