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**DRAFT AMENDING BUDGET No 2
TO THE GENERAL BUDGET 2026**

Update of revenue (own resources) and adjustments to expenditure

Having regard to:

- the Treaty on the Functioning of the European Union, and in particular Article 314 thereof, in conjunction with the Treaty establishing the European Atomic Energy Community, and in particular Article 106a thereof,
- Council Decision (EU, Euratom) 2020/2053 of 14 December 2020 on the system of own resources of the European Union¹, entered into force on 1 June 2021,
- Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast)², and in particular Article 44 thereof,
- the general budget of the European Union for the financial year 2026, as adopted on 26 November 2025³,
- draft amending budget No 1/2026, adopted on 10 April 2026⁴,

The European Commission hereby presents to the European Parliament and to the Council the draft amending budget No 2 to the 2026 budget.

CHANGES TO THE STATEMENT OF REVENUE AND EXPENDITURE BY SECTION

The changes to the general statement of revenue and to the individual section III are available on EUR-Lex (<https://eur-lex.europa.eu/budget/www/index-en.htm>).

¹ Council Decision (EU, Euratom) 2020/2053 of 14 December 2020 on the system of own resources of the European Union and repealing Decision 2014/335/EU, Euratom (OJ L 424, 15.12.2020, p.1, ELI: <http://data.europa.eu/eli/dec/2020/2053/oj>).

² OJ L, 2024/2509, 26.9.2024, ELI: <http://data.europa.eu/eli/reg/2024/2509/oj>.

³ OJ L, 2026/72, 26.2.2026, ELI: <http://data.europa.eu/eli/budget/2026/72/oj>.

⁴ COM(2026) 450, 10.4.2026.

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EXPLANATORY MEMORANDUM

1. INTRODUCTION

The Draft Amending Budget (DAB) No 2 for the year 2026 updates both the revenue and the expenditure side of the budget.

As regards the revenue side, the update takes into account the latest developments as regards:

- the updated own resources forecasts for the 2026 budget agreed by the Advisory Committee on Own Resources (ACOR) on 29 May 2026. This update is typically presented shortly after the ACOR forecast meeting, in line with the Member States' expectations that the ACOR updates are budgeted as soon as possible;
- the other revenues, such as fines and the United Kingdom contribution.

As regards the expenditure side, DAB 2/2026 includes the following specific elements:

- a reinforcement of payment appropriations of EUR 7,6 billion, of which EUR 3,4 billion for the European Regional Development Fund (ERDF), EUR 0,6 billion for the Cohesion Fund (CF), EUR 1,4 billion for the European Social Fund Plus (ESF+) and EUR 2,2 billion for the European Agricultural Fund for Rural Development (EAFRD);
- a reinforcement of the agricultural reserve for an amount of EUR 300 million in commitment and payment appropriations to provide targeted, exceptional support to farmers facing severe liquidity challenges in particular due to the rising cost of fertilisers;
- a reinforcement of the European Agricultural Guarantee Fund (EAGF) for an amount of EUR 140 million in commitment and payment appropriations to ensure timely reimbursement of EAGF expenditure to Member States;
- an increase in the number of establishment plan posts for the Commission, a reinforcement of administrative expenditure in heading 7 and a reinforcement of the support line for borrowing and debt management activities to ensure effective administration of the Ukraine Support Loan, in line with the related Legislative Financial Digital Statement;
- two budgetary neutral transfers from the European Environment Agency (EEA) back to the LIFE programme following the withdrawal of the European forest monitoring proposal and delays in the adoption of the Green Claims Directive;
- changes to the budget remarks for budget line 02 02 02 (*EU guarantee from the InvestEU Fund – Provisioning of the common provisioning fund*) to accommodate the possibility for Member States to contribute funds from the Recovery and Resilience Facility (RRF) to the InvestEU financial instrument, following the InvestEU Omnibus II Regulation.

Overall, the net impact of DAB 2/2026 on expenditure amounts to an increase of EUR 444,2 million in commitment appropriations and an increase of EUR 8,0 billion in payment appropriations.

2. UPDATE OF REVENUE

2.1 Overall impact of DAB 2/2026 on the distribution of total own resources payments between Member States

The revised forecasts for 2026 were agreed in the 197th ACOR meeting on 29 May 2026. The adjustments of the revenue side of the budget are required to update the estimates for Traditional Own Resources (TOR) as well as for the own resources based on the Value Added Tax (VAT), the non-recycled Plastic Packaging Waste (PPW) and Gross National Income (GNI), taking into account the 2026 Spring economic forecasts (see section 2.2).

Moreover, the amount of other revenues is updated to take into account the revised United Kingdom contribution and definitively cashed fines and penalty payments since 1 January 2026 (see sections 2.3 and 2.4, respectively).

The overall impact of the revenue adjustments of this DAB is shown in the summary table below. This table also shows the distribution of total own resources payments among Member States as budgeted in the initial 2026 budget, as included in DAB 1/2026 and finally as included in this DAB 2/2026.

