EUROPEAN COMMISSION

DOCUMENTS

DRAFT
The Union's annual budget for the 2027 financial year

GENERAL INTRODUCTION

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All amounts in this budget document are expressed in euro unless otherwise indicated.

Budgetary remarks are only executable insofar as they do not modify or extend the scope of an existing legal base, impinge on the administrative autonomy of institutions and can be covered by available resources.

EUROPEAN UNION

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The Union's annual budget for the 2027 financial year

GENERAL INTRODUCTION

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1. PRIORITIES FOR THE 2027 DRAFT BUDGET

The draft budget 2027 covers the last year of the 2021-2027 Multiannual Financial Framework (MFF) period, which has been marked by a series of crises and unprecedented challenges, including the ongoing Russian war of aggression against Ukraine. Continued tensions on the global scene – including a new crisis in the Middle East – are poised to have a renewed dramatic impact on a wide range of sectors, especially through the channel of increasing energy prices, and on the overall outlook for economic growth and inflation in Europe.

The EU budget has shown versatility, but it also demonstrated the limits of its current architecture, thus requiring a mid-term revision to adequately address additional needs for Ukraine, migration and its root causes, responding to the crises in the Middle East, reinforcing our capacity to respond to natural disasters, and support for boosting investments in critical technologies and defence. At the same time, the EU budget has continued to guarantee sufficient funding for established priorities, such as the green and digital transition, and stimulating economic recovery after the COVID-19 pandemic outbreak.

The challenges facing the EU have not abated. Further needs continue to emerge, with the budget called in to support a concerted Union response. In this context, the draft budget 2027 will continue to provide the necessary funding for the agreed priorities of the Union, including the financing of the debt service costs related to the newly created Ukraine Support Loan, but the limited remaining availabilities leave hardly any room for further unforeseen events or new initiatives.

1.1. Funding for Union priorities

The geopolitical world order has been changing rapidly, with protracted and emerging crises at the EU's borders, global economic downturns, shifting external aid dynamics, and threats to international law and multilateralism. At the same time, Russia's war of aggression against Ukraine has underlined the need for major investments in security and defence in the Member States to build a more secure future for Europe. The renewed crisis in the Middle East and the energy shock it has triggered are already weighing on economic momentum in the Union, increasing uncertainty and driving inflation upwards. These challenges underscore how the Union's 'internal' policies to encourage economic growth, competitiveness, job creation, energy transition and decarbonisation are essential to strengthening our resilience, and how they are ever more interconnected with the 'external' dimension of EU action.

The Union continues to face unprecedented security challenges. Against this backdrop, the newly established European Defence Industry Programme (EDIP) ([1]), aims at strengthening the competitiveness and responsiveness of the European Defence Technological and Industrial Base (EDTIB) and ensuring the availability and supply of defence products while reducing market fragmentation. In addition, the proposed AGILE programme ([2]) is meant to stimulate defence innovation specifically in SMEs. In response to the stark deterioration of the Union's security context and the advent of a geopolitical situation in which the Union must markedly step up its efforts to autonomously ensure its defence, the White Paper for European Defence ([3]) and the ReArm Europe Plan - Readiness 2030 ([4]) were adopted in March 2025. Building on this, in May 2025 the Union also took urgent measures to establish a temporary instrument aimed at providing financial assistance to those Member States that want to invest in defence industrial production, in the form of a Security Action For Europe instrument (the 'SAFE instrument' ([5])). This instrument enables the Commission to provide the Member States with up to EUR 150 billion in loans backed by the EU budget, available until 31 December 2030. The first pre-financing payments to Member States under SAFE have started in May 2026.

([1]) Regulation (EU) 2025/2643, OJ L, 2025/2643, 29.12.2025, ELI: http://data.europa.eu/eli/reg/2025/2643/oj.
([2]) COM(2026) 135, 25.3.2026.
([3]) JOIN(2025) 120, 19.3.2025.
([4]) COM(2025) 188, 22.04.2025.
([5]) Regulation (EU) 2025/1106, OJ L, 2025/1106, 28.5.2025, ELI: http://data.europa.eu/eli/reg/2025/1106/oj.

Economic security, a strong and competitive economy and a well-functioning single market are the foundations of the Union's prosperity. This requires EU action to address increasing and often unfair competition to European companies and challenges to Europe's economic and technological sovereignty, as underlined for example by the Competitiveness Compass ([1]), the Joint Communication on strengthening EU economic security ([2]) and the 'One Europe, One Market Roadmap' as agreed by the European Parliament, the Council and the Commission on 23 April 2026. The draft budget 2027 includes increased funding as planned for flagship programmes such as Erasmus+, the Connecting Europe Facility (CEF) and the Single Market Programme (SMP), while strong support continues to be provided to agriculture, not only to guarantee the Union's food security but also to promote economic stability and the development of rural areas. The draft budget also provides the necessary funding for other agreed EU initiatives or shared priorities, such as the European Chips Act, the Union Secure Connectivity Programme, the Carbon Border Adjustment Mechanism (CBAM), as well as the set-up of the Anti-Money Laundering Authority (AMLA), the European Union Customs Authority (EUCA) ([3])and the EU Centre to prevent and counter child sexual abuse, for which resources are included for the first time.

The draft budget also reflects the outcome of the mid-term review of 2021-2027 cohesion policy, which incentivises Member States to use these resources towards the Union's new priorities in the areas of competitiveness, defence, affordable housing, water resilience and energy transition, by providing the opportunity for one-off additional pre-financing and higher EU co-financing for these priorities. Additional funding will be made available to the Member States in the first full year of implementation of the Asylum and Migration Pact, through top-ups from the MFF mid-term revision (+EUR 1,2 billion in 2027) for the Asylum, Migration and Integration Fund (AMIF) and the Border Management and Visa Instrument (BMVI).

In the new geopolitical reality, the EU's external action agenda needs to be underpinned by strategic interests such as economic security, migration management, connectivity, energy security and critical raw material supply chains. Against a backdrop of limited availabilities and competing demands, the EU's external action budget in 2027 will need to foster strategic opportunities in key geographies; respond to crises in the Middle East; support candidate countries on their enlargement track; and continue its unwavering support to Ukraine.

The Ukraine Facility contributes to Ukraine's economic stability, recovery and reconstruction, while also facilitating the investments and reforms that will smooth its path towards EU accession. Through the Facility, the draft budget 2027 continues to provide stable, predictable and yet flexible assistance to Ukraine to support key investments and fundamental reforms through loans and non-repayable support.

Ukraine's immediate needs for continued financing in 2026 and 2027 required another revision of the 2021-2027 MFF, to enable the new Ukraine Support Loan of EUR 90 billion for the years 2026 and 2027, which will provide Ukraine with urgently needed military assistance to strengthen its defence capabilities (EUR 60 billion) and general budget support to ensure the continued functioning of the state and basic public services (EUR 30 billion). The debt service costs to cover the related borrowing operations are expected to amount to EUR 1,15 billion in 2027, which the Commission proposes to finance entirely through budgetary availabilities.

1.2. **Financing the EU's borrowing operations**

Until the end of its lifetime in 2026, NextGenerationEU (NGEU) ([4]), the European Union Recovery Instrument, continues to provide extraordinary support to investments and reforms across the Union, notably through the Recovery and Resilience Facility (RRF). While NGEU implementation in 2027 will be limited to payments related to technical and administrative assistance, the roll-over of maturing debt related to the NGEU support continues to be funded by borrowing on capital markets. Due to the increase in interest rates since the MFF was initially agreed in 2020, which has affected all issuers, higher funding costs have materialised compared to what had been planned initially.

([1]) COM(2025) 30, 29.1.2025.
([2]) JOIN(2025) 977, 3.12.2025.
([3]) COM(2023) 258, 17.5.2023.
([4]) Council Regulation (EU) 2020/2094 establishing a European Union Recovery Instrument to support the recovery in the aftermath of the COVID-19 crisis, OJ L 433I , 22.12.2020, p. 23, ELI: http://data.europa.eu/eli/reg/2020/2094/oj.

As set out in section 5.1 below, and as part of the agreement reached on the 2025 budget concerning the application of the 'cascade mechanism' in the framework of the mobilisation of the EURI instrument, the Commission proposes to continue covering half of the additional needs of EUR 4,9 billion from the unallocated margin under sub-heading 2b and the non-thematic special instruments (Single Margin Instrument and Flexibility Instrument), and the other half from the EURI instrument compartment corresponding to decommitments made in previous years. In this respect, the margin under sub-heading 2b and the special instruments have benefitted from a rigorous policy of savings in the past years without impacting on the programmes, in particular by making use of recoveries and reflows, including from the European Fund for Strategic Investments (EFSI).

Similarly, as set out in section 5.1 below, the Commission proposes to finance the debt service costs for the Ukraine Support Loan of EUR 1,15 billion in 2027 through a mix of savings, in particular from excess provisioning of the European Fund for Sustainable Development (EFSD) in heading 6, and budgetary availabilities in the special instruments (Single Margin Instrument and Flexibility Instrument).

1.3. **Pressures on the European Public Administration**

Despite the increasing scope of its responsibilities, the Commission continues its rigorous approach in relation to expenditure and staffing under heading 7 European Public Administration, showing budgetary discipline by remaining below the maximum 2 % limit for the increase in non-salary related expenditure. Within its own section of the budget, the Commission continues to freeze mission, meeting and committee expenditure at the level of 2026, while essential investments in security are fully offset by savings made in other infrastructure costs. In addition to these measures regarding its own expenditure, the Commission has again made reductions in relation to the statements of estimates from eight other institutions, to align them with the principles of stable staffing and the 2 % limit on the increase of non-salary related expenditure.

However, as outlined also in the Commission proposal for the next MFF, the implementation of the stable staffing principle in the context of increasing tasks has led to a significant capacity gap ([1]), a situation in which business continuity risks have become critical and where the Commission's ability to implement EU political priorities and respond to crises in a sound, efficient, and effective way can become severely impaired.

The MFF mid-term revision did not provide for the necessary adjustment of the expenditure ceiling of heading 7 to allow the institutions to meet their legal obligations. As a consequence, it remains necessary to use the Single Margin Instrument in 2027 for a total amount of EUR 700,3 million: EUR 407,3 million for administrative expenditure of the institutions and EUR 293,0 million for the pensions of all institutions and bodies. The Commission will continue scrutinising the evolution of the needs for administrative expenditure. If appropriate, it will review the assumptions in an amending letter in October 2026, in particular as regards the impact of inflation and purchasing power on pensions and salary expenditure of the institutions.

1.4. **Ensuring an adequate level of payments**

Reflecting the EU budget's character as an investment budget, the implementation of payment appropriations is again speeding up in the final years of the MFF period, in particular for cohesion and rural development programmes. This is also evidenced by the amount of payment claims received at the end of 2025 of EUR 18 billion, which has been paid using payment appropriations from the 2026 budget. Against that background, together with this draft budget, the Commission has put forward a Draft Amending Budget ([2]) increasing the level of payments in 2026 with the aim of stabilising the cohesion backlog at the end of 2026, whereas the payment appropriations requested in the draft budget 2027 allow the cohesion backlog to be brought back to a sustainable level by the end of 2027.

([1]) The capacity gap stands at 2 500 FTE for all EU institutions: 1 519 FTE for the Commission (931 establishment plan posts and 588 external staff) and 981 FTE for the other EU institutions.

([2]) COM(2026) 460, 9.6.2026.

1.5. **The draft budget 2027: key figures**

On this basis, the draft budget 2027 sets appropriations of EUR 199,9 billion in commitments and EUR 212,0 billion in payments, including special instruments, leaving EUR 500,8 million of margin below the payment ceiling for 2027, assuming the proposed increase in the level of payment appropriations for 2026 is approved as proposed by the Commission. The substantial increase in payment needs is in line with the outlook presented in the long-term payment forecast of July 2025 and the forecasts submitted by Member States earlier this year, in particular for cohesion. This reflects the increases in payment needs in the last year of the MFF period, which have been observed in previous MFF periods as well.

2. THE MULTIANNUAL FINANCIAL FRAMEWORK AND THE 2027 DRAFT BUDGET

2.1. Ceilings of the multiannual financial framework for the 2027 budget

For 2027, the overall ceiling for commitment appropriations is set at EUR 188 761,0 million and the ceiling for payment appropriations at EUR 199 711,0 million. The ceilings for the whole seven-year period are presented in the table below in line with the technical adjustment of the MFF for 2027 ([1]), and include the adjustments stemming from: (1) the application of Article 5 of the MFF Regulation ([2]), leading to the 2027 adjustments of the commitment ceilings of three headings (1, 2b and 4) and the corresponding adjustment of the payment ceiling and (2) the reprofiling of the payment ceilings further to the application of Article 11(1), point (b) of the MFF Regulation, for what concerns the Single Margin Instrument for unexecuted payments in 2025.

(Multiannual financial framework ceilings in million EUR, at current prices)

Heading	2021	2022	2023	2024	2025	2026	2027	Total
COMMITMENT APPROPRIATIONS								
1. Single Market, Innovation and Digital	**20 919,0**	**21 878,0**	**21 727,0**	**21 598,0**	**21 596,0**	**22 210,0**	**22 080,0**	**152 008,0**
2. Cohesion, Resilience and Values	**6 364,0**	**67 806,0**	**70 137,0**	**73 289,0**	**75 697,0**	**67 523,0**	**71 362,0**	**432 178,0**
2a. Economic, social and territorial cohesion	**1 769,0**	**61 345,0**	**62 939,0**	**64 683,0**	**66 361,0**	**56 593,0**	**58 484,0**	**372 174,0**
2b. Resilience and values	**4 595,0**	**6 461,0**	**7 198,0**	**8 606,0**	**9 336,0**	**10 930,0**	**12 878,0**	**60 004,0**
3. Natural Resources and Environment	**56 841,0**	**56 965,0**	**57 295,0**	**57 449,0**	**57 336,0**	**57 100,0**	**57 316,0**	**400 302,0**
of which: Market related expenditure and direct payments ([1])	**40 368,0**	**40 639,0**	**40 693,0**	**40 603,0**	**40 529,0**	**40 542,0**	**40 591,0**	**283 965,0**
4. Migration and Border Management	**1 791,0**	**3 360,0**	**3 814,0**	**4 020,0**	**4 871,0**	**5 103,0**	**5 893,0**	**28 852,0**
5. Security and Defence	**1 696,0**	**1 896,0**	**1 946,0**	**2 380,0**	**2 617,0**	**2 810,0**	**3 080,0**	**16 425,0**
6. Neighbourhood and the World	**16 247,0**	**16 802,0**	**16 329,0**	**16 331,0**	**16 303,0**	**15 614,0**	**16 071,0**	**113 697,0**
7. European Public Administration	**10 635,0**	**11 058,0**	**11 419,0**	**11 773,0**	**12 124,0**	**12 506,0**	**12 959,0**	**82 474,0**
of which: Administrative expenditure of the institutions	**8 216,0**	**8 528,0**	**8 772,0**	**9 006,0**	**9 219,0**	**9 464,0**	**9 786,0**	**62 991,0**
TOTAL COMMITMENTS	**114 493,0**	**179 765,0**	**182 667,0**	**186 840,0**	**190 544,0**	**182 866,0**	**188 761,0**	**1 225 936,0**
TOTAL PAYMENTS	**163 496,0**	**166 534,0**	**162 053,0**	**142 601,0**	**173 583,0**	**201 170,0**	**199 711,0**	**1 209 148,0**

([1]) As adjusted by net transfers from the EAGF to the EAFRD following decisions indicated by the Member States in their CAP Strategic Plans.

([1]) Technical adjustment of the multiannual financial framework for 2027 in accordance with Article 4 of Council Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027, COM(2026) 299, 9.6.2026.

([2]) Council Regulation (EU, Euratom) 2020/2093 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.

