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NOTE

From:	Budget Committee
On:	4 July 2025
To:	Permanent Representatives Committee
Subject:	Draft general budget of the European Union for the financial year 2026: Council position

I. INTRODUCTION

The draft general budget of the European Union for 2026 (**DB 2026**) as proposed by the European Commission amounts¹ to:

- EUR 187 546.12 million in **commitment** appropriations²;
- EUR 187 184.36 million in **payment** appropriations².

Compared to the budget 2025³, these amounts represent a -2.7 % decrease in commitment appropriations and a +25.1 % increase in payment appropriations.

¹ These amounts do not include appropriations foreseen for special instruments outside the multiannual financial framework (MFF). If special instruments are included, the DB 2026 sets the appropriations at EUR 193 262.04 million in commitment appropriations and EUR 192 206.91 million in payment appropriations, leaving a margin of EUR 18 410.24 million under the payment ceiling for 2026.

² Of which EUR 2 344 million programme-specific adjustments stemming from Article 5 MFF Regulation.

³ Amending budget No 1/2025 included.

II. APPROACH TAKEN BY THE BUDGET COMMITTEE

The DB 2026 has been examined during the months of June and July 2025 on the basis of the principles established in the Council conclusions on the budget guidelines for 2026⁴. In particular, the aim to ensure prudent and realistic budgeting, provide adequate resources to support clearly set priorities and address the Union's challenges constituted the guiding principles in establishing the present Council position on the DB 2026.

This led the Budget Committee to undertake a detailed analysis of the commitment appropriations for each programme and action by budget line, in order to ensure:

- an appropriate level for the implementation of programmes, with a focus on their operational support, by avoiding excessive increases compared to the voted budget 2025;
- the ability to cope with the current contingencies (the crises in Ukraine and the Middle East, and migratory pressures); and
- sufficient margins under the multiannual financial framework (MFF) ceilings to deal with unforeseen circumstances.

The result of the Budget Committee's assessment is reflected in the proposal to adjust the commitment appropriations downwards by EUR 1 307.44 million.

Targeted adjustments to (sub-)headings 1 (*Single Market, Innovation and Digital*), 2b (*Resilience and Values*) and 3 (*Natural Resources and Environment*) are suggested to smoothen the profile of some programmes by reducing significant increases compared to the voted budget 2025. The goal is to ensure accurate budgeting to preserve sufficient margins for emerging needs during 2026 and that legal obligations are honoured, in particular with regard to the EURI interest cost in 2027, as well as to avoid putting excessive pressure on national budgets.

⁴ Doc. 5796/25.

A specific adjustment is proposed for sub-heading 2b (*Resilience and Values*) on the European Union Recovery Instrument (EURI) line. The proposal is based on a more conservative approach, in line with prudent budgeting and sound financial management, with respect of the financing costs of NextGenerationEU (NGEU). In line with the revised MFF Regulation⁵, and the agreement in the Conciliation on the budget 2025 about the 50-50 approach to be respected annually in the cascade mechanism, the Budget Committee has suggested reducing the appropriations of a few programmes to create more margins. The proposed adjustment to the EURI line also limits the use of both the Flexibility Instrument and the EURI Instrument to cover overrun costs.

A guiding principle of capping both the support expenditure lines (targeting non-salary related costs) and the Commission's prerogatives at the level of the voted budget 2025 (with a 0 % increase for 2026) is applied horizontally. This does not apply to sub-heading 2a. As regards heading 5, the capping applies only to the Commission's prerogatives.

For decentralised agencies categorised as "cruising speed" status, a guiding principle of capping their expenditure increase proposed in the DB 2026 to 2 % is applied, with the exception of the *European Union Asylum Agency (EUAA)*, which is not adjusted as it was reinforced during the MFF mid-term review, while its level of payment appropriations is reduced in the DB 2026. The budgets of the agencies categorised as "phasing in" or "new tasks" status are not adjusted except for the *European Border and Coast Guard Agency (Frontex)*, for which the proposed adjustment still results in an important increase of the agency's budget (+ 9 % and EUR 90 million).

An upward adjustment under headings 4 (*Migration and Border Management*), 5 (*Security and Defence*) and 6 (*Neighbourhood and the World*) is also suggested to reinforce Union priorities and support frontline Member States in the current geopolitical context (heading 4 and 5), as well as to ensure that sufficient humanitarian aid is available in 2026 (heading 6).