Distribution of total own resources payments by Member States (in million EUR)

	Budget 2026	DAB 1/2026	DAB 2/2026
	(1)	(2)	(3)
BE	8 315,2	8 243,3	8 730,7
BG	1 187,9	1 175,8	1 226,7
CZ	3 375,6	3 338,9	3 572,1
DK	3 858,4	3 809,9	3 799,4
DE	41 374,0	40 861,9	42 837,6
EE	430,4	425,7	449,2
IE	4 159,8	4 114,8	4 557,9
EL	2 635,5	2 607,8	2 733,0
ES	18 097,8	17 909,0	18 699,7
FR	30 881,0	30 541,5	31 040,0
HR	966,8	956,3	1 003,5
IT	23 068,8	22 818,2	23 634,9
CY	355,4	351,7	363,4
LV	442,8	438,1	454,2
LT	876,3	867,0	919,1
LU	570,9	564,3	596,4
HU	2 369,5	2 345,2	2 543,9
MT	228,4	226,0	247,7
NL	11 800,1	11 666,4	12 020,6
AT	4 204,4	4 149,1	4 392,2
PL	9 905,4	9 802,4	10 355,1
PT	3 205,2	3 171,8	3 292,1

RO	4 001,0	3 957,1	3 972,9
SI	846,4	838,5	888,0
SK	1 476,0	1 460,8	1 392,8
FI	2 842,3	2 810,0	2 831,3
SE	5 080,1	5 008,6	5 268,8
EU	186 555,5	184 460,2	191 823,1

2.2 Revision of the forecasts of TOR, VAT, PPW and GNI bases

In line with Article 44(1) first subparagraph point (b) of the Financial Regulation⁵, the Commission proposes to revise the financing of the budget on the basis of updated economic forecasts. Following established practice, the revised revenue forecasts are agreed with the Member States in the ACOR forecast procedure.

The revision concerns the forecast of TOR to be paid to the budget in 2026 as well as the forecast of the 2026 VAT, PPW and GNI bases. The forecast included in the adopted 2026 budget was agreed at the 194th ACOR meeting held on 26 May 2025. The revision in the present DAB 2/2026 takes into account the agreed forecasts of the 197th ACOR meeting held on 29 May 2026. Updating the forecast of own resources enhances the accuracy of the revenue projections, ensuring that Member States' contributions to the EU budget are more accurately aligned with actual financial needs during the budgetary year.

The Commission's revenue projections are based on the Commission 2026 spring economic forecast⁶, which foresees weaker economic activity in 2026 as the conflict in the Middle East triggers a new energy shock, reigniting inflation and dampening economic sentiment.

Before the end of February 2026, the EU economy was set to keep expanding at a moderate pace alongside a further decline in inflation, but the outlook has changed substantially since the outbreak of the conflict. Inflation started picking up in March 2026, driven by the sharp increase in energy commodity prices, and economic activity is losing momentum.

As a result, GDP growth in the EU is now projected to slow down to 1,1 % in 2026 – a downward revision of 0,3 percentage points from the Autumn 2025 Economic Forecast projection (1,4 %) and a reduction compared to the 1,5 % growth in 2025. GDP growth is then expected to edge up to 1,4 % in 2027. Inflation in the EU is expected to reach 3,1 % in 2026 – a full percentage point higher than previously forecast – before easing again to 2,4 % in 2027.

The TOR forecast builds on the projections of extra-EU imports in the Commission's Spring 2026 economic forecast. EU growth is weakened but not derailed while global trade is forecast to continue growing over the forecast horizon, albeit at a slowing pace. Despite the steep rise in US tariffs, exceptionally high trade policy uncertainty, and geopolitical tensions, global trade expanded strongly by 4,3 % in 2025. This was supported by strong technology-related trade, frontloading of US imports, and the continued robust expansion of services-related trade – a structural trend reflecting the rising share of services in global trade.

Following several years of subdued performance, many major advanced economies, including the EU, UK and Japan, experienced some recovery in merchandise trade in 2025. While these underlying drivers are expected to continue supporting global trade, annual growth in 2026 will be lower, as 2025 trade

⁵ Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast) (OJ L, 2024/2509, 26.9.2024, ELI: <http://data.europa.eu/eli/reg/2024/2509/oj>).

⁶ European Commission, 2026, European Economic Forecast Spring 2026, European Economy, Institutional Paper 341.

figures included import frontloading from 2026. Moreover, the spillover effects of the conflict in the Middle East on energy trade flows, supply chains, and shipping costs will also weigh on global trade in 2026. As a result, global trade growth is expected to moderate to 2,1 % in 2026, returning broadly to its recent trend of expanding slightly below global GDP growth. With global economic activity forecast to strengthen in 2027, global trade growth is projected to accelerate to 3 %.

The economic scenario underlying the 2026 budget underpins the latest estimates for Traditional Own Resources and the estimated bases of the other own resources:

- Total customs duties to be collected in 2026, net of 25 % collection costs, are forecast at EUR 24 350,2 million, which represents an increase of 14,0 % compared with the forecast of EUR 21 368,3 million included in the 2026 budget. The Commission compared the results of the traditional ACOR forecast method (based on the forecast growth rates of extra-EU imports) with the results of the extrapolation method (based on the latest outturn data for collected customs duties, i.e. January – April 2026). As in the past years, the Commission takes a prudent approach, ensuring sound financial management of the EU budget in a context of volatility and of high economic and financial uncertainties. Therefore, it is proposed to use the traditional forecast method for the revision of the 2026 TOR forecast. This results in higher revenues of around EUR 3,0 billion when compared to the adopted 2026 budget.
- The total 2026 EU uncapped VAT base is forecast at EUR 8 407 456,0 million, which represents an increase of 1,2 % compared to the May 2025 forecast of EUR 8 305 297,6 million entered in the adopted 2026 budget. The total 2026 EU capped VAT base⁷ is forecast at EUR 8 362 091,2 million, which represents an increase of 1,3 % compared to the May 2025 forecast of EUR 8 252 480,7 million. Member States' contributions based on the capped VAT-based own resource are presented in Tables 2 and 6 of the accompanying budgetary annex.
- The forecast of non-recycled PPW in the EU amounts to 9 031 215,2 tonnes in 2026, which is a decrease of 4,1 % compared to the May 2025 forecast of 9 422 229,9 tonnes. Member States' contributions based on the non-recycled PPW-based own resource are presented in Tables 3 and 6 of the accompanying budgetary annex.
- The total 2026 EU GNI base is forecast at EUR 19 456 074,9 million, which is an increase of 0,9 % compared to the May 2025 forecast of EUR 19 277 897,8 million.

The exchange rates of 31 December 2025 have been used for converting the forecast VAT and GNI bases in national currencies into EUR, for the six Member States that are not members of the euro area. This avoids distortions, since these rates are the same as those used to convert budgeted own resources payments from EUR into national currencies when the amounts are called in, as stipulated in Article 10a(1) of Council Regulation 609/2014⁸.

The revised forecasts of TOR, uncapped VAT bases, non-recycled PPW bases and GNI bases for 2026, as adopted at the 197th ACOR meeting, are set out in the following table:

⁷ Article 2(1), point (b) of ORD 2020 stipulates that for each Member State the VAT base shall not exceed 50 % of GNI. For DAB 2/2026, Bulgaria, Estonia, Croatia, Cyprus, Luxembourg, Malta and Portugal will have their VAT base capped at 50 % of GNI.

⁸ Council Regulation (EU, Euratom) No 609/2014 of 26 May 2014 on the methods and procedure for making available the traditional, VAT and GNI-based own resources and on the measures to meet cash requirements (OJ L 168, 7.6.2014, p. 39, ELI: <http://data.europa.eu/eli/reg/2014/609/oj>), as last amended by Council Regulation (EU, Euratom) 2022/615 of 5 April 2022 (OJ L 115, 13.4.2022, p. 51, ELI: <http://data.europa.eu/eli/reg/2022/615/oj>).

Revised forecasts of TOR, VAT, PPW and GNI bases for 2026

	Customs (75 %)	Uncapped VAT bases	Non-recycled PPW bases	GNI bases	Capped VAT bases⁹
	EUR million		tonnes	EUR million	
BE	2 855,0	246 029,8	146 503,6	672 147,0	246 029,8
BG	156,1	60 063,1	60 461,3	116 421,7	58 210,9
CZ	413,5	143 348,2	145 795,3	354 006,6	143 348,2
DK	428,2	159 274,8	172 954,0	431 570,7	159 274,8
DE	4 766,7	1 926 197,6	1 478 042,3	4 775 859,1	1 926 197,6
EE	43,0	23 811,3	26 725,6	43 348,5	21 674,3
IE	493,7	148 033,2	254 421,8	457 422,9	148 033,2
EL	339,5	122 227,0	181 433,0	256 347,3	122 227,0
ES	2 274,0	837 957,2	1 018 137,6	1 772 531,0	837 957,2
FR	2 195,0	1 411 044,9	1 745 591,1	3 108 161,9	1 411 044,9
HR	75,0	61 109,5	54 536,8	100 104,7	50 052,4
IT	2 648,2	990 709,1	1 130 437,1	2 315 423,8	990 709,1
CY	50,4	25 019,4	12 021,5	34 156,5	17 078,3
LV	49,1	22 084,6	11 499,3	44 931,3	22 084,6
LT	111,0	38 876,9	61 719,7	87 169,6	38 876,9
LU	14,2	47 306,5	12 474,1	63 794,7	31 897,4
HU	303,1	94 679,0	303 973,2	233 440,3	94 679,0
MT	29,2	12 308,4	15 047,1	23 174,5	11 587,3
NL	3 554,8	526 063,9	268 462,8	1 212 988,5	526 063,9
AT	239,5	250 293,0	190 742,5	529 021,8	250 293,0
PL	1 448,3	463 931,3	648 814,9	952 307,6	463 931,3
PT	304,0	164 482,0	226 139,0	316 470,2	158 235,1
RO	372,7	143 594,9	378 921,2	391 778,3	143 594,9
SI	215,8	33 946,8	31 986,2	73 774,1	33 946,8
SK	141,6	56 888,5	65 660,5	139 903,8	56 888,5
FI	159,3	135 868,5	115 055,4	290 836,4	135 868,5
SE	669,3	262 306,6	273 658,3	658 982,1	262 306,6
EU	24 350,2	8 407 456,0	9 031 215,2	19 456 074,9	8 362 091,2

⁹ The amounts highlighted in grey result from the capped VAT bases, as explained in footnote 8 above.

2.3 United Kingdom contribution

The United Kingdom contribution is to be paid in accordance with Article 148 of the Agreement on the withdrawal of the United Kingdom from the European Union (the ‘Withdrawal Agreement’)¹⁰ and covers in particular the United Kingdom’s share in the outstanding commitments prior to 2021 to be paid in 2026 as well as the United Kingdom’s share in the Union’s liabilities (such as pensions), fines and the contingent financial liabilities. The overall contribution of the United Kingdom also includes the amounts due to the United Kingdom related to own resources corrections and adjustments for financial years until 2021.