2.2. **Overview of the 2027 draft budget**

(Commitment (CA) and payment (PA) appropriations in million EUR, rounded figures at current prices)

	Draft budget 2027		Budget 2026 (1)		Share in DB 2027		Difference 2027 - 2026		Difference 2027 / 2026	
	(1)		(2)				(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA	CA	PA
1. Single Market, Innovation and Digital	**21 901,5**	**22 842,7**	**22 163,0**	**23 336,6**	**10,96 %**	**10,78 %**	**– 261,5**	**– 493,9**	**- 1,18 %**	**- 2,12 %**
Ceiling	*22 080,0*		*22 210,0*							
Margin	*178,5*		*47,0*							
2. Cohesion, Resilience and Values	**75 761,2**	**81 849,6**	**71 650,8**	**78 527,7**	**37,90 %**	**38,61 %**	**4 110,3**	**3 322,0**	**5,74 %**	**4,23 %**
of which under Flexibility Instrument	***1 940,0***		***2 015,1***							
of which under EURI Instrument	***2 459,8***		***2 112,7***							
Ceiling	*71 362,0*		*67 523,0*							
Margin	*0,6*		*0,0*							
2.a Economic, social and territorial cohesion	**58 483,4**	**64 727,2**	**56 594,0**	**63 658,1**	**29,26 %**	**30,54 %**	**1 889,4**	**1 069,1**	**3,34 %**	**1,68 %**
of which under Flexibility Instrument	***0,0***		***1,0***							
Ceiling	*58 484,0*		*56 593,0*							
Margin	*0,6*		*0,0*							
2.b Resilience and values	**17 277,8**	**17 122,4**	**15 056,8**	**14 869,5**	**8,64 %**	**8,08 %**	**2 221,0**	**2 252,9**	**14,75 %**	**15,15 %**
of which under Flexibility Instrument	***1 940,0***		***2 014,1***							
of which under EURI Instrument	***2 459,8***		***2 112,7***							
Ceiling	*12 878,0*		*10 930,0*							
Margin	*0,0*		*0,0*							
3. Natural Resources and Environment	**57 235,5**	**61 454,5**	**56 969,4**	**55 217,3**	**28,63 %**	**28,99 %**	**266,1**	**6 237,2**	**0,47 %**	**11,30 %**
Ceiling	*57 316,0*		*57 100,0*							
Margin	*80,5*		*130,6*							
Of which: Market related expenditure and direct payments	**40 555,3**	**40 631,9**	**40 451,3**	**40 398,1**	**20,29 %**	**19,17 %**	**104,0**	**233,8**	**0,26 %**	**0,58 %**
Initial EAGF sub-ceiling	*41 892,0*		*41 764,0*							
Rounding difference excluded for calculating the sub-margin	*0,5*		*0,8*							

	Draft budget 2027		Budget 2026 (1)		Share in DB 2027		Difference 2027 - 2026		Difference 2027 / 2026	
	(1)		(2)				(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA	CA	PA
Net transfers between EAGF and EAFRD	*– 1 301,5*		*– 1 222,8*							
Net balance available for EAGF expenditure	*40 590,5*		*40 541,2*							
Adjusted EAGF sub-ceiling corrected by transfers between EAGF and EAFRD	*40 591,0*		*40 542,0*							
EAGF sub-margin	*35,7*		*90,7*							
EAGF sub-margin (excluding the rounding difference)	*35,2*		*90,0*							
4. Migration and Border Management	**5 789,3**	**3 869,7**	**5 018,9**	**3 887,9**	**2,90 %**	**1,83 %**	**770,4**	**– 18,2**	**15,35 %**	**- 0,47 %**
Ceiling	*5 893,0*		*5 103,0*							
Margin	*103,7*		*84,1*							
5. Security and Defence	**3 066,4**	**2 231,1**	**2 813,5**	**2 253,3**	**1,53 %**	**1,06 %**	**252,9**	**– 22,2**	**8,99 %**	**- 0,99 %**
of which under Flexibility Instrument	***0,0***		***3,5***							
Ceiling	*3 080,0*		*2 810,0*							
Margin	*13,6*		*0,0*							
6. Neighbourhood and the World	**15 467,9**	**16 660,6**	**15 600,0**	**16 569,7**	**7,74 %**	**7,86 %**	**– 132,2**	**91,0**	**- 0,85 %**	**0,55 %**
offset of the Single Margin Instrument (Article 11(1)(c))	**– 503,1**									
Ceiling	*16 071,0*		*15 614,0*							
Margin	*100,0*		*14,0*							
7. European Public Administration	**13 659,3**	**13 659,3**	**13 280,7**	**13 280,7**	**6,83 %**	**6,44 %**	**378,6**	**378,6**	**2,85 %**	**2,85 %**
of which under Flexibility Instrument	***0,0***		***23,3***							
of which under Single Margin Instrument (Article 11(1)(a))	***700,3***		***751,4***							
Ceiling	*12 959,0*		*12 506,0*							
Margin	*0,0*		*0,0*							
of which: Administrative expenditure of the institutions	**10 193,3**	**10 193,3**	**10 002,9**	**10 002,9**	**5,10 %**	**4,81 %**	**190,4**	**190,4**	**1,90 %**	**1,90 %**
of which under Single Margin Instrument (Article 11(1)(a))	***407,3***		***538,9***							
Sub-ceiling	*9 786,0*		*9 464,0*							

	Draft budget 2027		Budget 2026 (1)		Share in DB 2027		Difference 2027 - 2026		Difference 2027 / 2026	
	(1)		(2)				(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA	CA	PA
Sub-margin	*0,0*		*0,0*							
Appropriations for headings	**192 881,0**	**202 567,6**	**187 496,3**	**193 073,2**	**96,49 %**	**95,56 %**	**5 384,7**	**9 494,4**	**2,87 %**	**4,92 %**
of which under Flexibility Instrument	***1 940,0***	***1 997,3***	***2 041,9***	***2 221,4***						
of which under Single Margin Instrument (Article 11(1)(a))	***700,3***		***751,4***							
of which under Single Margin Instrument (Article 11(1)(c))	***0,0***		***0,0***							
of which under EURI Instrument	***2 459,8***	***2 459,8***	***2 112,7***	***2 112,7***						
Appropriations as % of GNI (2)	**0,96 %**	**1,00 %**	**0,97 %**	**1,00 %**						
Appropriations for Ukraine Support Loan	***1 150,0***	***1 150,0***								
of which under Flexibility Instrument	**50,2**	**50,2**								
of which under Single Margin Instrument (Article 11(1)(a))	**335,1**									
of which under Single Margin Instrument (Article 11(1)(c)) (4)	**764,7**									
of which under Ukraine Support Loan Instrument	**0,0**									
Appropriations for headings and Ukraine Support Loan	***194 031,0***	***203 717,6***	**187 496,3**	**193 073,2**						
of which under Flexibility Instrument	**1 990,2**	**2 047,5**	***2 041,9***	***2 221,4***						
of which under Single Margin Instrument (Article 11(1)(a))	**1 035,4**		***751,4***							
of which under Single Margin Instrument (Article 11(1)(c))	**764,7**		***0,0***							
offset of the Single Margin Instrument (Article 11(1)(c))	**– 503,1**									
of which under EURI Instrument	**2 459,8**	**2 459,8**	**2 112,7**	**2 112,7**						
of which under Ukraine Support Loan Instrument	**0,0**									
Ceiling	*188 761,0*	*199 711,0*	*182 866,0*	*201 170,0*						
Margin	476,9	500,8	*275,7*	*12 431,0*						

	Draft budget 2027		Budget 2026 (1)		Share in DB 2027		Difference 2027 - 2026		Difference 2027 / 2026	
	(1)		(2)				(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA	CA	PA
Thematic special instruments (3)	**5 874,1**	**8 257,2**	**5 715,9**	**5 022,5**	**3,51 %**	**4,44 %**	**158,2**	**3 234,6**	**2,77 %**	**64,40 %**
of which European Solidarity Reserve	*1 214,2*	*1 214,2*	*1 190,4*	*1 190,4*	*0,61 %*	*0,57 %*	*23,8*	*23,8*	*2,00 %*	*2,00 %*
Emergency Aid Reserve	*607,1*	*607,1*	*595,2*	*595,2*	*0,30 %*	*0,29 %*	*11,9*	*11,9*	*2,00 %*	*2,00 %*
European Globalisation Adjustment Fund (EGF)	*35,9*	*32,0*	*35,1*	*20,0*	*0,02 %*	*0,02 %*	*0,7*	*12,0*	*2,00 %*	*60,00 %*
Brexit Adjustment Reserve	*0,0*	*0,0*	*0,0*	*52,9*	*0,00 %*	*0,00 %*	*0,0*	*– 52,9*	*0,00 %*	*- 100,00 %*
Ukraine Facility	*4 016,9*	*6 403,8*	*3 895,2*	*3 164,1*	*2,01 %*	*3,02 %*	*121,7*	*3 239,8*	*3,13 %*	*102,39 %*
Total appropriations	**199 905,1**	**211 974,7**	**193 212,2**	**198 095,7**	**100,00 %**	**100,00 %**	**6 692,9**	**13 879,0**	**3,46 %**	**7,01 %**
Appropriations as % of GNI (2)	**0,99 %**	**1,05 %**	**1,00 %**	**1,03 %**						

(1) Budget 2026 includes draft amending budget 1 and 2/2026.
(2) The draft budget is based on the latest forecast of EU27 GNI as presented in the Spring Economic Forecast published on 21 May 2026 and used for the preparation of the technical adjustment of the MFF for 2027.
(3) The appropriations corresponding to 'Thematic special instruments' are entered in the budget over and above the MFF ceilings and are therefore excluded for the purpose of the calculation of the corresponding margins. This is also the case for the appropriations related to the Flexibility Instrument.
(4) The mobilisation of the Single margin instrument – last resort – is proposed to be offset as follows: EUR 503,1 million against margins of heading 6 in draft budget 2027 and EUR 261,6 million against margins of headings 1, 3 and 4 in budget 2026. The detail is provided in section 5.1.6.

Overview of commitment appropriations

Total commitment appropriations in the 2027 draft budget (including special instruments) are set at EUR 199 905,1 million, corresponding to 0,99 % of GNI. Total commitment appropriations increase by 3,46 % compared to commitment appropriations in the 2026 budget. The resulting total margin under the 2027 ceiling for commitments in the MFF stands at EUR 476,9 million (available after offsetting of the use of the Single Margin instrument (Article 11 (1), point (c)) for the debt service costs related to the Ukraine Support Loan).

Proposed use of special instruments

Special instruments are proposed to be used for three purposes:

— Heading 7: In order to meet legal obligations in heading 7, it remains necessary to use the Single Margin Instrument in accordance with Article 11(1), point (a) of the MFF Regulation for an amount of EUR 700,3 million.

— NGEU: moreover, in order to cover the additional needs for the funding costs for NGEU that exceed the financial programming in sub-heading 2b, beyond the use of the sub-heading's reinforced margin of EUR 519,9 million, the Commission proposes to mobilise the Flexibility Instrument in accordance with Article 12 of the MFF Regulation for an amount of EUR 1 940,0 million and to reuse decommitments by recourse to the EURI instrument for an amount of EUR 2 459,8 million.

— Ukraine Support Loan: finally, in order to cover the debt service costs of the Ukraine Support Loan, which is financed in enhanced cooperation ([1]), the remaining amount of the Single Margin Instrument Article 11(1), point (a) of EUR 335,1 million is used, the remaining amount of the Flexibility Instrument of EUR 50,2 million, as well as the Single Margin Instrument Article 11(1), point (c) – last resort - for an amount of EUR 764,7 million, which reflects savings made for the provisioning of the European Fund for Sustainable Development Plus (EFSD+) in 2027 due to excess provisioning of the European Fund for Sustainable Development (EFSD). Therefore, there is no need to mobilise the Ukraine Support Loan Instrument.

As set out in more detail in section 5.1.6 below, the mobilisation of the Single Margin Instrument – last resort for an amount of EUR 764,7 million requires offsetting of the same amount against margins of the current and/or future years. It is proposed to offset EUR 261,6 million from headings 1, 3 and 4 in 2026, and EUR 503,1 million from heading 6 in 2027, reflecting savings made in 2027 for the provisioning of the EFSD+ thanks to excess provisioning of the EFSD. This approach preserves the margins in 2027. The Commission will keep the evolving needs and availabilities for 2026 and 2027 under close review, and it may present an update of the proposed financing of the Ukraine Support Loan debt service costs in the Amending Letter to the Draft Budget 2027 in October 2026.

Overview of payment appropriations

Payment appropriations amount to EUR 211 974,7 million, corresponding to 1,05 % of GNI. This represents a 7,01 % increase compared to payment appropriations in the 2026 budget. The margin left under the payment ceiling of the MFF for 2027 amounts to EUR 500,8 million. The small margin under the payment ceiling reflects the fact that the 2021-2027 programmes are running at cruising speed, in particular for cohesion, which also requires a reinforcement of payment appropriations in 2026. An estimated EUR 165 599,5 million will be needed to implement programmes and instruments under the 2021-2027 MFF, of which EUR 40 630,7 million for direct payments for agriculture. The remaining amount relates to special instruments, administrative support expenditure, decentralised agencies, pilot projects, preparatory actions, actions financed under the prerogatives of the Commission and other actions.

([1]) Regulation (EU) 2026/467, OJ L, 2026/467, 26.2.2026, ELI: http://data.europa.eu/eli/reg/2026/467/oj).

Implementation of NGEU

Amounts under NGEU were committed before the end of 2023 (except for administrative expenditure). Payments related to these legal commitments should be made by 31 December 2026 leaving only relatively minor amounts for administrative expenditure in 2027. However, in cases of reduction procedures launched after 31 August 2026, in line with the applicable legislative framework, certain payments to Member States may still take place in 2027 ([1]).

Overview by MFF heading

Heading 1 ('Single market, innovation and digital') is a strong centre for funding dedicated to innovation, strategic infrastructure and digital transformation. Horizon Europe provides European support for a comprehensive landscape of research and innovation activities, including digital, health, climate and environment. In addition, crucial longer-term support to enable private and public sector mobilisation to EU policy priorities in cases of market failure or investment gaps is provided through the InvestEU programme. This heading also includes the financing of the European Chips Act and continued strong support for the CEF. The EU contribution to AMLA is planned to increase substantially in 2027, and the EU contribution to the new EUCA will slightly increase to accelerate the start-up of the agency in line with the political agreement reached at the end of March 2026.

In **sub-heading 2a** ('Economic, social and territorial cohesion'), the implementation on the ground of the 2021-2027 programmes is expected to continue improving in 2027. Cohesion policy contributes to strengthening economic, social and territorial cohesion in the Union and aims to correct imbalances between countries and regions while delivering on the Union's political priorities, especially the green and digital transition and the new priorities identified in the mid-term review of the cohesion policy, including defence capabilities, closing the innovation gap, strengthening competitiveness, decarbonisation, the energy transition, water resilience and affordable housing.

Sub-heading 2b ('Resilience and values') includes flagship European programmes such as Erasmus+, Creative Europe, EU4Health, the Citizens, Equality, Rights and Values programme, and the Union Civil Protection Mechanism (UCPM)/rescEU. Overall, the funding for these programmes in the draft budget will increase in 2027, in line with the financial programming and the programme-specific adjustments stemming from Article 5 of the MFF Regulation.

This sub-heading also contains the cost of the financing of NGEU non-repayable support. Due to the impact of higher interest rates since 2022, the cost of NGEU borrowing has increased in comparison with the forecast used for the initial financial programming. Accordingly, the EURI interest line needs to be reinforced over and above the financial programming for 2027 (EUR 4,9 billion estimated costs above the financial programming for 2027). In line with the joint conclusions on the 2025 budget, these additional needs for the 2027 budget are proposed to be financed in equal portions of EUR 2 459,8 million from the existing availabilities - by a combination of the remaining margin under heading 2b (EUR 519,9 million) and the mobilisation of the Flexibility Instrument for a total amount of EUR 1 940,0 million - and from the EURI Instrument established in Article 10a of the MFF Regulation financed from decommitments made cumulatively since 2021 and for which availabilities are calculated every year as part of the technical adjustment of the MFF.