⁵ Council Regulation (EU, Euratom) 2024/765 of 29 February 2024 amending Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027 (OJ L 2024/765, 29.2.2024, ELI: <http://data.europa.eu/eli/reg/2024/765/oj>).

Regarding payment appropriations, the Budget Committee's assessment resulted in a proposal to reduce the level by EUR 696.71 million. The reductions in (sub-)headings 1, 2b, 3, 4 and 6 result from a proportional amount corresponding to the adjustments in commitment appropriations and non-differentiated appropriations (NDA).

A Council statement on payments is recorded in Addendum 1 to this note.

As regards administrative expenditure under heading 7, the result of the Budget Committee's assessment is reflected in the proposal to adjust the level downwards by EUR 5.90 million. This reduction results from applying the stable staffing principle on the Commission, through savings from salary-related expenditure related to 33 FTE (full time equivalent) staff (in the contract agents line), including the ones in the Executive Agencies (for a total amount of -EUR 2.70 million). An additional downward adjustment is also applied to the expenditure of the *Translation Centre for the Bodies of the EU (CdT)* (-EUR 3.20 million).

A Council statement on heading 7 (*European Public Administration*) is recorded in Addendum 1 to this note.

III. OUTCOME OF PROCEEDINGS OF THE BUDGET COMMITTEE^{6,7}

On the basis of the above approach, an agreement was reached on the Council's position on the DB 2026 that would amount, excluding the appropriations foreseen for special instruments outside the MFF, to:

- EUR 186 238.68 million in **commitment** appropriations;
- EUR 186 487.65 million in **payment** appropriations.

The total amount of payment appropriations provided for in the Council's position on the DB 2026 corresponds to 0.97 % of the EU gross national income (GNI).⁸

In this respect, the following adjustments to the DB 2026 are suggested:

A. EXPENDITURE BY HEADING OF THE MFF 2021-2027

1. Single Market, Innovation and Digital (heading 1 of the MFF)⁹

- establish the level of commitment appropriations, targeting a total reduction of -EUR 488.25 million in the appropriations requested in the DB 2026 distributed on a number of specific budget lines, including operational and support expenditure, related to:
 - **01 - Research and Innovation** (-EUR 367.95 million, of which -EUR 211.25 million on *Horizon Europe*, -EUR 3.76 million on the *Euratom Research and Training Programme* and -EUR 152.94 million on the *International Thermonuclear Experimental Reactor (ITER)*),

⁶ A summary table of the outcome of proceedings is set out in Annex 1 of Addendum 2 to this document.

⁷ The detailed results relating to the various policy areas are provided in Annexes 2 to 6 of Addendum 2 to this document.

⁸ Based on the May 2025 forecast of GNI.

⁹ The detailed changes in comparison with the DB 2026 as regards figures by MFF heading are recorded in Annex 3 of Addendum 2 to this document.

- **02 - European Strategic Investments** (-EUR 107.45 million, of which -EUR 86.10 million on the *Connecting Europe Facility (CEF)-Digital*, -EUR 19.40 million on the *Digital Europe Programme*, and -EUR 0.56 million the *European Union Agency for Railways (02 10 03)* and -EUR 1.39 million on *Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission*),
 - **03 - Single Market** (-EUR 4.44 million, of which -EUR 3.39 million on the *Single Market Programme (incl. SMEs)* and -EUR 1.05 million on the *European Chemicals Agency – Chemicals legislation (03 10 01 01)*),
 - **04 – Space** (-EUR 8.40 million on the *European Space Programme*);
- for the other budget lines in this policy area, accept the level of commitment appropriations as proposed by the Commission;
 - set the level of payment appropriations, reducing the appropriations requested in the DB 2026 by a total amount of -EUR 170.20 million, as a consequence of the adjustments in commitment appropriations on a number of specific budget lines, related to:
- **01 - Research and Innovation** (-EUR 128.40 million, of which -EUR 73.60 million on *Horizon Europe*, -EUR 3.76 million on the *Euratom Research and Training Programme*, and -EUR 51.04 million on the *International Thermonuclear Experimental Reactor (ITER)*),

- **02 - European Strategic Investments** (-EUR 36.80 million, of which -EUR 29.40 million on the *Connecting Europe Facility (CEF)-Digital*, -EUR 6.38 million on the *Digital Europe Programme* and -EUR 0.56 million on the *European Union Agency for Railways (02 10 03)* and -EUR 0.46 million on *Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission*),
 - **03 - Single Market** (-EUR 2.39 million, of which -EUR 1.34 million on the *Single Market Programme (incl. SMEs)* and -EUR 1.05 million on the *European Chemicals Agency - Chemicals legislation (03 10 01 01)*),
 - **04 – Space** (-EUR 2.60 million on the *European Space Programme*);
- for the other budget lines in this policy area, accept the level of payment appropriations as proposed by the Commission;
 - the **margin available** under heading 1 would be EUR 643.84 million.