The United Kingdom contribution is based on the United Kingdom’s share¹¹, which is calculated as the ratio between the own resources made available by the United Kingdom in the years 2014 to 2020 and the own resources made available during that period by all Member States including the United Kingdom. The United Kingdom’s share was adjusted in 2022 in accordance with Article 139 of the Withdrawal Agreement. The definitive share of the United Kingdom has been set at 12,431681219587700 %.

The table below presents the updated United Kingdom contribution to the budget 2026. It includes the elements that the United Kingdom has already paid in January-May 2026 as part of the 2025 September invoice, the elements included in the 2026 April invoice, and estimates for the elements to be included in the 2026 September invoice that are known at this stage. The update results in lower United Kingdom contribution compared to the estimate included in the budget 2026, mainly due to the lower than expected implementation of Brexit RAL in 2025 as well as the reported amounts of contingent liabilities, net financial corrections and fines. The revised amount of the United Kingdom contribution included in DAB 2/2026 is calculated taking into account the payment modalities set out in Article 148 of the Withdrawal Agreement.

It is therefore proposed to update the estimate introduced in the 2026 budget accordingly. Overall, this will reduce the estimated United Kingdom contribution to the budget 2026 by EUR 562,9 million resulting from the decrease of EUR 557,8 million in general revenue and the decrease of EUR 5,1 million in assigned revenues.

Updated United Kingdom contribution in 2026 (in EUR)

	Reference to the Article of the Withdrawal agreement	2026
Total United Kingdom contribution in 2026, of which:		478 248 868
1. RAL prior 2021 (including net financial corrections) - due for payment in 2026	Art. 140	371 149 808
2. Union's liabilities/pensions*	Art. 142	355 397 735
3. Own resources corrections and adjustments, of which:		130 223 924
3.1 Surplus/deficit of 2020	Art. 136(3)(a)	n/a
3.2 UK correction updates (2018-2019)	Art. 136	n/a
3.3. VAT&GNI	Art. 136	105 372 390
3.4. TOR	Art. 136, Art. 140(4)	24 851 534
4. Fines	Art. 141	-145 901 554
5. Contingent liabilities, of which:		-233 890 775
5.1 ELM, EFSI, EFSF, loans (Guarantee funds)	Art. 143	-198 269 614
5.2 Financial Instruments	Art. 144	42 661 537
5.3 Legal cases (incl. fines)	Art. 147	7 040 376
6. ECSC net assets	Art. 145	n/a
7. EIF investment	Art. 146	n/a

¹⁰ Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, (OJ L 29, 31.01.2020, p. 7, ELI: http://data.europa.eu/eli/treaty/withd_2020/sign).

¹¹ Referred to in Article 136(3), points (a) and (c), and in Articles 140 to 147 of the Withdrawal Agreement.

	Reference to the Article of the Withdrawal agreement	2026
8. Access to networks/systems/data bases**	Art.34(2), Art. 50 and 53, Art. 62(2), Art. 63(1)(e), Art. 63(2), Art.99(3),Art. 100(2)	1 269 729
* The amount of EUR 326 million will be entered in the EU budget as assigned revenues.		
** To be entered in the EU budget as assigned revenues.		

2.4 Fines and penalty payments

Considering the fines and penalty payments cashed since 1 January, it is proposed to enter the following amounts in the 2026 budget:

- a) EUR 855 million of competition fines.
- a) EUR 268 million of penalty payments and lump sums imposed on Member States, which did not comply with judgments of the Court of Justice of the European Union on their failure to fulfil an obligation under the Treaties.
- a) EUR 97,5 million of interest connected with fines and penalty payments.
- a) EUR 22,7 million of negative returns on cancelled or reduced fines.
- a) EUR 0,8 million of other non-assigned fines and penalty payments mainly for excess emissions premia.

It is therefore proposed to increase the initial amount introduced in the 2026 budget of EUR 101 million by EUR 1 199 million, thus totalling EUR 1 300 million.

The detail by line is shown in the table below.

EUR

Revenue line	Name	Budget 2026	DAB 2/2026	New amount
4 2 0	Fines in connection with the implementation of the rules on competition	100 000 000	855 327 953	955 327 953
4 2 1	Penalty payments and lump sums imposed on a Member State	p.m.	268 063 119	268 063 119
4 2 4	Interest connected with fines and penalty payments	1 000 000	97 536 784	98 536 784
4 2 5	Interest, other charges due and negative returns on cancelled or reduced fines	p.m.	-22 715 250	-22 715 250
4 2 9	Other non-assigned fines and penalty payments	p.m.	865 504	865 504
Total		101 000 000	1 199 078 110	1 300 078 110

2.5 Impact on the GNI-based own resource contribution for 2026

Taking into account the revised forecasts for TOR, for the VAT-based own resource and for the own resource based on non-recycled PPW, the amount of own resources other than GNI has increased by EUR 2 997,9 million. Together with the increase of other revenues by EUR 641,3 million (as the combined effect of the increase of revenue from fines by EUR 1 199,1 million and the decrease of the UK contribution by EUR 557,8 million) and the increase of payment appropriations by EUR 8 billion, this increases the GNI contribution by EUR 4 364,9 million compared to DAB 1/2026.