Heading 3 ('Natural resources and environment') makes a substantial contribution to the European Green Deal, including through the LIFE programme, the European Maritime, Fisheries and Aquaculture Fund, the Just Transition Fund and the CAP Strategic Plans of the Member States, which consolidate interventions under the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD) towards common objectives set at Union level. Given the overall needs for agricultural expenditure, which are partially offset by the availability of assigned revenues, the appropriations requested for the EAGF are set below the level of the sub-ceiling, leaving a margin of EUR 35 million available. Heading 3 also provides funding for the definitive regime of CBAM, with the objective of addressing climate change by reducing greenhouse gas emissions in the EU and globally by preventing carbon leakage. Another important instrument contributing to the priorities of heading 3 is the Innovation Fund, which in 2027 will provide an estimated amount of EUR 5,6 billion of support for green innovations. The Innovation Fund is financed from revenues deriving from the EU Emissions Trading System (ETS), and as such it is included in Title 16 with other expenditure outside the annual ceilings of the MFF.

([1]) Conditions are set out in the Guidelines for Member States on operational aspects related to the final phase and closure of the Recovery and Resilience Facility, C(2026)2647, 30.4.2026.

Heading 4 ('Migration and border management') brings together all funding dedicated to the protection of the external borders of the EU, with the Integrated Border Management Fund, and EUR 1,2 billion of reinforced support in 2027 for the implementation of the new Asylum and Migration Pact, which will become fully applicable on 12 June 2026. The agencies working in this field represent a substantial proportion of the heading, and the EU contribution increases notably for the European Border and Coast Guard Agency (FRONTEX), which reaches its full capacity in line with its mandate ([1]), including through the standing corps of Border Guards.

Heading 5 ('Security and defence') brings together the Secure Connectivity programme, the Internal Security Fund, the European Defence Fund (including its STEP-related reinforcement), the EDIP ([2]) and the proposed AGILE programme ([3]) to strengthen and modernise Europe's defence industry, ramp up production capacity and increase innovation, as well as nuclear safety and decommissioning activities ([4]) and the agencies active in the area of security. Regarding the decentralised agencies, for the first time an EU contribution to the EU Centre to prevent and counter child sexual abuse of EUR 11,1 million is proposed in 2027, awaiting its creation ([5]).

Heading 6 ('Neighbourhood and the world') provides substantial financing to address global challenges through building long-term mutually beneficial partnerships and to support key priorities such as responding to wars and conflicts, migration, including in the Southern Neighbourhood, as well as enhanced ways to sustain the pre-accession process both in the Western Balkans and Moldova. The heading finances also humanitarian aid and support for Syrian refugees. One new development compared to the financial programming for 2027 in heading 6 is the availability of excess provisioning from EFSD, which has allowed the Commission to reduce by EUR 503 million the amount of voted appropriations programmed for the provisioning of EFSD+ ([6]). In turn, this saving increases the programmed margin in heading 6.

In addition to the financing of external actions in heading 6, the Ukraine Facility will provide EUR 4,0 billion in non-repayable support and EUR 2,2 billion in loans in 2027, while the draft budget also includes a subsidy of EUR 1,15 billion to cover the debt service costs related to the Ukraine Support Loan ([7]). For the financing of these interest costs, the Commission proposes a balanced mix of the savings from the EFSD excess provisioning (see above) and the use of special instruments.

Heading 7 ('European public administration') includes expenditure for the proper functioning of the European institutions, as well as financing pensions and supporting the running of the European schools. As outlined in the Commission's proposal for the MFF 2021-2027 mid-term revision ([8]), heading 7 remains under pressure, also due to the lasting impact of several years of high inflation, with a direct impact on the costs of the administration. Thanks to strong budgetary discipline, the Commission requests only a 1,8 % increase for non-salary related expenditure within its own section of the budget (below the maximum allowed 2% increase) As in previous years, it has proven necessary, for the Commission to adjust the statements of estimates from eight other institutions, to keep staffing stable at the 2026 level and to limit non-salary related expenditure to the maximum 2 % increase.

Nevertheless, to respect all legal obligations, recourse to special instruments remains necessary in heading 7. It is proposed to mobilise the Single Margin Instrument for an amount of EUR 407,3 million to cover the administrative expenditure of all institutions. A further EUR 293,0 million from the Single Margin Instrument is required to cover the increasing expenditure for pensions of all institutions and bodies.

([1]) Regulation (EU) 2019/1896 of 13 November 2019 on the European Border and Coast Guard, OJ L 295, 14.11.2019, p. 1, ELI: http://data.europa.eu/eli/reg/2019/1896/oj.
([2]) Regulation (EU) 2025/2643 of the European Parliament and of the Council of 16 December 2025 establishing the European Defence Industry Programme and a framework of measures to ensure the timely availability and supply of defence products ('EDIP Regulation').
([3]) COM(2026) 135, 25.3.2026.
([4]) COM(2022) 349, 19.7.2022.
([5]) COM(2022)209, 11.5.2022.
([6]) Regulation (EU) 2026/995 of the European Parliament and of the Council of 29 April 2026 amending Regulation (EU) 2021/947 as regards increased efficiency of the External Action Guarantee, OJ L, 2026/995, 4.5.2026, ELI: http://data.europa.eu/eli/reg/2026/995/oj.
([7]) Regulation (EU) 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, 2026/467, 26.2.2026, ELI: http://data.europa.eu/eli/reg/2026/467/oj.
([8]) COM(2023) 337, 20.6.2023.

Staffing adjustments in the Commission result mostly from the offsetting of additional staff in the executive agencies, as well as from additional staffing (as agreed in previous years) to address new initiatives, such as CBAM ([1]), the Artificial Intelligence Act ([2]), the Regulation prohibiting products made with forced labour on the Union market ([3]), the Performance Review Board of the Single European Sky ([4]), the implementation of the legislation on the Return of third-country nationals ([5]) and the European Climate Law ([6]).

The draft budget request for staffing and appropriations of **decentralised agencies** takes account of the agreement reached on the 2026 budget. While the evolution varies across agencies, overall the EU contribution from the budget increases by 3,74 % relative to the 2026 budget. The number of establishment plan posts increases by 291 posts for all decentralised agencies financed (fully or partially) from the EU budget. The increases are mostly due to the planned growth of the AMLA, the EUCA and Europol; the introduction of a staff request for the new EU Centre to prevent and combat child sexual abuse, as well as the evolving needs of the European Union Aviation Safety Agency (EASA) and the European Medicines Agency (EMA).

Section 3 of this budget document provides more details on the main programmes, instruments and actions financed within each expenditure heading. The tables by cluster give an exhaustive picture of all programmes and instruments while presenting the support and completion activities of predecessor instruments relating to each programme in the same place. The outstanding commitments of each programme are also shown in detail in these tables, to which the request for payment appropriations can be easily compared.

Section 4 presents in more detail the request for human resources in the EU institutions, Commission administrative expenditure outside heading 7, agencies and other bodies, the actions without a specific legal base, and information on the contribution of the budget to climate action and biodiversity over the 2021-2027 period, as well as information related to gender equality, based on the Commission's new methodology. The data indicates that the EU budget is well on track to meet the target of 30 % climate-related expenditure over the MFF period, while more efforts would need to be made to fulfil the ambition of providing 10 % biodiversity-related expenditure in 2027.

Section 5 gives an overview of instruments relevant to the budget outside the MFF ceilings, which are grouped within one title (Title 16) of the budget.

([1]) Regulation (EU) 2023/956 of the European Parliament and of the Council of 10 May 2023 establishing a carbon border adjustment mechanism, OJ L 130, 16.5.2023, p. 52, ELI: http://data.europa.eu/eli/reg/2023/956/oj.

([2]) Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 laying down harmonised rules on artificial intelligence and amending Regulations (EC) No 300/2008, (EU) No 167/2013, (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1139 and (EU) 2019/2144 and Directives 2014/90/EU, (EU) 2016/797 and (EU) 2020/1828, OJ L, 2024/1689, 12.7.2024, ELI: http://data.europa.eu/eli/reg/2024/1689/oj.

([3]) Regulation (EU) 2024/3015 of the European Parliament and of the Council of 27 November 2024 on prohibiting products made with forced labour on the Union market and amending Directive (EU) 2019/1937, OJ L, 2024/3015, 12.12.2024, ELI: http://data.europa.eu/eli/reg/2024/3015/oj.

([4]) Regulation (EU) 2024/2803 of the European Parliament and of the Council of 23 October 2024 on the implementation of the Single European Sky (recast), OJ L, 2024/2803, 11.11.2024, ELI: http://data.europa.eu/eli/reg/2024/2803/oj.

([5]) COM(2025) 101 final, 11.3.2025.

([6]) Regulation (EU) 2026/667 adopted on March 11, 2026, amending Regulation (EU) 2021/1119 (the European Climate Law) to establish a binding intermediate climate target for 2040, OJ L, 2026/667, 18.3.2026, ELI: http://data.europa.eu/eli/reg/2026/667/oj.

3. KEY ASPECTS OF THE 2027 DRAFT BUDGET BY FINANCIAL FRAMEWORK HEADINGS

3.1. **Heading 1 – Single market, innovation and digital**

Almost all sectors of the European economy continue to be affected by major geopolitical shocks, including the consequences of Russia's war of aggression against Ukraine, the crisis in the Middle East, uncertainties in world trade, and expected long-lasting consequences of increasing price levels. The recent war in the Gulf has pushed up oil and gas prices, together with those of essential raw materials, driving to a prospect of higher inflation and a reduced pace of the EU's economic growth.

Building Europe's resilience and future prosperity depends on today's investment decisions. Smarter investments boost the modernisation and greening of our economy, in particular by accelerating the shift to homegrown clean energy and electrification and by reducing energy consumption, thereby diminishing Europe's dependence on fossil energy sources, as set out also in the AccelerateEU Communication to strengthen EU energy resilience ([1]). Stepping up investment now in areas such as research and innovation, strategic infrastructure, digital transformation, space technologies and capabilities, secure connectivity and the Single Market will be key to unlocking future growth, to boosting competitiveness of enterprises and SMEs and tackling common challenges such as open strategic autonomy, decarbonisation and demographic change.

Under Heading 1, Horizon Europe and the Digital Europe Programme will continue supporting the Union's long-term competitiveness in critical technologies including via dedicated STEP calls. These calls also award the 'STEP seal', a quality label from the European Commission that seeks to facilitate cumulative or alternative funding for high-quality projects contributing to STEP objectives, particularly from EU programmes under shared management (cohesion funds), direct management, or indirect management (InvestEU).

([1]) COM(2026) 370, 22.4.2026.

3.1.1. *Summary table for commitment (CA) and payment (PA) appropriations*

(in million EUR, rounded figures at current prices)

Heading 1 Single Market, Innovation and Digital by clusters	Draft budget (DB) 2027		Budget 2026 (1)		Difference 2027-2026		Difference 2027/2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1-2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— Research and Innovation	13 806,0	15 158,6	14 144,1	15 023,6	– 338,1	135,0	-2,39 %	0,90 %	33 738,9
Contribution from NextGenerationEU	*5,1*	*5,4*	*8,4*	*127,0*	*– 3,3*	*– 121,6*	*- 39,37 %*	*- 95,77 %*	
Re-use of decommitments under FR Article 15(3)	*31,7*		*147,7*		*– 116,0*		*- 78,56 %*		
Total Research and Innovation	*13 842,8*	*15 164,0*	*14 300,2*	*15 150,6*	*– 457,4*	*13,4*	*- 3,20 %*	*0,09 %*	33 738,9
— European Strategic Investments	4 742,4	4 795,6	4 624,0	5 440,1	118,4	– 644,5	2,56 %	-11,85 %	15 986,9
Contribution from NextGenerationEU	*0,5*	*0,5*	*0,6*	*1 191,7*	*– 0,1*	*– 1 191,2*	*- 20,76 %*	*- 99,96 %*	
Total European Strategic Investment	*4 742,9*	*4 796,1*	*4 624,6*	*6 631,8*	*118,3*	*– 1 835,7*	*2,56 %*	*- 27,68 %*	15 986,9
— Single Market	1 046,9	1 021,0	1 024,4	953,6	22,4	67,4	2,19 %	7,07 %	1 137,3
— Space	2 306,2	1 867,5	2 370,5	1 919,3	– 64,3	– 51,8	-2,71 %	-2,70 %	2 053,3
Total voted appropriations	**21 901,5**	**22 842,7**	**22 163,0**	**23 336,6**	**– 261,5**	**– 493,9**	**- 1,18 %**	**- 2,12 %**	**52 916,4**
Ceiling	*22 080,0*		22 210,0						
of which under Flexibility Instrument	*0,0*		*0,0*						
of which under Single Margin Instrument (Article 11(1) point (a))	*0,0*		*0,0*						
of which under Single Margin Instrument (Article 11(1) point (c))	*0,0*		*0,0*						
Margin	*178,5*		*47,0*						
Contribution from NextGenerationEU	*5,6*	*5,9*	*9,0*	*1 318,7*					
Re-use of decommitments under FR Article 15(3)	*31,7*		*147,7*						
Total available	***21 938,8***	***22 848,6***	***22 319,7***	***24 655,3***	***- 380,9***	***- 1 806,7***	***- 1,71 %***	***- 7,33 %***	**52 916,4**

(1) Budget 2026 includes draft amending budget 1 and 2/2026.