2. **Cohesion, Resilience and Values** (heading 2 of the MFF)¹⁰

(a) Economic, Social and Territorial Cohesion (sub-heading 2a of the MFF)

- accept the level of both commitment and payment appropriations as it stands (EUR 56 592.50 million and EUR 59 697.74 million respectively) in the DB 2026 as proposed by the Commission;
- the **margin available** under sub-heading 2a would be EUR 0.50 million, as proposed by the Commission.

¹⁰ The detailed changes in comparison with the DB 2026 as regards figures by MFF heading are recorded in Annex 3 of Addendum 2 to this document.

(b) Resilience and Values (sub-heading 2b of the MFF)

- establish the level of commitment appropriations, targeting a total reduction of -EUR 774.59 million in the appropriations requested in the DB 2026 on a number of specific budget lines, including operational and support expenditure ones, related to:
 - **06 - Recovery and Resilience** (-EUR 426.26 million, of which -EUR 15.00 million on the *European Recovery and Resilience Facility and Technical Support Instrument*, -EUR 303.00 million on the *Financing cost of the European Union Recovery Instrument (EURI)*, -EUR 97.30 million on *EU4Health*, -EUR 9.71 million on the *European Centre for Disease Prevention and Control (06 10 01)* and -EUR 1.25 million on *Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission*),
 - **07 - Investing in People, Social Cohesion and Values** (-EUR 348.33 million, of which -EUR 257.73 million on *Erasmus+*, -EUR 0.17 million on the *European Solidarity Corps (ESC)*, -EUR 27.56 million on *Creative Europe*, -EUR 54.60 million on *Citizens, Equality, Rights and Values*, -EUR 6.50 million on *decentralised agencies*, namely on the *European Agency for Safety and Health at Work (07 10 02)*, the *European Centre for the Development of Vocational Training (07 10 03)*, the *European Institute for Gender Equality (07 10 05)* and the *European Public Prosecutor's Office (07 10 08)*, as well as -EUR 1.77 million on *Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission*);

- for the other budget lines in this policy area, accept the level of commitment appropriations as proposed by the Commission;
- set the level of payment appropriations, reducing the appropriations requested in the DB 2026 by a total amount of -EUR 482.48 million as a consequence of the reductions in commitment appropriations, related to:
 - **06 - Recovery and Resilience** (-EUR 359.73 million, of which -EUR 15.00 million on the *European Recovery and Resilience Facility and Technical Support Instrument*, -EUR 303.00 million on the *Financing cost of the European Union Recovery Instrument (EURI)*, -EUR 31.60 million on the *EU4Health Programme*, -EUR 9.71 million on the *European Centre for Disease Prevention and Control (06 10 01)* and -EUR 0.42 million on *Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission*),
 - **07 - Investing in People, Social Cohesion and Values** (-EUR 122.75 million, of which -EUR 87.53 million on *Erasmus+*, -EUR 0.17 million on the *European Solidarity Corps (ESC)*, -EUR 9.86 million on *Creative Europe*, -EUR 18.10 million on *Citizens, Equality, Rights and Values*, -EUR 6.50 million on *decentralised agencies*, namely on the *European Agency for Safety and Health at Work (07 10 02)*, the *European Centre for the Development of Vocational Training (07 10 03)*, the *European Institute for Gender Equality (07 10 05)* and the *European Public Prosecutor's Office (07 10 08)*, as well as -EUR 0.59 million on *Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission*);

- for the other budget lines in this policy area, accept the level of payments appropriations as proposed by the Commission;
- as there would be **no margin** left under sub-heading 2b, it is suggested to mobilise the Flexibility Instrument for an amount of EUR 1 442.32 million (-EUR 623.09 million, compared to the appropriations requested in the DB 2026) and the EURI Instrument for an amount of EUR 1 986.72 million (-EUR 151.50 million, compared to the appropriations requested in the DB 2026).