In order to respect the principle of equilibrium applicable to the budget of the European Union enshrined in Article 310(1) TFEU, the uniform rate to be applied to the sum of all Member States' GNI has to be recalculated taking into account all the other revenue.

The revised GNI-based own resources contributions considering the new uniform rate are set out in the following table:

Budgetary year 2026 (in EUR)

Member State	1 % of GNI base used for DAB 1/2026	Uniform rate of GNI-based own resource (in %) according to DAB 1/2026	1 % of GNI base (Agreed ACOR forecast)	Uniform rate of GNI-based own resource (in %) according to DAB 2/2026	Difference in the GNI
	(1)	(2)	(3)	(4)	(5) = (3 x 4) - (1 x 2)
BE	6 614 962 000	0,6821695	6 721 470 000	0,6983572	181 461 482
BG	1 116 401 000		1 164 217 000		51 464 584
CZ	3 376 618 000		3 540 066 000		168 804 680
DK	4 457 407 000		4 315 707 000		- 26 802 157
DE	47 117 636 000		47 758 591 000		1 210 340 513
EE	428 026 000		433 485 000		10 741 077
IE	4 145 078 000		4 574 229 000		366 799 858
EL	2 547 929 000		2 563 473 000		52 100 311
ES	17 368 690 000		17 725 310 000		530 206 848
FR	31 241 384 000		31 081 619 000		394 152 340
HR	965 743 000		1 001 047 000		40 287 935
IT	23 055 104 000		23 154 238 000		442 439 474
CY	336 266 000		341 565 000		9 143 959
LV	430 155 000		449 313 000		20 342 336
LT	857 010 000		871 696 000		24 129 073
LU	609 823 000		637 947 000		29 512 214
HU	2 238 976 000		2 334 403 000		102 885 946
MT	221 079 000		231 745 000		11 027 433
NL	12 297 977 000		12 129 885 000		81 687 401
AT	5 090 841 000		5 290 218 000		221 645 240
PL	9 473 184 000		9 523 076 000		188 191 261
PT	3 073 087 000		3 164 702 000		113 726 127
RO	4 042 013 000		3 917 783 000		- 21 326 119
SI	730 451 000		737 741 000		16 915 328
SK	1 404 150 000		1 399 038 000		19 159 922
FI	2 966 604 000		2 908 364 000		7 350 100
SE	6 572 384 000		6 589 821 000		118 568 871
Total	192 778 978 000				194 560 749 000

3. UPDATE OF EXPENDITURE ITEMS

3.1 Reinforcement of payment appropriations for cohesion and the European Agricultural Fund for Rural Development (EAFRD)

The cohesion programmes showed strong implementation progress in 2025. The voted budget in 2025 was consumed in full, including the reinforcement of EUR 2,7 billion in Amending Budget 3/2025. Many Member States submitted payment applications going well beyond the ‘n+3’ decommitment target in 2025, which eventually led to payment needs exceeding the budget availabilities. Moreover, a record high 32 % of the total payment applications (an amount of EUR 14,4 billion) arrived in the last two weeks of the year, giving rise to a significant backlog of applications (EUR 18 billion) carried over and paid from the 2026 budget.

The cohesion backlog from 2025, combined with the accelerated pace of implementation, puts the 2026 budget under pressure. The current trends of implementation on the ground (projects covering 69 % of the cohesion policy envelope have already been selected by the programme authorities), as well as the Member States’ forecasts, point to a full implementation of the 2026 voted budget and indicate a need for a further reinforcement. The proposed reinforcement of EUR 5,36 billion for cohesion policy which is already in this DAB mitigates the risk of running out of payment appropriations by end of October. A further assessment of the needs until the end of the year will be done at the end of the summer, based on the Member States’ forecasts to be submitted by end of July.

As for the 2023-2027 CAP Strategic Plans under the European Agricultural Fund for Rural Development (EAFRD), Member States have revised upwards their forecasts for the year. The first two declarations of expenditure received so far for 2026 also show an improved accuracy rate of Member States’ forecasts. The accelerated pace of the CAP Strategic Plans implementation reflects both a catch-up from the under-execution in the first years of this programming period and a shorter duration of the programming period (five years). The acceleration of the programmes’ execution points to the fact that Member States are prioritising the CAP Strategic Plans implementation, now that the 2014-2022 Rural Development Programmes have reached the closure phase. The Commission therefore estimates that an additional EUR 2,2 billion in payment appropriations is needed in 2026 on top of the voted budget.

The overall impact on expenditure is therefore as follows:

EUR

Budget line	Name	Commitment appropriations	Payment appropriations
<i>Section III – Commission</i>			
08 03 01 01	Rural development types of interventions under the CAP Strategic Plans	0	2 200 000 000
05 02 01	ERDF — Operational expenditure	0	3 376 800 000
05 03 01	Cohesion Fund (CF) — Operational expenditure	0	589 600 000
07 02 01	ESF+ shared management strand — Operational expenditure	0	1 393 600 000
Total		0	7 560 000 000

In parallel, the Commission will continue to monitor the implementation across the budget. After the summer, it will take stock of the updated Member States’ forecasts for cohesion policy and EAFRD (to be provided by end-July and end-August respectively) and of the actual budget implementation. As part of the Global Transfer exercise, it will then adjust budget appropriations to the updated needs for all programmes which may require a further reinforcement of payment appropriations for 2026, in particular for cohesion.