3.1.2. *Research and innovation cluster*

(in million EUR, rounded figures at current prices)

Research and Innovation cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027-2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Horizon Europe	**12 838,5**	**14 208,1**	**12 993,5**	**13 850,4**	**– 155,1**	**357,7**	**- 1,19 %**	**2,58 %**	**31 855,4**
— Excellent Science (Pillar I)	3 422,6	3 684,9	3 471,6	3 504,1	– 49,0	180,8	- 1,41 %	5,16 %	9 017,0
— Global Challenges and European Industrial Competitiveness (Pillar II)	6 367,1	6 870,9	6 430,7	6 560,2	– 63,6	310,7	- 0,99 %	4,74 %	15 946,9
— Innovative Europe (Pillar III)	1 586,4	1 858,8	1 646,7	1 789,5	– 60,2	69,3	- 3,66 %	3,87 %	3 489,9
— Widening participation and strengthening the European Research Area	446,7	464,2	451,5	408,4	– 4,8	55,8	- 1,07 %	13,67 %	1 052,0
— Horizontal operational activities	154,5	169,0	155,1	108,9	– 0,6	60,1	- 0,39 %	55,16 %	126,4
— Support expenditure for Horizon Europe	861,2	861,2	837,9	837,9	23,3	23,3	2,78 %	2,78 %	0,0
— Completion of previous programmes and activities	0,0	299,2	0,0	641,5	0,0	– 342,3	0,00 %	- 53,36 %	2 223,2
Euratom Research and Training Programme	**304,5**	**214,2**	**293,8**	**220,3**	**10,7**	**– 6,1**	**3,65 %**	**- 2,78 %**	**230,4**
— Fusion research and development	122,2	19,4	116,0	48,5	6,2	– 29,1	5,31 %	- 59,97 %	77,6
— Nuclear fission, safety and radiation protection (indirect actions)	55,8	65,7	53,0	47,6	2,8	18,1	5,31 %	38,05 %	111,0
— Nuclear direct actions of the Joint Research Centre	12,5	11,0	12,5	8,0	0,0	3,0	0,00 %	37,50 %	7,9
— Support expenditure	114,0	114,0	112,3	112,3	1,8	1,8	1,56 %	1,56 %	0,0
— Completion of previous programmes and activities	0,0	4,1	0,0	4,0	0,0	0,1	0,00 %	2,53 %	34,0
International Thermonuclear Experimental Reactor (ITER)	**663,0**	**723,6**	**852,4**	**931,5**	**– 189,4**	**– 207,9**	**- 22,22 %**	**- 22,32 %**	**1 292,5**
— Construction, operation and exploitation of the ITER facilities — European Joint Undertaking for ITER — and the Development of Fusion Energy	654,7	715,3	844,0	923,1	– 189,2	– 207,8	- 22,42 %	- 22,51 %	1 292,5
— Support expenditure	8,3	8,3	8,4	8,4	– 0,1	– 0,1	- 1,62 %	- 1,62 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0

Research and Innovation cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027-2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Pilot projects, preparatory actions, prerogatives and other actions	**0,0**	**12,7**	**4,4**	**21,4**	**– 4,4**	**– 8,7**	**- 100,00 %**	**- 40,68 %**	**360,5**
— Pilot projects	0,0	5,1	1,3	8,5	– 1,3	– 3,4	-100,00 %	-40,21 %	18,0
— Preparatory actions	0,0	7,6	3,2	12,9	– 3,2	– 5,3	-100,00 %	-40,99 %	24,4
— Other actions	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	318,2
— Research programme for steel	0,0	0,0	0,0	0,0	0,0	0,0			194,4
— Research programme for coal	0,0	0,0	0,0	0,0	0,0	0,0			79,4
— Provision of services and work on behalf of outside bodies — Joint Research Centre	0,0	0,0	0,0	0,0	0,0	0,0			5,0
— Scientific and technical support for Union policies on a competitive basis — Joint Research Centre	0,0	0,0	0,0	0,0	0,0	0,0			38,9
— Operation of the high-flux reactor (HFR) — HFR supplementary research programme	0,0	0,0	0,0	0,0	0,0	0,0			0,5
Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,00 %	0,00 %			0,0
Total Research and Innovation cluster	**13 806,0**	**15 158,6**	**14 144,1**	**15 023,6**	**– 338,1**	**135,0**	**- 2,39 %**	**0,90 %**	**33 738,9**

3.1.2.1. Priorities for 2027

Maintaining Europe's prosperity in times of multiple crises continues to depend on its ability to transform excellent scientific results into innovative responses that benefit our economy and quality of life, creating new markets with more skilled jobs.

In pursuit of this objective, **Horizon Europe** supports the whole Research and Innovation (R&I) cycle in an integrated manner, with a renewed focus on the following key strategic orientations as set in the strategic plan for 2025-2027 ([1]):

(1) **Green Transition: Focusing on sustainability, climate change, and biodiversity conservation.**

(2) **Digital Transition: Enhancing digital capabilities and infrastructure.**

(3) **A More Resilient, Competitive, Inclusive, and Democratic Europe**.

The key strategic orientations are the guiding principles for all parts of Horizon Europe and will be implemented through the work programmes 2025-2027 dedicated to research and innovation that protects biodiversity and ecosystems on land, inland water and sea. Additionally, open strategic autonomy and securing Europe's leading role in developing and deploying critical technologies are overarching principles that apply across all three key strategic orientations. The programme will support the implementation of the Union's policy objectives on the Clean Industrial Deal ([2]), the Strategy for European Life Sciences ([3]), the AI Continent Action Plan ([4]), the European Ocean Pact ([5]), the European Tech Sovereignty package ([6]), the RESourceEU Action Plan ([7]) the Industrial Action Plan for the European automotive sector ([8]), the EU Startup and Scaleup Strategy ([9]) as well as other 'Choose Europe' relevant initiatives.

To bolster efforts for biodiversity, the strategic plan commits to increasing to 10 % the contribution of the Horizon Europe budget for 2025-2027 to this objective. This complements the existing ambitious target of dedicating 35 % of funding resources to climate-related expenditures. Additionally, in support of the digital transition, the programme aims to invest at least EUR 13 billion in core digital technologies during the 2021-2027 period.

Horizon Europe consists of three pillars and a fourth part, which are interconnected:

— The *Excellent Science* pillar I supports frontier research projects designed and driven by researchers through the European Research Council (ERC). It also funds fellowships and mobility of researchers through Marie Skłodowska-Curie actions (which is proposed to be reinforced by EUR 41,5 million) and invests in world-class research infrastructures. This pillar will also support the 'Choose Europe for Science' initiative contributing to the Union's efforts to become the world's most attractive destination for top researchers and innovators.

— The *Global Challenges and European Industrial Competitiveness* pillar II supports research into societal challenges, reinforces technological and industrial capacities, and sets missions with ambitious goals tackling some of the EU's most challenging problems, such as health, climate change, clean energy, mobility, security, digital and materials. It also supports partnerships with Member States, industry and other stakeholders, with a more impact-focused approach to rationalise the European Partnership landscape. Pillar II also includes action by the Joint Research Centre that supports EU and national policymakers with independent scientific evidence and technical support.

([1]) The second strategic plan has been co-created with input from Member States, the European Parliament, stakeholders, and citizens, reflecting a collaborative effort to shape Europe's research and innovation landscape. The evidence for the strategic plan is based on the Strategic Plan Analysis.
([2]) COM(2025) 85, 26.2.2025.
([3]) COM(2025) 525, 2.7.2025.
([4]) COM(2025) 165, 9.4.2025.
([5]) COM(2025) 281, 5.6.2025.
([6]) COM(2026) 503, 3.36.2025.
([7]) COM(2025) 945, 3.12.2025.
([8]) COM(2025) 95, 5.3.2025.
([9]) SWD(2025) 138, 28.5.2025.

— The *Innovative Europe* pillar III aims to make Europe a frontrunner in market-creating innovation and SME growth through the European Innovation Council (EIC), which is a one-stop shop to bring the most promising ideas and innovations from lab to real-world application and help the most innovative start-ups and companies to scale up. The European Institute of Innovation and Technology (EIT) continues to foster the integration of business, research, higher education and entrepreneurship. Pillar III will be a key enabler to deliver on the EU Startup and Scaleup Strategy, including via the new Scaleup Europe Fund.

— A fourth part, *Widening participation and strengthening the European Research Area* underpins the whole of Horizon Europe. It supports Member States to unlock their national research and innovation potential and especially helps Member States that are low-performing in research and innovation to increase their participation in Horizon Europe.

The five running EU Missions cover the following areas of key importance: 'adaptation to climate change including societal transformation', 'cancer', 'healthy oceans, seas, coastal and inland waters', 'climate-neutral and smart cities' and 'soil health and food'. All these EU Missions have ambitious goals and will deliver concrete results by 2030, by putting research and innovation into a new role, combined with new forms of governance and collaboration, as well as by closely engaging citizens. A second assessment of EU Missions is expected to be published in July 2026, including an analysis of progress towards their targets.

Horizon Europe is based on a significantly strengthened international cooperation. In 2027, the Horizon Europe Work Programme includes dedicated actions to support and strengthen cooperation through international initiatives in areas such as renewable energies, global health, environmental observations, ocean, coastal and arctic research, disaster management, and fair, healthy and environment-friendly food systems. It also builds on the ambitious and comprehensive 'Africa Initiative' and will introduce the 'Mediterranean Initiative' to respond to the new R&I Agenda developed with the Union for the Mediterranean. The programme will also continue supporting Ukraine, including via the Horizon Europe Office in Ukraine to support its participation in Horizon Europe and its integration into the European Research Area.

Horizon Europe also contributes to the objectives of STEP, in particular through the EIC, by supporting projects addressing the development of critical technologies in the three STEP sectors: digital technologies and deep innovation, clean and resource efficient technologies, biotechnologies and defence.

In the context of the AI in Science Strategy and to enhance and expand access to computational power for science, Horizon Europe is ensuring secure access for EU researchers and startups to new AI Gigafactories with an overall contribution of up to EUR 600 million.

For 2027, it is proposed to make available again commitment appropriations on the research budget lines for a total amount of EUR 31,7 million corresponding to the original MFF agreement ([1]) to top up Horizon Europe by EUR 500 million in 2018 prices in accordance with Article 15(3) of Regulation (EU, Euratom) 2024/2509 ([2]) (the "Financial Regulation"). The allocation of this tranche by cluster respects the political agreement reached on the basic act of Horizon Europe in May 2021 ([3]), which is supplemented by the political statement on the making available again of decommitted amounts as part of the agreement reached in April 2023 on the European Chips Act.

([1]) Joint declaration by the European Parliament, the Council and the Commission on the re-use of decommitted funds in relation to the research programme, OJ C 444I, 22.12.2020, p. 3.

([2]) 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.

([3]) As per the joint political statement on the re-use of decommitted funds in Horizon Europe endorsed by the European Parliament, the Council and the Commission (OJ C 185, 12.5.2021, p. 1–3).

(in million EUR, rounded figures at current prices)

Programme	Name	Line	2027 Draft budget	Re-use of decommit-ments under FR Article 15(3)	Total
			CA	CA	CA
Horizon Europe			**12 838,5**	**31,7**	**12 870,1**
Of which:	Cluster Culture, Creativity and Inclusive Society	01 02 02 20	315,7	6,3	322,1
	Cluster Digital, Industry and Space	01 02 02 40	1 195,6	15,9	1 211,5
	Cluster Digital, Industry and Space — Chips Joint Undertaking	01 02 02 42	283,9	8,7	292,6
	Cluster Climate, Energy and Mobility	01 02 02 50	1 263,7	0,8	1 264,6

Additionally, the total (voted) appropriations of Horizon Europe include the specific reinforcement under Article 5 of the MFF Regulation, which have been established with the technical adjustment of the MFF for 2027 as foreseen in Article 4(1), point (e) of the MFF Regulation. For Horizon Europe, this represents EUR 816,9 million in commitment appropriations. The table below shows the details of this reinforcement by budget line, which is also in line with the Horizon Europe basic act.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2027	Of which, allocation under MFFR Article 5
			CA	CA
Horizon Europe			**12 838,5**	**816,9**
Of which:	European Research Council	01 02 01 01	2 160,0	218,9
	Marie Skłodowska-Curie actions	01 02 01 02	926,4	59,7
	Research infrastructures	01 02 01 03	336,1	48,9
	Cluster Culture, Creativity and Inclusive Society	01 02 02 20	315,7	173,8
	Cluster Civil Security for Society	01 02 02 30	174,6	65,2
	Cluster Digital, Industry and Space	01 02 02 40	1 195,6	43,4
	Cluster Climate, Energy and Mobility	01 02 02 50	1 263,7	43,4
	European Innovation Ecosystems	01 02 03 02	62,8	15,2
	European Institute of Innovation and Technology (EIT)	01 02 03 03	379,4	54,4
	Widening Participation and Spreading Excellence	01 02 04 01	398,6	25,1
	Reforming and Enhancing the European R&I System	01 02 04 02	48,0	15,2
	Horizontal Operational Activities	01 02 05	154,5	9,1
	Support expenditure for 'Horizon Europe'	01 01 01	861,2	44,6

Finally, following the request of Member States to transfer resources pursuant to Article 26 of the Common Provisions Regulation (CPR) ([1]), additional resources can be implemented under Horizon Europe in accordance with the rules of the instrument, for the benefit of the Member State concerned. The appropriations are inscribed on separate budget lines.

Programme	Name	Line	Draft budget 2027	
			CA	PA
Horizon Europe			**2,5**	**5,3**
Of which:	Horizon Europe — Contribution from the ERDF	05 02 09	2,5	5,3
	Horizon Europe — Contribution from the CF	05 03 07	0,0	0,0
	Horizon Europe — Contribution from the ESF+	07 02 11	0,0	0,0

The **Euratom** research and training programme focuses on the scientific and technical fields outlined in the Euratom Treaty, by enhancing the use of ionising radiation in the development of energy and non-power applications, supporting research activities on safe waste management, decommissioning and nuclear safety and safeguards, and focusing on the development of fusion energy.

Since the basic act establishing the programme expired in 2025, the Euratom Research and Training Programme was extended to cover the years 2026 and 2027 ([2]).

The extension reflects EU policies that aim at increasing Europe's energy competitiveness, security and sustainability - including the Commission's Communication on the Clean Industrial Deal - all while ensuring the highest safety standards.

The EU budget also funds the European Union's contribution to the development of the **International Thermonuclear Experimental Reactor** (ITER) ([3])project constructing an international experimental facility, which develops fusion as a viable source of safe and environmentally friendly energy for the future.

Given that the previously identified technical difficulties with the implementation of the ITER project have been addressed, the EU contribution to the ITER-F4E Joint Undertaking for 2027 is again in line with the level initially foreseen in the financial programming. This will allow ITER-F4E to fulfil its obligations in 2027 in line with the revised ITER baseline.

([1]) Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy, OJ L 231, 30.6.2021, p. 159, ELI: http://data.europa.eu/eli/reg/2021/1060/oj.

([2]) Council Regulation (Euratom) 2025/1304 of 23 June 2025 establishing the Research and Training Programme of the European Atomic Energy Community for the period 2026-2027 complementing Horizon Europe – the Framework Programme for Research and Innovation and repealing Regulation (Euratom) 2021/765, OJ L, 2025/1304, 3.7.2025, ELI: http://data.europa.eu/eli/reg/2025/1304/oj.

([3]) Council Decision (Euratom) 2021/281 of 22 February 2021 amending Decision 2007/198/Euratom establishing the European Joint Undertaking for ITER and the Development of Fusion Energy and conferring advantages upon it, OJ L 62, 23.2.2021, p. 41, ELI: http://data.europa.eu/eli/dec/2021/281/oj.