3. **Natural Resources and Environment** (heading 3 of the MFF)^{11,12}

- establish the level of commitment appropriations, targeting a total reduction of -EUR 17.70 million in the appropriations requested in the DB 2026, including operational and support expenditure lines, related to:
 - **08 – Agriculture and Maritime Policy** (-EUR 0.88 million, of which -EUR 0.40 million on the *European Maritime, Fisheries and Aquaculture Fund (EMFAF)* and -EUR 0.48 million on the *European Fisheries Control Agency (08 10 01)*);
 - **09 - Environment and Climate Action** (-EUR 16.83 million, of which -EUR 13.18 million on the *Programme for Environment and Climate Action (LIFE)* and -EUR 3.65 million on *Actions financed under the prerogatives of the Commission and specific powers conferred on the Commission*);
- for the other budget lines in this policy area, accept the level of commitment appropriations as proposed by the Commission;

¹¹ A further examination of the proposal will take place in the context of the annual letter of amendment updating the estimated needs and appropriations for agricultural expenditure, as set out in the Council statement on payment appropriations recorded in Addendum 1 to this document.

¹² The detailed changes in comparison with the DB 2026 as regards figures by MFF heading are recorded in Annex 3 of Addendum 2 to this document.

- set the level of payment appropriations, reducing the appropriations requested in the DB 2026 by a total amount of -EUR 6.63 million, related to:
 - **08 – Agriculture and Maritime Policy** (-EUR 0.88 million, of which -EUR 0.40 million on the *European Maritime, Fisheries and Aquaculture Fund (EMFAF)* and -EUR 0.48 million on the *European Fisheries Control Agency (08 10 01)*);
 - **09 - Environment and Climate Action** (-EUR 5.75 million, of which -EUR 4.54 million on the *Programme for Environment and Climate Action (LIFE)* and -EUR 1.21 million on *Actions financed under the prerogatives of the Commission and specific powers conferred on the Commission*);
- for the other budget lines in this policy area, accept the level of payment appropriations as proposed by the Commission;
- the margin available under heading 3 would be EUR 145.82 million.

4. Migration and Border Management (heading 4 of the MFF)¹³

- establish the level of commitment appropriations, targeting a total reduction of -EUR 21.00 million in the appropriations requested in the DB 2026, related to:
 - **10 – Migration** (-EUR 1.05 million on the *Asylum, Migration and Integration Fund (AMIF)*);
 - **11 - Border Management** (-EUR 19.95 million, of which +EUR 1.05 million on the *Integrated Border Management Fund (IBMF) - Instrument for border management and visa (BMVI)* and -EUR 21.00 million on the *European Border and Coast Guard Agency (11 10 01)*);

¹³ The detailed changes in comparison with the DB 2026 as regards figures by MFF heading are recorded in Annex 3 of Addendum 2 to this document.

- for the other budget lines in this policy area, accept the level of commitment appropriations as proposed by the Commission;
- set the level of payment appropriations, reducing the appropriations requested in the DB 2026 by a total amount of -EUR 22.50 million, as a consequence of the adjustments in commitment appropriations, on:
 - **10 – Migration** (-EUR 1.05 million on the *Asylum, Migration and Integration Fund (AMIF)*);
 - **11 - Border Management** (-EUR 21.45 million, of which -EUR 0.45 million on the *Integrated Border Management Fund (IBMF) - Instrument for border management and visa (BMVI)* and -EUR 21.00 million on the *European Border and Coast Guard Agency (11 10 01)*);
- for the other budget lines in this policy area, accept the level of payment appropriations as proposed by the Commission;
- the margin available under heading 4 would be EUR 114.00 million.

5. Security and Defence (heading 5 of the MFF)¹⁴

- accept the level of commitment appropriations as it stands (EUR 2 803.51 million) in the DB 2026 as proposed by the Commission, however, with the following adjustments related to:
 - **12 - Security** (-EUR 0.54 million on *Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission*);
 - **13 – Defence** (+EUR 0.54 million on *Military Mobility*);
- for the other budget lines in this policy area, accept the level of commitment appropriations as proposed by the Commission;

¹⁴ The detailed changes in comparison with the DB 2026 as regards figures by MFF heading are recorded in Annex 3 of Addendum 2 to this document.