3.2 Reinforcements of agricultural expenditure

Farmers are currently facing severe liquidity challenges due to the Middle East crisis, in particular due to its negative impact on agricultural input costs, namely energy and fertilisers. There is a pressing need to stabilise the agricultural sector and ensure food security and market stability in the EU by addressing urgent liquidity shortages among farmers.

To achieve this, it is necessary to provide targeted exceptional support for the most-affected European farmers through existing crisis instruments under the common agricultural policy (CAP). With this in mind, the Commission adopted a Fertilisers Action Plan on 19 May¹², which indicated, among the immediate actions to improve farmers' access to affordable fertilisers, an upcoming proposal to increase the agricultural reserve to provide rapid exceptional relief to farmers. Considering the amount currently available under the agricultural reserve for 2026, a reinforcement of EUR 300 million is requested from the margin under the EAGF sub-ceiling in heading 3.

Furthermore, as in other years the 2026 EAGF budget included a projection of the amount of assigned revenue to be collected in 2026, which reduces the fresh appropriations in the budget to cover the needs accordingly. The estimate for 2026 was based on preliminary data at an early stage of the conformity clearance process. The revised estimates, incorporating actual clearance decisions and the offsetting possibilities for 2026, now indicate a lower level of assigned revenue than initially projected, which creates a gap to cover the needs for the EAGF. Part of this gap will be covered through redeployments within the EAGF. However, to avoid the risk of a shortfall of appropriations and ensure timely reimbursement of EAGF expenditure to Member States, a reinforcement of EUR 140 million is requested from the margin under the EAGF sub-ceiling in heading 3.

The overall impact on expenditure is therefore as follows:

EUR

Budget line	Name	Commitment appropriations	Payment appropriations
<i>Section III – Commission</i>			
08 02 01	Agricultural Reserve	300 000 000	300 000 000
08 02 04 01	Basic Income Support for Sustainability	140 000 000	140 000 000
Total		440 000 000	440 000 000

3.3 Additional establishment plan posts and credits for the Ukraine Support Loan

On 14 January 2026, the Commission presented its proposals¹³ for a Regulation establishing the Ukraine Support Loan, which was adopted by the European Parliament and the Council on 24 February 2026¹⁴. The Support Loan to Ukraine, established under enhanced cooperation, entails a new type of financial, budgetary and legal management. In combination with the volume and nature of the appropriations to be managed, this requires additional expertise in the Directorates-General involved in its set-up and implementation.

Under the current Multiannual Financial Framework (MFF), the Commission operates under the principle of stable staffing. Several new tasks have nonetheless been entrusted to the Commission to respond to new priorities, which has led to a considerable capacity gap. Despite continuous efforts to find synergies and efficiencies, the capacity to absorb new tasks under stable staffing has reached its limits. Therefore, the implementation of this proposal requires a total of 53 establishment plan posts, of

¹² COM(2026) 310, 19.5.2026.

¹³ COM(2026) 20, 14.1.2026.

¹⁴ Regulation (EU) No 2026/467 of the European Parliament and of the Council of 24 February 2026 implementing enhanced cooperation on the establishment of the Ukraine Support Loan for 2026 and 2027 (OJ L, 26.2.2026, ELI: <http://data.europa.eu/eli/reg/2026/467/oj>)

which 41 posts over and above stable staffing. This is line with the Legislative, Financial and Digital Statement attached to the Commission proposal, which was adopted by the European Parliament and the Council.

The additional resources will allow for appropriate set-up and management of the new instrument. Some of the new posts will be located in the EU Delegation to Ukraine to oversee the implementation of the new instrument on-the-ground. An overall amount of EUR 3,2 million in commitment and payment appropriations are requested in heading 7 (European Public Administration) to cover the salaries and allowances of this additional staff, as well as the related non-salary costs for 2026, assuming on average six months presence in 2026.

Alongside the increase in establishment posts, additional support expenditure is also needed for the administration of the borrowing operations related to the Ukraine Support Loan. The borrowing for the loan will be covered under the EU's unified funding approach, under which the Commission issues EU-bonds and allocates the proceeds to a central funding pool, from which the Ukraine Support Loan will be funded. A total of EUR 1 million in commitment and payment appropriations are thus also requested in heading 2b to allow for an increased level of borrowing to raise the necessary funds.

The overall impact on expenditure is therefore as follows:

EUR

Budget line	Name	Commitment appropriations	Payment appropriations
<i>Section III – Commission</i>			
06 01 03	Support expenditure for borrowing and debt management activities of the European Union	1 000 000	1 000 000
20 01 02 01	Remuneration and allowances — Headquarters and Representation offices	1 864 000	1 864 000
20 01 02 02	Expenses and allowances related to recruitment, transfers and termination of service — Headquarters and Representation offices	551 000	551 000
20 01 02 03	Remuneration and allowances — Union delegations	510 000	510 000
20 01 05 01	Medical service	1 000	1 000
20 03 05 01	Acquisition, renting and related expenditure	239 000	239 000
Total		4 165 000	4 165 000

The updated establishment plan is set out in the budgetary annex.