3.1.3. *European strategic investments cluster*

(in million EUR, rounded figures at current prices)

European Strategic Investments cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027–2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1–2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
InvestEU Fund	**277,5**	**448,0**	**298,6**	**879,7**	**– 21,1**	**– 431,7**	**- 7,05 %**	**- 49,08 %**	**3 470,1**
— Guarantee for the InvestEU Fund	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
— EU guarantee from the InvestEU Fund – Provisioning of the common provisioning fund	274,8	337,5	228,7	750,0	46,1	– 412,5	20,14 %	- 55,00 %	2 925,9
— InvestEU Advisory Hub, InvestEU Portal and accompanying measures	1,7	76,7	68,8	50,0	– 67,1	26,7	- 97,53 %	53,41 %	153,0
— Support expenditure	1,0	1,0	1,0	1,0	0,0	0,0	0,00 %	0,00 %	0,0
— Completion of previous financial instruments — Provisioning of the common provisioning fund	0,0	32,8	0,0	78,7	0,0	– 45,9	0,00 %	- 58,38 %	391,2
Connecting Europe Facility (CEF)	**3 116,3**	**2 872,7**	**3 042,8**	**2 713,7**	**73,5**	**159,0**	**2,42 %**	**5,86 %**	**9 915,9**
— Connecting Europe Facility (CEF) — Transport	1 669,5	1 668,0	1 678,3	892,1	– 8,7	775,9	- 0,52 %	86,97 %	3 949,0
— Connecting Europe Facility (CEF) — Energy	1 074,8	543,0	1 022,8	403,8	52,0	139,3	5,08 %	34,49 %	2 535,8
— Connecting Europe Facility (CEF) — Digital	346,7	256,5	316,4	364,1	30,4	– 107,5	9,59 %	- 29,54 %	604,7
— Support expenditure for the Connecting Europe Facility — Transport	13,3	13,3	13,1	13,1	0,2	0,2	1,74 %	1,74 %	0,0
— Support expenditure for the Connecting Europe Facility — Energy	5,5	5,5	5,6	5,6	– 0,1	– 0,1	- 1,31 %	- 1,31 %	0,0
— Support expenditure for the Connecting Europe Facility — Digital	6,4	6,4	6,7	6,7	– 0,3	– 0,3	- 3,84 %	- 3,84 %	0,0
— Completion of previous programmes and activities	0,0	380,0	0,0	1 028,5	0,0	– 648,5	0,00 %	- 63,05 %	2 826,4

European Strategic Investments cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027–2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1–2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Digital Europe Programme	**1 063,7**	**1 176,6**	**999,9**	**1 561,4**	**63,8**	**– 384,8**	**6,38 %**	**- 24,64 %**	**2 394,7**
— Cybersecurity	105,0	137,0	138,5	198,9	– 33,5	– 61,9	- 24,20 %	- 31,10 %	314,9
— High-performance computing	356,2	458,8	354,8	512,1	1,4	– 53,3	0,39 %	- 10,41 %	667,5
— Artificial intelligence	196,4	271,9	136,6	253,4	59,8	18,5	43,80 %	7,30 %	463,4
— Skills	89,5	71,7	18,7	67,6	70,8	4,1	378,94 %	5,99 %	141,7
— Deployment	108,5	104,8	123,5	204,5	– 15,0	– 99,7	- 12,15 %	- 48,77 %	251,1
— Semiconductors	176,5	100,8	201,7	298,8	– 25,1	– 197,9	- 12,47 %	- 66,25 %	556,2
— Support expenditure	31,6	31,6	26,1	26,1	5,5	5,5	20,96 %	20,96 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
Decentralised agencies	**258,1**	**258,1**	**246,3**	**246,3**	**11,8**	**11,8**	**4,79 %**	**4,79 %**	**35,7**
— European Union Aviation Safety Agency (EASA)	48,6	48,6	44,7	44,7	3,9	3,9	8,61 %	8,61 %	0,0
— European Maritime Safety Agency (EMSA)	114,8	114,8	112,4	112,4	2,4	2,4	2,14 %	2,14 %	35,7
— European Union Agency for Railways (ERA)	33,6	33,6	30,8	30,8	2,8	2,8	9,12 %	9,12 %	0,0
— European Union Agency for Cybersecurity (ENISA)	26,9	26,9	26,3	26,3	0,5	0,5	2,08 %	2,08 %	0,0
— Agency for Support for BEREC (BEREC Office)	8,9	8,9	8,3	8,3	0,6	0,6	7,84 %	7,84 %	0,0
— European Union Agency for the Cooperation of Energy Regulators (ACER)	25,3	25,3	23,8	23,8	1,5	1,5	6,43 %	6,43 %	0,0
Pilot projects, preparatory actions, prerogatives and other actions	**26,8**	**40,3**	**36,5**	**39,0**	**– 9,7**	**1,3**	**- 26,48 %**	**3,25 %**	**170,5**
— Pilot projects	0,0	3,8	6,0	6,4	– 6,0	– 2,6	-100,00 %	-40,98 %	6,4
— Preparatory actions	0,0	7,0	4,0	6,8	– 4,0	0,2	-100,00 %	2,70 %	15,6
— Other actions	0,0	0,0	0,0	0,0	0,0	0,0			113,3

European Strategic Investments cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027–2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1–2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— European Investment Fund — Provision of paid-up shares of subscribed capital	0,0	0,0	0,0	0,0	0,0	0,0			0,0
— European Investment Fund — Callable portion of subscribed capital	0,0	0,0	0,0	0,0	0,0	0,0			0,0
— Nuclear safety — Cooperation with the European Investment Bank	0,0	0,0	0,0	0,0	0,0	0,0			0,0
— Union renewable energy financing mechanism	0,0	0,0	0,0	0,0	0,0	0,0			73,6
— Digital Services Act (DSA) – Supervision of very large online platforms	0,0	0,0	0,0	0,0	0,0	0,0			39,7
— Support expenditure for other actions	0,0	0,0	0,0	0,0	0,0	0,0			0,0
— Actions financed under the prerogatives of the Commission and specific powers conferred to the Commission	26,8	29,5	26,4	25,8	0,4	3,7	1,39 %	14,34 %	35,2
Total European Strategic Investments cluster	**4 742,4**	**4 795,6**	**4 624,0**	**5 440,1**	**118,4**	**– 644,5**	**2,56 %**	**- 11,85 %**	**15 986,9**

3.1.3.1. Priorities for 2027

The **InvestEU programme** ([1]) is a flagship demand-driven investment programme to address market failures and investment gaps. It was initially endowed with an EU budgetary guarantee of EUR 26,2 billion, covered by EUR 10,5 billion provisioned from the MFF and NGEU (including the assigned revenues from reflows) over the period. Furthermore, from 2023, the complementary contributions received from two EFTA countries (Norway and Iceland), eight Member States and nine other EU programmes increased the EU guarantee available and the provisioning for the InvestEU Fund. Based on approved operations as of end-2025, the InvestEU guarantee is expected to mobilise more than EUR 397 billion, of which 364 billion under the EU compartment to support investment in key EU policy priority areas, including the green and digital transitions, research and innovation, social investments including in health and affordable and social housing and strategic technologies.

The 'Omnibus II' amendment to the InvestEU Regulation ([2]) increased the EU guarantee by EUR 2,9 billion, underpinned by a provisioning of EUR 1,2 billion, financed by assigned revenues from reflows of the European Fund for Strategic Investments (EFSI) and other legacy financial instruments. The proposal also facilitates the combined use of the InvestEU guarantee with existing capacity available under three legacy programmes (EFSI, CEF Debt Instrument and InnovFin Debt Facility). This initiative is expected to mobilise up to EUR 55 billion of public and private investment, over and above the originally estimated target of EUR 372 billion for InvestEU. The 'Omnibus' also includes a series of measures designed to bring real simplification for the implementation of the InvestEU programme and to reduce administrative burden, including through simplified reporting requirements.

The increase of the EU guarantee will indicatively be distributed between the four policy windows of the InvestEU Fund according to their initial share.

Following the request of Member States to transfer resources pursuant to Article 14 of the CPR, additional resources can be implemented under InvestEU in accordance with the rules of the instrument, for the benefit of the Member State concerned. The appropriations are inscribed on separate budget lines. On a voluntary basis, Member States can allocate to InvestEU up to 5 % of their shared management funds and, in addition, up to 10 % of the recovery and resilience plan's total financial allocation under the RRF, of which 6 % for STEP investments.

Programme	Name	Line	Draft budget 2027	
			CA	PA
InvestEU Fund			**14,0**	**39,0**
Of which:	InvestEU Fund — Contribution from the ERDF	05 02 06	14,0	34,0
	InvestEU Fund — Contribution from the CF	05 03 04	0,0	5,0
	InvestEU Fund — Contribution from the ESF+	07 02 08	0,0	0,0
	InvestEU Fund — Contribution from the EAFRD	08 03 04	0,0	0,0
	InvestEU Fund — Contribution from the EMFAF	08 04 04	0,0	0,0

Additionally, the total voted appropriations of InvestEU include the specific reinforcement stemming from Article 5 of the MFF Regulation, which have been established with the technical adjustment of the MFF for 2027 as foreseen in Article 4(1), point (e) of the MFF Regulation. For InvestEU, this represents EUR 272,1 million in commitment appropriations for 2027.

([1]) Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017, OJ L 107, 26.3.2021, p. 30, ELI: http://data.europa.eu/eli/reg/2021/523/oj.

([2]) 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.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2027	Of which, allocation under MFFR Article 5
			CA	CA
InvestEU Fund			**277,5**	**272,1**
Of which:	Support expenditure for the InvestEU Programme	02 01 10	1,0	1,0
	InvestEU Guarantee - Provisioning of the Common Provisioning Fund (CPF)	02 02 02	274,8	272,1
	InvestEU Advisory Hub, Portal and accompanying measures	02 02 03	1,7	0,0

The European Investment Bank and the European Investment Fund are InvestEU's main implementing partners, complemented as of end-2025 by 16 partners such as national promotional banks or international financial institutions, in order to make the most of the new open architecture of the programme. InvestEU anchors all centrally managed financial instruments inside the EU in a single, streamlined structure, so as to reduce overlaps, simplify access to funding and reduce administrative burden. InvestEU also contributes to the Just Transition Mechanism through a dedicated Just Transition scheme established horizontally across all policy windows under the InvestEU Fund. Finally, InvestEU-supported finance was made available for investments contributing to several EU policy initiatives such as the implementation of the Net Zero Industry Act ([1]), the Clean Industrial Deal ([2]), the EU Affordable Housing Plan ([3]) and the proposed Biotech Act ([4]).

Cross-border infrastructure is the backbone of the Single Market, allowing goods, services, businesses and citizens to move freely across borders. Through the **Connecting Europe Facility** (CEF), the Union continues to invest in trans-European transport, digital and energy networks, to enhance the security of energy supply, competitiveness, market integration and decarbonisation. Some of these investments exploit the synergies between transport, digital and energy infrastructure, for example through developing alternative fuels infrastructure or sustainable and smart grids underpinning the Digital Single Market and the Energy Union. Other investments reinforce the resilience and security of submarine cables and backbone networks, bolstering the Digital Single Market. CEF also contributes to the EU's defence agenda, by investing in dual-use infrastructure through the Military Mobility workstream. Moreover, part of the Cohesion Fund allocation (EUR 11,2 billion in total, of which EUR 1 788,7 million in 2027), will be implemented under the CEF for transport projects offering high European added value. Regarding military mobility and defence technologies, the amendment of the CEF Regulation ([5]) facilitates the transfer of cohesion funding allocated to Member States in shared management to CEF. This amendment also extends the scope of the CEF digital sector to the deployment and provision of digital capacities such as cloud, AI and AI Gigafactories.

The **Digital Europe Programme** ([6]) helps shape Europe's digital future, a key priority of the Union. In particular, the Digital Europe programme reinforces EU critical digital capacities by focusing on the key areas of artificial intelligence, cybersecurity, advanced computing, data infrastructure, governance and processing, and their interoperability and deployment and best use in critical sectors like energy and environment, manufacturing, agriculture and health. Given that the Digital Europe programme supports the digital transformation of Europe's society and economy in the context of the **European Chips Act** ([7]), it has been enhanced with a sixth objective dedicated to semiconductors.

([1]) Regulation (EU) 2024/1735 of the European Parliament and of the Council of 13 June 2024 on establishing a framework of measures for strengthening Europe's net-zero technology manufacturing ecosystem and amending Regulation (EU) 2018/1724, OJ L, 2024/1735, 28.6.2024, ELI: http://data.europa.eu/eli/reg/2024/1735/oj.

([2]) COM(2025) 85, 26.2.2025.

([3]) COM(2025) 1025, 16.12.2025.

([4]) COM(2025) 1022, 16.12.2025.

([5]) Regulation (EU) 2025/2653 of the European Parliament and of the Council of 19 December 2025 amending Regulations (EU) 2021/694, (EU) 2021/695, (EU) 2021/697, (EU) 2021/1153 and (EU) 2024/795, as regards incentivising defence-related investment in the EU budget to implement the ReArm Europe Plan, OJ L, 2025/2653, 22.12.2025, ELI: http://data.europa.eu/eli/reg/2025/2653/oj.

([6]) Regulation (EU) 2021/694 of the European Parliament and of the Council of 29 April 2021 establishing the Digital Europe Programme and repealing Decision (EU) 2015/2240, OJ L 166, 11.5.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/694/oj.

([7]) Regulation (EU) 2023/1781 of the European Parliament and of the Council of 13 September 2023 establishing a framework of measures for strengthening Europe's semiconductor ecosystem and amending Regulation (EU) 2021/694, OJ L 229, 18.9.2023, p. 1, ELI: http://data.europa.eu/eli/reg/2023/1781/oj.

Shaping Europe's leadership in artificial intelligence is key to promoting the development and deployment of AI solutions that benefit society and the economy. In line with the proposed AI continent action plan, Digital Europe supports the implementation of AI and AI Gigafactories under the EuroHPC Joint Undertaking. Moreover, the programme supports the evolution of the Destination Earth initiative which contributes to the tackling of climate adaptation and disaster risk management challenges. The Digital Europe Programme also contributes to the objectives of STEP, by providing support through dedicated calls to projects addressing in particular skills and associated services critical for the development and manufacturing of digital and deep technologies.

Following the request of Member States to transfer resources pursuant to Article 26 of the CPR, additional resources can be implemented under the Digital Europe Programme in accordance with the rules of the instrument, for the benefit of the Member State concerned. The appropriations are inscribed on separate budget lines.

Programme	Name	Line	Draft budget 2027	
			CA	PA
Digital Europe Programme			**0,0**	**0,0**
Of which:	Digital Europe — Contribution from the ERDF	05 02 10	0,0	0,0
	Digital Europe — Contribution from the CF	05 03 08	0,0	0,0
	Digital Europe — Contribution from the ESF+	07 02 12	0,0	0,0

Decentralised agencies under this cluster - such as the European Union Aviation Safety Agency (EASA), the European Maritime Safety Agency (EMSA), the European Union Agency for Railways (ERA), European Union Agency for Cybersecurity (ENISA), the Body of European Regulators for Electronic Communications (BEREC) and the European Union Agency for the Cooperation of Energy Regulators (ACER) - contribute to the security and transparent functioning of EU cross-border networks in the areas of transport, energy, electronic communications and information. More detailed information on the role of the agencies, their staffing and the EU contribution to their budgets can be found in section 4.3.2.

3.1.4. *Single market cluster*

(in million EUR, rounded figures at current prices)

Single Market cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Single Market Programme (incl. SMEs)	**622,1**	**561,8**	**624,0**	**525,9**	**– 1,9**	**36,0**	**- 0,30 %**	**6,84 %**	**820,8**
— Making the internal market more effective	76,8	81,2	81,4	79,3	– 4,6	1,9	- 5,62 %	2,46 %	104,7
— Improving the competitiveness of enterprises, particularly SMEs, and supporting their access to markets	137,1	113,4	136,2	109,8	0,9	3,5	0,69 %	3,22 %	196,7
— European standardisation and international financial reporting and auditing standards	33,5	34,2	33,3	31,8	0,3	2,4	0,82 %	7,50 %	35,7
— Empowering consumer and civil society and ensuring high level of consumer protection and product safety including the participation of end users in financial services policymaking	27,1	31,4	26,7	21,5	0,4	9,9	1,52 %	45,96 %	40,0
— Producing and disseminating high quality statistics on Europe	75,5	72,0	75,6	67,5	– 0,1	4,5	- 0,07 %	6,67 %	137,0
— Contributing to a high level of health and welfare for humans, animals and plants	242,8	199,0	243,2	185,0	– 0,4	14,0	- 0,16 %	7,57 %	208,6
— Support expenditure	29,2	29,2	27,7	27,7	1,5	1,5	5,49 %	5,49 %	0,0
— Completion of previous programmes and activities	0,0	1,4	0,0	3,2	0,0	– 1,8		- 57,40 %	98,1
EU Anti-Fraud Programme	**28,7**	**31,8**	**26,9**	**31,0**	**1,8**	**0,9**	**6,59 %**	**2,76 %**	**36,4**
— Preventing and combatting fraud, corruption and any other illegal activities affecting the financial interests of the Union	18,0	20,9	16,8	21,3	1,2	– 0,5	7,36 %	- 2,12 %	30,1
— Support the reporting of irregularities, including fraud	1,1	1,1	1,1	1,1	0,1	0,0	5,42 %	0,91 %	0,5