- accept the level of payment appropriations as it stands (EUR 2 250.80 million) in the DB 2026 as proposed by the Commission, however, with the following adjustments as a consequence of the adjustments in commitment appropriations, to:
 - **12 - Security** (-EUR 0.18 million on *Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission*);
 - **13 – Defence** (+EUR 0.18 million on *Military Mobility*);
- for the other budget lines in this policy area, accept the level of payment appropriations as proposed by the Commission;
- the margin available under heading 5 would be EUR 6.49 million.

6. Neighbourhood and the World (heading 6 of the MFF)¹⁵

- accept the level of commitment appropriations as it stands (EUR 15 505.02 million) in the DB 2026 as proposed by the Commission, however, with the following adjustments related to:
 - **14 - External Action** (+EUR 0.87 million, of which -EUR 12.81 million on the *Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI)*, +EUR 18.70 million on *Humanitarian aid (HUMA)* and -EUR 5.03 million on *Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission*);
 - **15 – Pre-accession Assistance** (-EUR 0.86 million on *Pre-Accession Assistance (IPA III)*);
- for the other budget lines in this policy area, accept the level of commitment appropriations as proposed by the Commission;

¹⁵ The detailed changes in comparison with the DB 2026 as regards figures by MFF heading are recorded in Annex 3 of Addendum 2 to this document.

- set the level of payment appropriations, decreasing the appropriations requested in the DB 2026 by a total amount of -EUR 9.00 million, as a consequence of the adjustments in commitment appropriations, on:
 - **14 - External Action** (-EUR 8.14 million, of which -EUR 12.81 million on the *Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI)*, +EUR 6.35 million on *Humanitarian aid (HUMA)* and -EUR 1.67 million on *Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission*);
 - **15 – Pre-accession Assistance** (-EUR 0.86 million on *Pre-Accession Assistance (IPA III)*);
- for the other budget lines in this policy area, accept the level of payment appropriations as proposed by the Commission;
- the margin available under heading 6 would be EUR 108.98 million.

7. European Public Administration (heading 7 of the MFF)¹⁶

(a) Section I - European Parliament

For the **European Parliament**, it is suggested that the DB 2026 (Section I) be approved as it stands (EUR 2 635.00 million).

(b) Section II - European Council and Council

For the **European Council and Council**, it is suggested that the DB 2026 (Section II) be approved as it stands (EUR 748.90 million).

¹⁶ The amounts exclude the institutions' contributions to the European Schools (Type 2). The detailed changes in comparison with the DB 2026 as regards figures by MFF heading are recorded in Annex 3 of Addendum 2.

(c) **Section III - European Commission**

An overall amount of EUR 4 656.35 million is suggested for the **administrative expenditure of the European Commission** (including OP, OLAF, EPSO, PMO, OIB and OIL).

In line with the stable staffing principle, a targeted reduction is suggested by applying a specific decrease to the appropriations related to the Commission's contract agents, including the ones in the Executive Agencies (-EUR 2.70 million). The expenditure of the *Translation Centre for the Bodies of the EU* is also adjusted downwards (-EUR 3.20 million).

The overall amount of EUR 3 347.32 million for **European Schools and Pensions** is accepted as it stands in the DB 2026.

Publications Office (OP)

For the **Publications Office** it is suggested that the DB 2026 be approved as it stands (EUR 125.58 million).

European Personnel Selection Office (EPSO)

For the **European Personnel Selection Office** it is suggested that the DB 2026 be approved as it stands (EUR 29.39 million).

Office for Administration and Payment of Individual Entitlements (PMO)

For the **Office for Administration and Payment of Individual Entitlements** it is suggested that the DB 2026 be approved as it stands (EUR 62.23 million).

Office for Infrastructure and Logistics in Brussels (OIB)

For the **Office for Infrastructure and Logistics in Brussels** it is suggested that the DB 2026 be approved as it stands (EUR 106.94 million).

Office for Infrastructure and Logistics in Luxembourg (OIL)

For the **Office for Infrastructure and Logistics in Luxembourg** it is suggested that the DB 2026 be approved as it stands (EUR 34.69 million).

European Anti-Fraud Office (OLAF)

For the **European Anti-Fraud Office** it is suggested that the DB 2026 be approved as it stands (EUR 74.12 million).

(d) **Section IV - Court of Justice of the European Union**

For the **Court of Justice of the European Union** it is suggested that the DB 2026 (Section IV) be approved as it stands (EUR 562.37 million).