3.4 Transfers from EEA to the LIFE programme

The negotiations on the Green Claims Directive proposal¹⁵ are at a standstill, and no agreement is expected in 2026. The financial resources that were planned for the implementation of the relevant tasks by the European Environment Agency – a total of EUR 432 172 in both commitments and payment appropriations – can thus be returned to the LIFE programme, from which these appropriations were initially offset. Similarly, one establishment post and one contract agent post for this purpose are no longer required.

In addition, the Commission's European forest monitoring proposal¹⁶ was included in the list of withdrawn pending initiatives in the Communication of the Commission work programme 2026 – Europe's Independence Moment¹⁷. The financial resources that were planned for the implementation of the relevant tasks by the European Environment Agency – a total of EUR 1,1 million in both commitment and payment appropriations – will thus be returned to the LIFE programme budget lines

¹⁵ COM(2023)166 final, 22.3.2023

¹⁶ COM(2023)728 final, 22.11.2023

¹⁷ COM(2025)870 final, 21.10.2025

from which the amounts were initially offset. Similarly, two establishment posts and one contract agent for this purpose are no longer required.

The overall impact on expenditure is therefore as follows:

EUR

Budget line	Name	Commitment appropriations	Payment appropriations
<i>Section III – Commission</i>			
30 02 02	Differentiated appropriations (Reserve for budget article 09 10 02)	- 1 537 273	- 1 537 273
09 02 01	Nature and biodiversity	552 550	552 550
09 02 02	Circular economy and quality of life	432 172	432 172
09 02 03	Climate change mitigation and adaptation	552 551	552 551
Total		0	0

The updated establishment plan is set out in the budgetary annex.

3.5 Change to the budget remarks for line 02 02 02 (EU guarantee from the InvestEU Fund – Provisioning of the common provisioning fund)

Under the InvestEU Omnibus II Regulation¹⁸, Member States can now contribute funds from the Recovery and Resilience Facility (RRF) to the InvestEU financial instrument. These funds are direct cash contributions from Member States to implementing partners, for which the most appropriate solution is to record these external assigned revenues under budget line 02 02 02 . To reflect this change and to accommodate similar future requests, the budgetary remarks in Budget 2026 for line 02 02 02 are proposed to be amended as follows:

Line 02 02 02 – EU guarantee from the InvestEU Fund – Provisioning of the common provisioning fund

This appropriation is intended to cover the EU guarantee provisioning mainly necessary for covering the guarantee calls and the costs related to the implementation of the EU guarantee from the InvestEU Fund.

Moreover, contributions from five Member States (Romania, Greece, Finland, Bulgaria and Malta) and Norway and Iceland were received in 2022, 2023 and 2024 as additional yearly contributions from Member States and EFTA States by increasing the corresponding appropriations under this article.

Following the InvestEU Omnibus II Regulation, additional contributions are expected from Italy and Romania, which will constitute external assigned revenue. These funds will not be part of the InvestEU guarantee but will be entrusted to the relevant InvestEU implementing partners and deployed as a financial instrument under InvestEU.

4. FINANCING

Overall, the net impact of DAB 2/2026 on expenditure amounts to an increase of EUR 444,2 million in commitment appropriations and EUR 8 004,2 million in payment appropriations. The revenue side of the budget is proposed to be adjusted as set out in this DAB 2/2026.

Given the absence of margins and room for redeployment under sub-heading 2b, the Commission proposes to mobilise the Flexibility Instrument in line with Article 12 of Regulation (EU, Euratom)

¹⁸ Regulation (EU) 2025/2005 of the European Parliament and of the Council of 16 December 2025 amending Regulations (EU) 2015/1017, (EU) 2021/523, (EU) 2021/695 and (EU) 2021/1153 as regards increasing the efficiency of the EU guarantee under Regulation (EU) 2021/523 and simplifying reporting requirements (OJ L, 2025/2005, 23.12.2025, ELI: <http://data.europa.eu/eli/reg/2025/2005/oj>).

2020/2093¹⁹ for an amount of EUR 1 million in commitment appropriations and payment appropriations for sub-heading 2b, in order to reinforce the budget line for support expenditure for borrowing and debt management activities.

Similarly, given the absence of margins and room for redeployment under heading 7, the Commission proposes to mobilise the Single Margin Instrument in line with Article 11 of Regulation (EU, Euratom) 2020/2093²⁰ for an amount of EUR 3,165 million in commitment appropriations for heading 7.

The 2026 payment appropriations related to the mobilisation of the Flexibility Instrument in the years 2023 to 2026 are estimated at EUR 2 286,0 million. The estimated payment schedule of the related outstanding amounts for these years is detailed in the following table:

<i>Flexibility Instrument - payment profile (in EUR million)</i>				
<i>Mobilisation year</i>	2026	2027	Beyond 2021-2027 MFF	Total
2023	83,2	0,0	0,0	83,2
2024	83,7	46,3	0,0	129,9
2025	15,8	9,4	5,7	30,9
2026	2 038,7	1,7	1,6	2 041,9
Total	2 221,4	57,3	7,2	2 286,0

¹⁹ Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027 (OJ L 433I, 22.12.2020, p. 11, ELI: <http://data.europa.eu/eli/reg/2020/2093/oj>).