Single Market cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— Provide funding for actions carried out in accordance with Regulation (EC) No 515/97	9,6	9,9	9,1	8,6	0,5	1,3	5,32 %	15,09 %	5,8
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
Cooperation in the field of taxation (FISCALIS)	**40,7**	**41,9**	**40,0**	**37,2**	**0,7**	**4,6**	**1,78 %**	**12,42 %**	**40,9**
— Cooperation in the field of taxation (Fiscalis)	40,4	41,6	39,7	36,9	0,7	4,6	1,80 %	12,52 %	40,9
— Support expenditure	0,3	0,3	0,3	0,3	0,0	0,0	0,00 %	0,00 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0		0,00 %	0,0
Cooperation in the field of customs (CUSTOMS)	**142,2**	**163,4**	**140,3**	**154,8**	**2,0**	**8,6**	**1,39 %**	**5,54 %**	**202,0**
— Cooperation in the field of customs (Customs)	141,9	163,1	140,0	154,5	2,0	8,6	1,40 %	5,55 %	201,9
— Support expenditure	0,3	0,3	0,3	0,3	0,0	0,0	0,00 %	0,00 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0		0,00 %	0,1
Decentralised agencies	**206,3**	**206,3**	**180,9**	**180,9**	**25,4**	**25,4**	**14,03 %**	**14,03 %**	**4,9**
— European Chemicals Agency — Chemicals legislation	80,8	80,8	77,5	77,5	3,3	3,3	4,25 %	4,25 %	0,0
— European Chemicals Agency — Activities in the field of biocides legislation	7,5	7,5	8,0	8,0	– 0,5	– 0,5	- 6,23 %	- 6,23 %	0,0
— European Banking Authority (EBA)	21,2	21,2	20,7	20,7	0,4	0,4	2,12 %	2,12 %	0,0
— European Insurance and Occupational Pensions Authority (EIOPA)	15,1	15,1	14,7	14,7	0,4	0,4	2,62 %	2,62 %	0,0
— European Securities and Markets Authority (ESMA)	23,1	23,1	22,0	22,0	1,1	1,1	5,04 %	5,04 %	0,0

Single Market cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— Anti-Money Laundering Authority (AMLA)	55,6	55,6	37,1	37,1	18,5	18,5	49,99 %	49,99 %	4,9
— European Union Customs Authority (EUCA)	3,1	3,1	0,9	0,9	2,1	2,1	229,96 %	229,96 %	0,0
Pilot projects, preparatory actions, prerogatives and other actions	**6,8**	**15,7**	**12,3**	**23,7**	**– 5,5**	**– 8,0**	**- 44,72 %**	**- 33,65 %**	**32,3**
— Pilot projects	0,0	7,4	5,5	10,6	– 5,5	– 3,1	-100,00 %	-29,83 %	18,8
— Preparatory actions	0,0	1,5	0,0	6,4	0,0	– 4,8	0,00 %	-75,85 %	8,6
— Other actions	6,8	6,8	6,8	6,8	0,0	0,0	0,00 %	0,00 %	4,9
— Procedures for awarding and advertising public supply, works and service contracts	6,8	6,8	6,8	6,8	0,0	0,0	0,00 %	0,00 %	4,9
Total Single Market cluster	**1 046,9**	**1 021,0**	**1 024,4**	**953,6**	**22,4**	**67,4**	**2,19 %**	**7,07 %**	**1 137,3**

3.1.4.1. Priorities for 2027

The **Single Market programme** ([1]) supports the effective functioning of the Single Market, Europe's best asset to generate growth in globalised markets. The programme helps companies and consumers to better exploit the potential of the single market for goods and services, by putting in place information tools, developing standards, and supporting cooperation between public administrations. Increased support is provided to small businesses to scale up and expand across borders. The Single Market programme plays a key role in the economic recovery process and in implementing the European Green Deal priorities.

The programme also supports the design, implementation and enforcement of the Union's legislation underpinning the proper functioning of the single market for goods and services and empowers actors in the single market through actions such as market surveillance, company law, contract and extra-contractual law, the savings and investments union, standardisation, support for competition policy, customs and taxation. In a context of increasing outbreaks of animal diseases in the Union, it also contributes to a high level of health for humans, animals and plants along the food chain and delivers high-quality statistics on Europe.

The **Customs** programme ([2]) supports the further digitisation and modernisation of the customs union, with EUR 3,1 million made available to support the establishment of the new European Union Customs Authority. In parallel, the **Fiscalis** programme ([3]) underpins deepened cooperation between tax administrations, including shared efforts to combat tax fraud and tax avoidance.

Decentralised agencies under this cluster — on the one hand, the European Chemicals Agency (ECHA), and on the other hand, the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA), the European Securities and Markets Authority (ESMA) and the AMLA — contribute respectively to the consistent application of the Regulation on chemicals across the EU and the implementation of coherent supervision of the financial sector. The newly established EUCA will contribute to a more effective and efficient operational management of the customs union.

([1]) Regulation (EU) 2021/690 of the European Parliament and of the Council of 28 April 2021 establishing a programme for the internal market, competitiveness of enterprises, including small and medium-sized enterprises, the area of plants, animals, food and feed, and European statistics (Single Market Programme) and repealing Regulations (EU) No 99/2013, (EU) No 1287/2013, (EU) No 254/2014 and (EU) No 652/2014, OJ L 153, 3.5.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/690/oj.

([2]) Regulation (EU) 2021/444 of the European Parliament and of the Council of 11 March 2021 establishing the Customs programme for cooperation in the field of customs and repealing Regulation (EU) No 1294/2013, OJ L 87, 15.3.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/444/oj.

([3]) Regulation (EU) 2021/847 of the European Parliament and of the Council of 20 May 2021 establishing the 'Fiscalis' programme for cooperation in the field of taxation and repealing Regulation (EU) No 1286/2013, OJ L 188, 28.5.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/847/oj.

3.1.5. *Space cluster*

(in million EUR, rounded figures at current prices)

Space cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
European Space Programme	**2 101,6**	**1 762,3**	**2 094,4**	**1 769,6**	**7,1**	**– 7,3**	**0,34 %**	**- 0,41 %**	**1 790,1**
— Galileo / EGNOS	1 173,3	980,0	1 177,7	1 030,0	– 4,3	– 50,0	- 0,37 %	- 4,85 %	799,3
— Copernicus	897,5	700,0	829,9	670,0	67,7	30,0	8,15 %	4,48 %	713,8
— GOVSATCOM/SSA	23,8	60,4	80,3	30,0	– 56,5	30,4	- 70,36 %	101,40 %	170,2
— Support expenditure	6,9	6,9	6,6	6,6	0,3	0,3	4,55 %	4,55 %	0,0
— Completion of previous programmes and activities	0,0	15,0	0,0	33,0	0,0	– 18,0	0,00 %	- 54,55 %	106,7
Union Secure Connectivity Programme	**120,7**	**10,1**	**149,7**	**50,2**	**– 29,0**	**– 40,2**	**- 19,36 %**	**- 79,98 %**	**190,8**
— Union Secure Connectivity Programme — Contribution from Heading 1	120,7	10,0	149,5	50,0	– 28,8	– 40,0	- 19,29 %	- 80,00 %	190,8
— Support expenditure for the Union Secure Connectivity Programme	0,1	0,1	0,2	0,2	– 0,2	– 0,2	- 75,00 %	- 75,00 %	0,0
Decentralised agencies	**83,9**	**83,9**	**83,4**	**83,4**	**0,6**	**0,6**	**0,71 %**	**0,71 %**	**16,7**
— European Union Agency for the Space Programme	83,9	83,9	83,4	83,4	0,6	0,6	0,71 %	0,71 %	16,7
Pilot projects, preparatory actions, prerogatives and other actions	**0,0**	**11,2**	**43,0**	**16,2**	**– 43,0**	**– 5,0**	**- 100,00 %**	**- 30,97 %**	**55,7**
— Pilot projects	0,0	4,2	6,0	2,8	– 6,0	1,4	- 100,00 %	49,68 %	9,5
— Preparatory actions	0,0	7,0	37,0	13,4	– 37,0	– 6,4	- 100,00 %	- 47,94 %	46,2
Total Space cluster	**2 306,2**	**1 867,5**	**2 370,5**	**1 919,3**	**– 64,3**	**– 51,8**	**- 2,71 %**	**- 2,70 %**	**2 053,3**

3.1.5.1. Priorities for 2027

EU space policy aims to address some of the most pressing challenges of today, such as fighting climate change, contributing to security and defence, helping to stimulate technological innovation, and providing socio-economic benefits to citizens. The **European Space programme** ([1]) brings together the EU's activities in this strategic field. Galileo/EGNOS and Copernicus are delivering services that benefit millions of people in Europe. The Space Situational Awareness (SSA) component supports the long-term sustainability and security of space activities by ensuring protection against space hazards and continuing the development of the surveillance and tracking of space objects in orbit around the Earth. This provides a coherent framework for future investment, offering increased visibility and more flexibility. By improving efficiency, it will ultimately help roll out new space-driven services.

The **Union Secure Connectivity Programme** for the period 2023-2027 ([2]) aims to ensure worldwide access to secure governmental satellite communication services for the protection of critical infrastructures, surveillance, external actions and crisis management. The programme aims to deploy an EU satellite constellation called 'IRIS²' (Infrastructure for Resilience, Interconnectivity and Security by Satellite). IRIS² will provide ultra-fast and highly secure communication services by 2030. The security of these communications will be based on advanced encryption technologies, including quantum cryptography to secure and transmit data in a way that cannot be hacked. Its objective is also to allow for the provision of commercial services by the private sector to enable the availability of high-speed broadband and seamless connectivity throughout Europe, removing dead zones. A concession contract for a duration of 12 years was signed by the end of 2024, with contributions from the EU budget, private investments as well as from the European Space Agency.

The **European Union Agency for the Space Programme (EUSPA)** implements the core tasks entrusted to the agency under the space programme. The Space Regulation establishes the legal framework for the cooperation with EUSPA and the European Space Agency (ESA) for the further development of the infrastructure and operations of the Galileo/EGNOS and Copernicus programmes. EUSPA is also entrusted with the operation and the operational security of the governmental infrastructure of the Union Secure Connectivity Programme.

3.1.6. *Payment appropriations for this heading*

Summary payment appropriations	Payment appropriations in DB 2027	DB 2027 - Share of total payment appropriations in Heading 1	Payment appropriations in Budget 2026
Payments on spending programmes	21 136,4	92,53 %	21 679,6
of which for the multiannual financial framework 2021-2027	*20 404,0*	*89,32 %*	*19 890,8*
of which for the multiannual financial framework 2014-2020 and earlier	*732,4*	*3,21 %*	*1 788,8*
Other payments ([1])	1 706,3	7,47 %	1 657,0
Total	**22 842,7**	**100,00 %**	**23 336,6**

([1]) Payment appropriations related to administrative support expenditure, decentralised agencies, pilot projects, preparatory actions, actions financed under the prerogatives of the European Commission and other actions.

([1]) Regulation (EU) 2021/696 of the European Parliament and of the Council of 28 April 2021 establishing the Union Space Programme and the European Union Agency for the Space Programme and repealing Regulations (EU) No 912/2010, (EU) No 1285/2013 and (EU) No 377/2014 and Decision No 541/2014/EU, OJ L 170, 12.5.2021, p. 69, ELI: http://data.europa.eu/eli/reg/2021/696/oj.

([2]) Regulation (EU) 2023/588 of the European Parliament and of the Council of 15 March 2023 establishing the Union Secure Connectivity Programme for the period 2023-2027, OJ L 79, 17.3.2023, p. 1, ELI: http://data.europa.eu/eli/reg/2023/588/oj.

The table above shows the total payment appropriations requested for the heading, broken down according to whether they will be needed to fund programmes under the 2021-2027 MFF, or the outstanding commitments of the previous MFF period.

The level of payments on commitments for 2021-2027 programmes of EUR 20,4 billion takes into account the planning and programming of the related activities, which are now in full cruising speed. The payment appropriations for Horizon Europe also include the financing of the research de-commitments made available again in accordance with Article 15(3) of the Financial Regulation.

The level of payments on outstanding commitments (prior to 2021) amounts to EUR 0,7 billion. The reduction compared to the corresponding amount in the 2026 budget (EUR 2,7 billion) is in line with the expected phasing out of outstanding commitments stemming from the previous period. Estimates were carefully set on the basis of the experience built over the current MFF period and taking into account the latest project information.

3.2. **Heading 2 – Cohesion, Resilience and Values**

Heading 2 is the largest of the seven headings in the MFF for the 2021-2027 period in terms of budget. It is also the most diverse heading in terms of the types of programmes and funds, covering cohesion policy, major initiatives such as the RRF and the related funding costs of NGEU, and EU4Health, UCPM/rescEU, Erasmus+ and the Citizens, Equality, Rights and Values programmes.

Under Heading 2, Cohesion Policy Funds ([1]) (Cohesion Fund, European Regional Development Fund and European Social Fund+) and EU4Health also support the Union's new priorities, notably the long-term competitiveness in critical technologies, including via possible reprogramming of their resources towards STEP projects. STEP also seeks to enhance synergies across direct and shared management programmes.

([1]) The Just Transition Fund is also a Cohesion Policy Fund, which is under Heading 3 and is presented in section 3.5.

3.2.1. *Summary table for commitment (CA) and payment (PA) appropriations*

(in million EUR, rounded figures at current prices)

Heading 2 Cohesion, Resilience and Values	Draft budget (DB) 2027		Budget 2026 (1)		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026 (2)
	(1)		(2)		(1-2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— Regional Development and Cohesion	44 007,6	48 303,1	42 122,8	46 827,7	1 884,8	1 475,4	4,47 %	3,15 %	145 509,4
Contribution from NextGenerationEU	2,1	12,8	2,0	19,6	0,0	– 6,8	2,00 %	- 34,63 %	
Total Regional Development and Cohesion	*44 009,7*	*48 315,9*	*42 124,9*	*46 847,3*	*1 884,9*	*1 468,6*	*4,47 %*	*3,13 %*	145 509,4
— Recovery and resilience	11 156,1	11 130,0	9 207,7	9 186,3	1 948,4	1 943,7	21,16 %	21,16 %	125 222,6
Contribution from NextGenerationEU	18,0	18,0	14,2	116 389,1	3,8	– 116 371,1	26,72 %	- 99,98 %	
Total Recovery and resilience	*11 174,2*	*11 148,0*	*9 222,0*	*125 575,5*	*1 952,2*	*– 114 427,4*	*21,17 %*	*- 91,12 %*	125 222,6
— Investing in People, Social Cohesion and Values	20 597,4	22 416,5	20 320,3	22 513,6	277,1	– 97,1	1,36 %	-0,43 %	57 682,3
Contribution from NextGenerationEU	12,7	3,0	1,1	12,1	11,5	– 9,1	1 005,90 %	- 75,17 %	
Total Investing in People, Social Cohesion and Values	*20 610,1*	*22 419,5*	*20 321,4*	*22 525,7*	*288,6*	*– 106,2*	*1,42 %*	*- 0,47 %*	57 682,3
Total voted appropriations	**75 761,2**	**81 849,6**	**71 650,8**	**78 527,7**	**4 110,3**	**3 322,0**	**5,74 %**	**4,23 %**	**328 414,3**
Ceiling	*71 362,0*		*67 523,0*						
of which under Flexibility Instrument	*1 940,0*		*2 015,1*						
of which under Single Margin Instrument (Article 11(1) point (a))	*0,0*		*0,0*						
of which under Single Margin Instrument (Article 11(1) point (c))	*0,0*		*0,0*						
of which under EURI Instrument	*2 459,8*		*2 112,7*						
Margin	*0,6*		*0,0*						
Contribution from NextGenerationEU	32,8	33,8	17,4	116 420,8					
Total available	**75 793,9**	**81 883,5**	**71 668,2**	**194 948,5**	**4 125,7**	**– 113 065,0**	**5,76 %**	**- 58,00 %**	**328 414,3**

(1) Budget 2026 includes draft amending budget 1 and 2/2026.
(2) Including NGEU.