(e) **Section V - European Court of Auditors**

For the **European Court of Auditors** it is suggested that the DB 2026 (Section V) be approved as it stands (EUR 203.61 million).

(f) **Section VI - European Economic and Social Committee**

For the **European Economic and Social Committee** it is suggested that the DB 2026 (Section VI) be approved as it stands (EUR 181.53 million).

(g) **Section VII - European Committee of the Regions**

For the **European Committee of the Regions** it is suggested that the DB 2026 (Section VII) be approved as it stands (EUR 137.09 million).

(h) **Section VIII - European Ombudsman**

For the **European Ombudsman** it is suggested that the DB 2026 (Section VIII) be approved as it stands (EUR 16.36 million).

(i) **Section IX - European Data Protection Supervisor**

For the **European Data Protection Supervisor** it is suggested that the DB 2026 (Section IX) be approved as it stands (EUR 30.08 million).

(j) **Section X - European External Action Service**

For the **European External Action Service** it is suggested that the DB 2026 (Section X) be approved as it stands (EUR 950.67 million).

With regard to **staffing levels**, it is suggested to accept the establishment plans in the DB 2026 as proposed by the Commission.

As there would be **no margin** under heading 7, it is suggested to accept the mobilisation of:

- the Flexibility Instrument for an amount of EUR 220.96 million for European Schools and pensions of all institutions and bodies, and
- the Single Margin Instrument for a total amount of EUR 742.30 million, of which EUR 657.94 million (-EUR 5.90 million, compared to the appropriations requested in the DB 2026) for administrative expenditure of the institutions and EUR 84.36 million for European Schools and pensions of all institutions and bodies, to allow the institutions to meet their legal obligations.

A Council statement on heading 7 (*European Public Administration*) is recorded in Addendum 1 to this note.

B. SPECIAL INSTRUMENTS

It is suggested to maintain the appropriations entered in the DB 2026 for the Solidarity and Emergency Aid Reserve, the European Globalisation Adjustment Fund and the Brexit Adjustment Reserve.

The commitment and payment appropriations entered in the DB 2026 for the Flexibility Instrument are established at EUR 1 663.28 million (-EUR 623.09 million, compared to the appropriations requested in the DB 2026). The commitment appropriations for the Single Margin Instrument are set at EUR 742.30 million (-EUR 5.90 million, compared to the appropriations requested in the DB 2026).

C. REVENUE

As regards revenue, it is suggested to accept the DB 2026 after the technical adjustments arising from the changes made to expenditure in the Council's position.

D. OTHER GENERAL ASPECTS

1. Budget remarks

It is suggested to align the budget remarks contained in the DB 2026 with the changes made to expenditure in the Council's position and in particular the Union contributions to the financing of the different EU bodies. The Council reserves the possibility to revisit the remarks later in the process.

2. Nomenclature

As regards nomenclature, it is suggested to accept the DB 2026. To provide the clarity and transparency necessary for the budgetary process, the Council reserves the possibility to propose a revised nomenclature later in the process.

3. Legal bases

Special care is taken to comply with the provisions of the Interinstitutional Agreement as regards legal bases.

IV. CONCLUSION

In view of the above, the Permanent Representatives Committee is invited:

- to confirm its agreement on:
 - the outcome of proceedings as set out in point III above,
 - mandating the Presidency to forward the Council's position together with the explanatory memorandum to the European Parliament, in accordance with Article 314(3) TFEU, and to approve the draft letter set out in the ANNEX to that effect,
 - proposing that the Council enter in its minutes the statements recorded in Addendum 1 to this document,
 - having the Council's position published in the *Official Journal of the European Union* as set out in document 11032/25;
- decide, in accordance with the first subparagraph of Article 12(1) of the Council's Rules of Procedure and Article 1 of Council Decision (EU) 2022/1242¹⁷, that the Council uses the written procedure for its adoption.

¹⁷ Council Decision (EU) 2022/1242 of 18 July 2022 amending the Council's Rules of Procedure (OJ L 190, 19.7.2022, p. 137, ELI: <http://data.europa.eu/eli/dec/2022/1242/oj>).

DRAFT LETTER

from : President of the Council

to : President of the European Parliament

Madam,

Please find under separate cover the Council's position on the draft general budget of the European Union for the financial year 2026 as adopted by the Council.

(Complimentary close)