²⁰ *Ibid.*

5. SUMMARY TABLE BY MFF HEADING

In EUR

	Budget 2026 (incl. DAB 1/2026)		Draft Amending Budget 2/2026		Budget 2026 (incl. DABs 1-2/2026)	
	CA	PA	CA	PA	CA	PA
1 Single Market, Innovation and Digital	22 162 993 197	23 336 627 126			22 162 993 197	23 336 627 126
<i>Ceiling</i>	22 210 000 000				22 210 000 000	
<i>Margin</i>	47 006 803				47 006 803	
2 Cohesion, Resilience and Values	71 649 838 425	73 166 657 166	1 000 000	5 361 000 000	71 650 838 425	78 527 657 166
<i>Ceiling</i>	67 523 000 000				67 523 000 000	
<i>Of which under Flexibility Instrument</i>	2 014 115 425		1 000 000	1 000 000	2 015 115 425	
<i>Of which under EURI</i>	2 112 723 000				2 112 723 000	
<i>Margin</i>						
2a. Economic, social and territorial cohesion	56 594 001 997	58 298 110 625		5 360 000 000	56 594 001 997	63 658 110 625
<i>Ceiling</i>	56 593 000 000				56 593 000 000	
<i>Of which under Flexibility Instrument</i>	1 001 997				1 001 997	
<i>Margin</i>						
2b. Resilience and values	15 055 836 428	14 868 546 541	1 000 000	1 000 000	15 056 836 428	14 869 546 541
<i>Ceiling</i>	10 930 000 000				10 930 000 000	
<i>Of which under Flexibility Instrument</i>	2 013 113 428		1 000 000	1 000 000	2 014 113 428	
<i>Of which under EURI</i>	2 112 723 000				2 112 723 000	
<i>Margin</i>						
3 Natural Resources and Environment	56 529 415 080	52 577 345 231	440 000 000	2 640 000 000	56 969 415 080	55 217 345 231
<i>Ceiling</i>	57 100 000 000				57 100 000 000	
<i>Margin</i>	570 584 920		-440 000 000		130 584 920	
Of which: Market related expenditure and direct payments	40 011 259 481	39 958 066 815	440 000 000	440 000 000	40 451 259 481	40 398 066 815
<i>EAGF sub-ceiling</i>	41 764 000 000				41 764 000 000	
<i>Rounding difference excluded for calculating the sub-margin</i>	773 000				773 000	
<i>Net transfers between EAGF and EAFRD</i>	-1 222 773 000				-1 222 773 000	
<i>Net balance available for EAGF expenditure (sub-ceiling corrected by transfers between EAGF and EAFRD)</i>	40 542 000 000				40 542 000 000	
<i>EAGF sub-margin</i>	529 967 519		-440 000 000		89 967 519	
4 Migration and Border Management	5 018 866 515	3 887 896 129			5 018 866 515	3 887 896 129
<i>Ceiling</i>	5 103 000 000				5 103 000 000	
<i>Margin</i>	84 133 485				84 133 485	
5 Security and Defence	2 813 506 939	2 253 300 408			2 813 506 939	2 253 300 408

	<i>Ceiling</i>	2 810 000 000				2 810 000 000	
	<i>Of which under Flexibility Instrument</i>	3 506 939				3 506 939	
	<i>Margin</i>						
6	Neighbourhood and the World	15 600 020 092	16 569 670 072			15 600 020 092	16 569 670 072
	<i>Ceiling</i>	15 614 000 000				15 614 000 000	
	<i>Margin</i>	13 979 908				13 979 908	
7	European Administration	13 277 510 287	13 277 510 287	3 165 000	3 165 000	13 280 675 287	13 280 675 287
	<i>Ceiling</i>	12 506 000 000				12 506 000 000	
	<i>Of which under Flexibility Instrument</i>	23 306 848				23 306 848	
	<i>Of which under Single Margin Instrument 11(1)(a)</i>	748 203 439		3 165 000		751 368 439	
	<i>Margin</i>						
	of which: Administrative expenditure of the institutions	9 999 745 735	9 999 745 735	3 165 000	3 165 000	10 002 910 735	10 002 910 735
	<i>Sub-ceiling</i>	9 464 000 000				9 464 000 000	
	<i>Of which under Single Margin Instrument 11(1)(a)</i>	535 745 735		3 165 000		538 910 735	
	<i>Sub-margin</i>						
	Appropriations for headings	187 052 150 535	185 069 006 419	444 165 000	8 004 165 000	187 496 315 535	193 073 171 419
	<i>Ceiling</i>	182 866 000 000	201 170 000 000			182 866 000 000	201 170 000 000
	<i>Of which under Flexibility Instrument</i>	2 040 929 212	2 220 417 865	1 000 000	1 000 000	2 041 929 212	2 221 417 865
	<i>Of which under Single Margin Instrument 11(1)(a)</i>	748 203 439		3 165 000		751 368 439	
	<i>Of which under EURI</i>	2 112 723 000	2 112 723 000			2 112 723 000	2 112 723 000
	<i>Margin</i>	715 705 116	20 434 134 446	-440 000 000	-8 003 165 000	275 705 116	12 430 969 446
	Thematic special instruments	5 715 921 020	5 022 549 248			5 715 921 020	5 022 549 248
	Total appropriations	192 768 071 555	190 091 555 667	444 165 000	8 004 165 000	193 212 236 555	198 095 720 667