3.3. **Sub-heading 2a – Economic, social and territorial cohesion**

Cohesion policy is delivered through three main funds, the **European Regional Development Fund** (ERDF), the **European Social Fund Plus** (ESF+) and the **Cohesion Fund** (CF), which offer essential support to Member States and regions' economic development, complemented by the Just Transition Fund under heading 3. In line with Articles 14 and 26 of the CPR, Member States also have the possibility to transfer resources allocated to them under the Funds covered by the CPR to other instruments. The amounts that Heading 2a funds contribute to other instruments are presented in the tables under section 3.3.2 and 3.3.3 below, as well as in the sections of the receiving instruments.

Cohesion policy funds are intended as long-term growth and convergence-enhancing instruments. At the same time, the cohesion policy funds have been drawn upon to react to the different crises which have affected the EU recently and to emerging priorities. In particular, the mid-term review of cohesion policy aimed to adjust investment priorities under cohesion policy programmes to the evolving economic, societal, and geopolitical context, as well as to the climate and environmental objectives. It ensured support for the most pressing priorities, from strengthening competitiveness, defence and civil preparedness (with priority given to dual use), to promoting affordable and sustainable housing or investing in water resilience or energy connectivity.

The regulatory amendments related to the mid-term review of cohesion policy introduced greater flexibility and incentives such as increased pre-financing, higher maximum co-financing rates or extended decommitment and eligibility periods to facilitate and encourage the rapid reallocation of resources towards such priorities. Greater focus was also put on the challenges that Eastern border regions face since the start of the Russian war of aggression against Ukraine, in line with the Communication on the EU's eastern regions bordering Russia, Belarus and Ukraine ([1]). In order to benefit from these flexibilities, the mid-term review programme amendments had to be submitted before the end of 2025 and, wherever applicable, meet a specific threshold of reallocations toward the strategic priorities.

As a result of this mid-term review, EUR 34,6 billion of cohesion policy funds have been reallocated to the EU strategic priorities referred to above. The highest shares were for competitiveness/STEP (EUR 15,2 billion or 43 % of the total) and defence (EUR 11,9 billion or 34 %). Close to 10 % was reallocated to housing (EUR 3,3 billion), 9 % to water-related investments (EUR 3,1 billion) and slightly more than 3 % to energy security (EUR 1,2 billion).

The immediate budgetary impact of the programme amendments gave rise to pre-financing payments of almost EUR 2,9 billion in 2025 and around EUR 10,8 billion in 2026. Thereafter, the budgetary impact will also be determined by the pace of submission of payment applications by national authorities.

Finally, given that the deadline for submitting final applications for interim payments under the 2014-2020 programmes was 31 July 2025, the policy focus has now fully shifted to the implementation on the ground of the 2021-2027 programmes.

([1]) COM(2026) 82, 18.2.2026.

3.3.1. *Summary table for commitment (CA) and payment (PA) appropriations*

(in million EUR, rounded figures at current prices)

Sub-heading 2a Economic, social and territorial cohesion by cluster	Draft budget (DB) 2027		Budget 2026 (1)		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— *Regional Development and Cohesion (Sub-heading 2a)*	43 971,4	48 263,7	42 086,7	46 790,4	1 884,8	1 473,3	4,48 %	3,15 %	145 419,0
Contribution from NextGenerationEU	2,1	12,8	2,0	19,6	0,0	– 6,8	2,00 %	- 34,63 %	
Total Regional Development and Cohesion (Sub-heading 2a)	*43 973,5*	*48 276,5*	*42 088,7*	*46 810,0*	*1 884,8*	*1 466,5*	*4,48 %*	*3,13 %*	145 419,0
— *Investing in People, Social Cohesion and Values (Sub-heading 2a)*	14 511,9	16 463,5	14 507,3	16 867,7	4,6	– 404,2	0,03 %	-2,40 %	54 116,5
Contribution from NextGenerationEU	12,7	3,0	1,1	12,1	11,5	– 9,1	1 005,90 %	- 75,17 %	
Total Investing in People, Social Cohesion and Values (Sub-heading 2a)	*14 524,6*	*16 466,5*	*14 508,5*	*16 879,8*	*16,1*	*– 413,3*	*0,11 %*	*- 2,45 %*	54 116,5
Total voted appropriations	**58 483,4**	**64 727,2**	**56 594,0**	**63 658,1**	**1 889,4**	**1 069,1**	**3,34 %**	**1,68 %**	**199 535,5**
Ceiling	*58 484,0*		*56 593,0*						
of which under Flexibility Instrument	*0,0*		*1,0*						
of which under Single Margin Instrument (Article 11(1) point (a))	*0,0*		*0,0*						
of which under Single Margin Instrument (Article 11(1) point (c))	*0,0*		*0,0*						
Margin	*0,6*		*0,0*						
Contribution from NextGenerationEU	14,7	15,8	3,2	31,7					
Total available	**58 498,1**	**64 743,0**	**56 597,2**	**63 689,8**	**1 900,9**	**1 053,2**	**3,36 %**	**1,65 %**	**199 535,5**

(1) Budget 2026 includes draft amending budget 1 and 2/2026.

3.3.2. *Regional development and cohesion cluster*

(in million EUR, rounded figures at current prices)

Regional Development and Cohesion cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 – 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
European Regional Development Fund (ERDF)	**35 810,0**	**40 147,3**	**34 330,3**	**38 368,1**	**1 479,7**	**1 779,2**	**4,31 %**	**4,64 %**	**122 221,3**
— ERDF — Operational expenditure	35 558,2	39 950,1	34 070,9	38 096,2	1 487,4	1 853,9	4,37 %	4,87 %	120 270,4
— ERDF — Operational technical assistance	60,3	83,6	72,1	92,6	– 11,8	– 8,9	- 16,33 %	- 9,65 %	164,7
— European Urban Initiative	48,9	51,4	49,7	105,6	– 0,8	– 54,3	- 1,53 %	- 51,37 %	127,0
— Just Transition Fund (JTF) — Contribution from the ERDF	67,1	0,0	65,5	0,0	1,6	0,0	2,48 %	0,00 %	276,5
— ERDF — Financing under REACT-EU	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	98,9
— InvestEU Fund — Contribution from the ERDF	14,0	34,0	13,8	33,8	0,2	0,2	1,72 %	0,70 %	40,0
— Border Management and Visa Instrument (BMVI) — Contribution from the ERDF	52,8	16,8	51,6	30,9	1,3	– 14,1	2,48 %	- 45,53 %	146,1
— European Maritime, Fisheries and Aquaculture Fund (EMFAF) — Contribution from the ERDF	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
— Horizon Europe — Contribution from the ERDF	2,5	5,3	1,0	3,2	1,5	2,1	150,00 %	66,94 %	13,2
— Recovery and Resilience Facility - Contribution from ERDF	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
— Digital Europe — Contribution from the ERDF	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
— Support expenditure	6,1	6,1	5,9	5,9	0,2	0,2	4,04 %	4,04 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	1 084,6
Cohesion Fund (CF)	**8 161,5**	**8 116,3**	**7 756,4**	**8 419,4**	**405,1**	**– 303,1**	**5,22 %**	**- 3,60 %**	**23 191,5**
— Cohesion Fund (CF) — Operational expenditure	6 339,5	7 085,5	5 997,7	6 701,2	341,7	384,3	5,70 %	5,74 %	17 328,8
— Cohesion Fund (CF) — Operational technical assistance	8,1	13,7	10,4	14,3	– 2,3	– 0,5	- 22,06 %	- 3,61 %	24,5

Regional Development and Cohesion cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 – 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— Connecting Europe Facility (CEF) — Transport — Cohesion Fund (CF) allocation	1 788,7	968,0	1 723,5	729,0	65,2	239,0	3,78 %	32,78 %	3 694,3
— InvestEU Fund — Contribution from the Cohesion Fund (CF)	0,0	5,0	0,0	5,0	0,0	0,0	0,00 %	0,00 %	10,0
— Border Management and Visa Instrument (BMVI) — Contribution from the Cohesion Fund (CF)	14,0	2,4	13,6	8,2	0,3	– 5,8	2,48 %	- 70,94 %	39,0
— European Maritime, Fisheries and Aquaculture Fund (EMFAF) — Contribution from the Cohesion Fund (CF)	2,1	2,5	2,1	2,5	0,0	0,0	2,00 %	1,62 %	5,0
— Horizon Europe — Contribution from the Cohesion Fund (CF)	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
— Digital Europe — Contribution from the Cohesion Fund (CF)	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
— Recovery and Resilience Facility - Contribution from the CF	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
— Support expenditure	9,2	9,2	9,1	9,1	0,0	0,0	0,37 %	0,37 %	0,0
— Completion of previous programmes and activities	0,0	30,0	0,0	950,2	0,0	– 920,2	0,00 %	- 96,84 %	2 089,9
Pilot projects, preparatory actions, prerogatives and other actions	**0,0**	**0,0**	**0,0**	**2,9**	**0,0**	**– 2,9**	**0,00 %**	**- 100,00 %**	**6,2**
— Pilot projects	0,0	0,0	0,0	2,9	0,0	– 2,9	0,00 %	-100,00 %	6,1
— Preparatory actions	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,1
Total Regional Development and Cohesion cluster	**43 971,4**	**48 263,7**	**42 086,7**	**46 790,4**	**1 884,8**	**1 473,3**	**4,48 %**	**3,15 %**	**145 419,0**

3.3.2.1. Priorities for 2027

The ERDF ([1])aims to strengthen economic, territorial and social cohesion in the European Union by correcting development imbalances between its regions. The ERDF focuses its investments on several key priority areas including innovation and research, the digital agenda, support for small and medium-sized enterprises (SMEs), environment and the transition towards the net-zero-carbon economy. The aim is to support Member States on their path to a green, digital and innovative Europe. The ERDF also plays a key role in the implementation of the STEP priorities targeting four investment areas, namely: digital technologies and deep tech innovation, clean and resource efficient technologies, biotechnologies and defence technologies. Moreover, the ERDF focuses on supporting a low-carbon Europe by promoting clean and fair energy transition. This means in particular supporting energy efficiency and renewable energy, the diversification of regions dependent on energy intensive industries or fossil fuel extraction, and delivering a fair transition for all. As regards mobility, cohesion policy and especially the ERDF seek to support a successful transition to alternative fuels and will continue to sustain 'clean vehicles'.

The Cohesion Fund supports environmental infrastructure and priority EU projects within the Trans-European Transport Network (TEN-T). It also finances projects aimed at improving energy efficiency and increasing the use of renewable energy. In addition, it supports the development and enhancement of sustainable, climate resilient, intelligent and intermodal national, regional and local mobility, including improved access to TEN-T and cross-border mobility, delivering clear environmental benefits. The CF has an even more ambitious climate target, compared to the overall target of 30 %, with 37 % of its allocation devoted to environmental and climate measures. The current level of CF's climate contribution largely exceeds this target and stands at 56 %.

In line with the mid-term review of cohesion policy, the voluntary reprogramming of ERDF and CF funding also strengthens their support to the Union's strategic priorities in the areas of competitiveness/STEP, defence capacities and capabilities, and defence infrastructure, with priority given to dual use, affordable and sustainable housing, water resilience and energy security.

([1]) Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund, OJ L 231, 30.6.2021, p. 60, ELI: http://data.europa.eu/eli/reg/2021/1058/oj.

3.3.3. *Investing in people, social cohesion and values cluster*

(in million EUR, rounded figures at current prices)

Investing in People, Social Cohesion and Values cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027–2026		Difference 2027/2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 – 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
European Social Fund Plus (ESF+)	**14 511,9**	**16 462,6**	**14 505,8**	**16 866,6**	**6,1**	**– 404,0**	**0,04 %**	**- 2,40 %**	**54 116,5**
– ESF+ shared management strand — Operational expenditure	14 431,9	16 419,4	14 424,9	16 803,6	7,1	– 384,2	0,05 %	- 2,29 %	52 742,4
– ESF+ shared management strand — Operational technical assistance	24,0	26,4	23,8	27,5	0,2	– 1,1	0,70 %	- 4,09 %	33,4
– Just Transition Fund (JTF) — Contribution from the ESF+	16,8	0,0	16,4	0,0	0,4	0,0	2,49 %	0,00 %	57,5
– European Social Fund (ESF) — Financing under REACT-EU	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	342,0
— Fund for European Aid to the Most Deprived (FEAD) — Financing under REACT-EU	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
— Instrument for Financial Support for Border Management and Visa Policy (BMVI) — Contribution from the ESF+	27,0	4,6	26,3	21,0	0,7	– 16,5	2,48 %	- 78,20 %	75,0
— Erasmus+ — Contribution from the ESF+	5,0	5,0	7,0	7,0	– 2,0	– 2,0	- 28,57 %	- 28,57 %	0,0
— Support expenditure	7,3	7,3	7,5	7,5	– 0,2	– 0,2	- 2,74 %	- 2,74 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	866,2
Pilot projects, preparatory actions, prerogatives and other actions	**0,0**	**0,9**	**1,5**	**1,1**	**– 1,5**	**– 0,2**	**- 100,00 %**	**- 20,00 %**	**1,0**
Total Investing in People, Social Cohesion and Values cluster	**14 511,9**	**16 463,5**	**14 507,3**	**16 867,7**	**4,6**	**– 404,2**	**0,03 %**	**- 2,40 %**	**54 117,5**

3.3.3.1. Priorities for 2027

The ESF+ ([1]) provides support to Member States to achieve high employment levels, fair social protection and a skilled and resilient workforce ready for the transition to a green and digital economy. It is a key financial instrument to implement the European Pillar of Social Rights, to support jobs, fight poverty and create a fair and socially inclusive society. The ESF+ also contributes to the objectives of STEP by supporting projects addressing shortages of labour and skills critical to quality jobs in three of the STEP sectors: digital technologies and deep innovation, clean and resource efficient technologies, and biotechnologies.

The shared management strand of the ESF+ also includes an ambitious requirement for investing in young people and addressing child poverty. Member States which are above the EU average rate of young people not in employment, education or training, are devoting at least 12,5 % of their ESF+ resources to help these young people find a qualification, or a good quality job. All other Member States have allocated an appropriate amount to targeted actions to support youth employment measures. In view of supporting the implementation of the European Child Guarantee, Member States with a level of child poverty above the EU average are using at least 5 % of their ESF+ resources to address this issue, whereas all other Member States have allocated an appropriate amount of their ESF+ resources to targeted actions to combat child poverty.

The ESF+ Regulation also obliges Member States to invest at least 25 % of their allocation in social inclusion and, within this thematic concentration requirement, to contribute to the eradication of poverty by supporting relevant national schemes. A combined 4 % of their resources under shared management shall support the most deprived persons, including refugees. In particular, the ESF+ can finance food and basic material assistance as well as social inclusion activities, such as psychological support, basic language courses and legal interpretation.

In line with the recent mid-term review of cohesion policy, ESF+ actively facilitates the development of skills in the defence industry as well as the adaptation of workers, enterprises and entrepreneurs to change contributing to decarbonisation and resilience of production capacities. Around EUR 3,3 billion of ESF+ resources are re-allocated to these new priorities.

3.3.4. *Payment appropriations for this heading*

Summary payment appropriations	Payment appropriations in DB 2027	DB 2027 - Share of total payment appropriations in heading 3	Payment appropriations in Budget 2026
Payments on spending programmes	64 704,6	99,97 %	63 632,8
of which for the multiannual financial framework 2021-2027	*64 674,6*	*99,92 %*	*62 682,6*
of which for the multiannual financial framework 2014-2020 and earlier	*30,0*	*0,05 %*	*950,2*
Other payments ([1])	22,5	0,03 %	25,3
Total	**64 727,2**	**100,00 %**	**63 658,1**

([1]) Payments related to administrative support expenditure, decentralised agencies, pilot projects, preparatory actions, actions financed under the prerogatives of the European Commission and other actions.

For the Cohesion policy programmes of the 2021-2027 period (other than the JTF), payment appropriations in 2027 will cover only interim payments, as the Common Provisions Regulation does not provide for the payment of annual pre-financing in the last year of the programming period.

([1]) Regulation (EU) 2021/1057 of the European Parliament and of the Council of 24 June 2021 establishing the European Social Fund Plus (ESF+) and repealing Regulation (EU) No 1296/2013, OJ L 231, 30.6.2021, p. 21, ELI: http://data.europa.eu/eli/reg/2021/1057/oj.

Given that 2027 will be the fifth full year of implementation of the programmes, most of which were adopted towards the end of 2022, the payment needs are expected to increase compared to 2026, as the policy implementation is reaching cruising speed. This expectation is underpinned by the accelerating financial implementation on the ground and the project selection rate. The latest financial data submitted by Member States by the regulatory deadline of 30 April 2026 shows that projects covering 69 % of the cohesion policy envelope have already been selected by the programme authorities. This represents a significant increase compared to the rate of April 2025 (44 %).

The acceleration of the implementation of the policy puts the 2026 budget under pressure, also given the high level of payment applications (EUR 18 billion) which were submitted at the end of 2025 and were paid using 2026 payment appropriations. In addition, the first Member States' forecasts for the year 2027 (EUR 68,1 billion) also indicate a considerable acceleration of the submission of payment applications compared to 2026 (EUR 57,2 billion).

The level of payment appropriations in the Draft Budget 2027 takes all these elements into account and points to no significant N+3 decommitment risk at the end of 2027, whereas the Commission has also proposed a Draft Amending Budget to stabilise the cohesion backlog at the end of 2026.

No payment appropriations are envisaged for the Cohesion policy programmes of the 2014-2020 period in 2027. Member States submitted their final applications for an interim payment by 31 July 2025 and the closure packages (Final Implementation Report and assurance package for the final accounting year) by 1 March 2026. The Commission is currently assessing the closure documents provided and expects to make most of the corresponding payments still in 2026.

As regards the contribution from the Cohesion Fund to the CEF, EUR 960 million in payment appropriations have been included in the Draft Budget 2027 to cover pre-financing and interim payments needs for CEF2, while EUR 30 million have been included for closure payments related to CEF1.

3.4. **Sub-heading 2b – Resilience and Values**

Key programmes under this sub-heading aim to boost the recovery and strengthen the resilience of European economies. The EU4Health programme and the Union Civil Protection Mechanism (rescEU) support the European Health Union. The Union Civil Protection Mechanism (rescEU) in particular enhances the Union's capacity to respond to crises and build resilience to future shocks. At the same time, sub-heading 2b contains flagship programmes such as Erasmus+, the European Solidarity Corps, Creative Europe, the Employment and Social Innovation (EaSI) strand of ESF+, and the Citizens, Equality, Rights and Values programme. This sub-heading also includes the funding costs of NGEU.

3.4.1. *Summary table for commitment (CA) and payment (PA) appropriations*

(in million EUR, rounded figures at current prices)

Sub-heading 2b Resilience and Values by cluster	Draft budget (DB) 2027		Budget 2026 (1)		Difference 2027 – 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026 (2)
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Total Regional Development and Cohesion (Sub-heading 2b)	36,2	39,4	36,2	37,3	0,0	2,1	0,07 %	5,67 %	90,4
Recovery and resilience	11 156,1	11 130,0	9 207,7	9 186,3	1 948,4	1 943,7	21,16 %	21,16 %	125 222,6
Contribution from NextGenerationEU	18,0	18,0	14,2	116 389,1	3,8	– 116 371,1	26,72 %	- 99,98 %	
Total Recovery and resilience	*11 174,2*	*11 148,0*	*9 222,0*	*125 575,5*	*1 952,2*	*– 114 427,4*	*21,17 %*	*- 91,12 %*	125 222,6
Total Investing in People, Social Cohesion and Values (Sub-heading 2b)	6 085,5	5 953,0	5 812,9	5 645,9	272,5	307,1	4,69 %	5,44 %	3 355,6
Total voted appropriations	**17 277,8**	**17 122,4**	**15 056,8**	**14 869,5**	**2 221,0**	**2 252,9**	**14,75 %**	**15,15 %**	**128 668,6**
Ceiling	*12 878,0*		*10 930,0*						
of which under Flexibility Instrument	*1 940,0*		*2 014,1*						
of which under Single Margin Instrument (Article 11(1) point (a))	*0,0*		*0,0*						
of which under Single Margin Instrument (Article 11(1) point (c))	*0,0*		*0,0*						
of which under EURI Instrument	*2 459,8*		*2 112,7*						
Margin	*0,0*		*0,0*						
Contribution from NextGenerationEU	18,0	18,0	14,2	116 389,1					
Total available	**17 295,8**	**17 140,5**	**15 071,0**	**131 258,7**	**2 224,8**	**– 114 118,2**	**14,76 %**	**- 86,94 %**	**128 668,6**

(1) Budget 2026 includes draft amending budget 1 and 2/2026.
(2) Including NGEU.

3.4.2. *Regional development and cohesion cluster*

(in million EUR, rounded figures at current prices)

Regional Development and Cohesion cluster by programmes and objectives (2b)	Draft budget (DB) 2027		Budget 2026		Difference 2027–2026		Difference 2027/2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1–2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Support to the Turkish-Cypriot Community	**36,2**	**39,4**	**36,2**	**37,3**	**0,0**	**2,1**	**0,07 %**	**5,67 %**	**90,4**
— Financial support for encouraging the economic development of the Turkish Cypriot community	34,0	37,0	34,0	33,1	0,0	3,9	- 0,04 %	11,70 %	86,8
— Support expenditure	2,2	2,2	2,2	2,2	0,0	0,0	1,80 %	1,80 %	0,0
— Completion of previous programmes and activities	0,0	0,2	0,0	2,0	0,0	– 1,8	0,00 %	- 90,00 %	3,6
Total Regional Development and Cohesion cluster Sub-heading 2b	**36,2**	**39,4**	**36,2**	**37,3**	**0,0**	**2,1**	**0,07 %**	**5,67 %**	**90,4**

3.4.2.1. Priorities for 2027

Part of this cluster – which is predominantly financed under sub-heading 2a – also provides financial assistance for the economic development of the **Turkish Cypriot community** ([1]) with the aim to support the reunification of Cyprus. The programme encourages the economic development of the Turkish Cypriot community through the development of infrastructure, actions to promote social and economic development and the encouragement of reconciliation by building confidence, supporting civil society and bringing the Turkish Cypriot community closer to the EU, and preparing for the EU acquis implementation.

([1]) Council Regulation (EC) No 389/2006 of 27 February 2006 establishing an instrument of financial support for encouraging the economic development of the Turkish Cypriot community and amending Council Regulation (EC) No 2667/2000 on the European Agency for Reconstruction, OJ L 65, 7.3.2006, p. 5, ELI: http://data.europa.eu/eli/reg/2006/389/oj.

3.4.3. *Recovery and resilience cluster*

(in million EUR, rounded figures at current prices)

Recovery and resilience cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
European Recovery and Resilience Facility and Technical Support Instrument	**112,2**	**114,3**	**52,5**	**114,6**	**59,7**	**– 0,3**	**113,65 %**	**- 0,26 %**	**122 502,1**
— Recovery and Resilience Facility — Non-repayable support	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	122 334,9
— Technical Support Instrument	110,0	112,1	50,3	112,4	59,7	– 0,3	118,57 %	- 0,29 %	166,9
— Support expenditure	2,2	2,2	2,2	2,2	0,0	0,0	1,49 %	1,49 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,3
Protection of the euro against counterfeiting (the 'Pericles IV programme')	**0,9**	**1,0**	**0,9**	**0,9**	**0,0**	**0,1**	**1,57 %**	**7,95 %**	**0,6**
— Protection of the euro against counterfeiting	0,7	0,8	0,9	0,9	– 0,2	– 0,1	- 20,16 %	- 13,88 %	0,6
— Support expenditure	0,2	0,2	0,0	0,0	0,2	0,2	100,00 %	100,00 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
Financing cost of the European Union Recovery Instrument (EURI)	**9 907,0**	**9 907,0**	**7 977,0**	**7 977,0**	**1 930,0**	**1 930,0**	**24,19 %**	**24,19 %**	**0,0**
— Support expenditure	7,0	7,0	7,0	7,0	0,0	0,0	0,00 %	0,00 %	0,0
— European Union Recovery Instrument (EURI) – Payment of periodic coupon and redemption at maturity	9 900,0	9 900,0	7 970,0	7 970,0	1 930,0	1 930,0	24,22 %	24,22 %	0,0
Union Civil Protection Mechanism (RescEU)	**180,0**	**115,0**	**177,7**	**211,0**	**2,4**	**– 96,0**	**1,33 %**	**- 45,50 %**	**1 065,9**
— Union Civil Protection Mechanism	180,0	105,0	177,7	191,5	2,4	– 86,5	1,33 %	- 45,17 %	971,8
— Support expenditure	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
— Completion of previous programmes and activities	0,0	10,0	0,0	19,5	0,0	– 9,5	0,00 %	- 48,72 %	94,0

Recovery and resilience cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
EU4Health	**635,3**	**671,0**	**687,9**	**574,0**	**– 52,6**	**97,0**	**- 7,64 %**	**16,91 %**	**1 557,0**
— EU4Health Programme	606,0	641,7	661,3	545,8	– 55,2	96,0	- 8,35 %	17,58 %	1 549,7
— Support expenditure	29,3	29,3	26,6	26,6	2,7	2,7	10,08 %	10,08 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	1,6	0,0	– 1,6	0,00 %	- 100,00 %	7,3
Instrument for emergency support within the Union (ESI)	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,00 %**	**0,00 %**	**23,9**
— Emergency support within the Union	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	23,9
— Support expenditure	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
Decentralised agencies	**307,8**	**309,1**	**298,2**	**293,2**	**9,6**	**15,9**	**3,24 %**	**5,44 %**	**61,5**
— European Centre for Disease Prevention and Control	94,4	94,4	90,9	90,9	3,4	3,4	3,77 %	3,77 %	0,0
— European Food Safety Authority	164,4	165,7	162,2	157,2	2,2	8,5	1,36 %	5,41 %	61,5
— European Medicines Agency	49,1	49,1	45,1	45,1	4,0	4,0	8,89 %	8,89 %	0,0
Pilot projects, preparatory actions, prerogatives and other actions	**12,8**	**12,6**	**13,6**	**15,6**	**– 0,7**	**– 3,1**	**- 5,51 %**	**- 19,54 %**	**11,7**
— Pilot Projects	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
— Actions financed under the prerogatives of the Commission and specific powers conferred to the Commission	12,8	12,6	13,6	15,6	– 0,7	– 3,1	-5,51 %	-19,54 %	11,6
Total Recovery and resilience cluster	**11 156,1**	**11 130,0**	**9 207,7**	**9 186,3**	**1 948,4**	**1 943,7**	**21,16 %**	**21,16 %**	**125 222,6**

3.4.3.1. Priorities for 2027

NGEU, with the Recovery and Resilience Facility as its core, reaches the end of its lifetime in 2026. Payments related to these legal commitments should be made by 31 December 2026, leaving only relatively minor amounts for administrative expenditure in 2027. However, in cases of reduction decisions, in line with the legislation certain payments to Member States may still take place in 2027 ([1]).

While NGEU implementation ends in 2026, the related roll-over of maturing debt will continue in 2027 and later years. In light of the increase of interest rates since 2022, the interest costs on funds borrowed under the **European Union Recovery Instrument** (EURI) in 2027 will be higher than foreseen at the adoption of the MFF Regulation in 2020. Therefore, based on the market conditions applicable for executed and forecasted transactions, the amount of EUR 4 980,3 million initially foreseen in the financial programming for 2027 is not sufficient for the annual payments of interests on funds borrowed under EURI. The currently estimated cost of funding for the 2027 budget is EUR 9 900,0 million.

This amount reflects already executed transactions, as well as latest available estimates, notably with respect to the expected level of disbursements in the second and third quarters of 2026.

Currently, the estimated additional needs on top of the financial programming for 2027 amount to EUR 4,9 billion. Following the MFF mid-term revision and in line with the agreement reached on the application of the EURI cascade mechanism in the Conciliation on the 2025 budget, it is proposed to cover the additional needs i.e. the funding costs which exceed the amounts initially programmed as follows:

— An amount of EUR 2 459,8 million from the budget - i.e. 50 % of the additional needs - covered by the unallocated margin under sub-heading 2b for an amount of EUR 519,9 million and by the Flexibility Instrument for an amount of EUR 1 940,0 million.

— The remaining amount of EUR 2 459,8 million, covered by decommitments made since 2021 through the new EURI instrument. No recourse to the 'back-stop' is therefore required.

The **Technical Support Instrument** ([2]) ensures that the Commission can continue to provide tailor-made expertise so that Member States have the necessary institutional and administrative capacity to develop and implement growth-enhancing reforms and are able to strengthen the resilience of European economies through efficient and well-functioning administrative structures. To that end, it aims to accompany the national authorities of those Member States requesting support throughout the reform process. The appropriations requested for the Technical Support Instrument in 2027 are in line with the amounts included in the financial programming attached to the 2026 draft budget, and will maintain high quality, tailor-made support to the Member States.

The Union must be well-prepared and able to deploy a wide range of operational assistance to address crises and disasters and protect lives. The COVID-19 pandemic, the consequences of Russia's war of aggression against Ukraine, increasing wildfires and other natural disasters have underlined the value and necessity of European cooperation and solidarity. It has also demonstrated that the Union must urgently enhance its ability to respond to crises and build resilience to future shocks through prevention and preparedness action. The **Union Civil Protection Mechanism** (UCPM) ([3]) allows Member States (and participating third countries ([4])) to improve their preparedness, prevention, and response to disasters, with the overarching objective of protecting populations when disasters strike, in particular those with large-scale and transboundary impacts, addressing needs that exceed national response capacities of Member States.

([1]) Conditions are set out in the Guidelines for Member States on operational aspects related to the final phase and closure of the Recovery and Resilience Facility, C(2026)2647, 30.4.2026.

([2]) Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument, OJ L 57, 18.2.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/240/oj.

([3]) Regulation (EU) 2021/836 of the European Parliament and of the Council of 20 May 2021 amending Decision No 1313/2013/EU on a Union Civil Protection Mechanism, OJ L 185, 26.5.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/836/oj.

([4]) Albania, Bosnia and Herzegovina, Iceland, Montenegro, North Macedonia, Norway, Serbia, Türkiye and Ukraine.

The UCPM includes rescEU, a strategic reserve of European disaster response assets used as a last resort ("safety net"). The rescEU reserve includes aerial firefighting and medical evacuation means, as well as stockpiles of emergency medical equipment, shelter, generators, and other countermeasures to respond to crises. At present, rescEU is being further developed with the procurement of multi-purpose transport capacities, chemical, biological, radiological, and nuclear (CBRN) decontamination capacities and setting up of an emergency medical team type 2. New capacities, such as CBRN detection, sampling and monitoring capacities and an EU fleet of amphibious firefighting aircraft will also be added. In case an emergency arises, requests for assistance are centrally coordinated by the Emergency Response Coordination Centre, which enables emergency response across sectors and facilitates cooperation in emergency situations with international partners and the private sector. In-kind assistance is then channelled via the UCPM to affected countries. The Mechanism has been successfully mobilised in more than 300 crisis situations worldwide in the past four years and will continue to play an important role in 2027.

The **EU4Health** programme ([1]) plays a vital role both in addressing public health challenges as well as in strengthening the resilience of the European health ecosystem. EU4Health also contributes to STEP objectives by providing support through dedicated calls to projects addressing in particular the development and manufacturing of biotechnologies. Furthermore, it will support the implementation of the Critical Medicines Act ([2]) as well as initiatives of the Health Package (Biotech Act ([3]), Medical Devices Regulations ([4]) and Safe Hearts Plan ([5])).

The programme contributes to building strong foundations for a European Health Union, in which the EU and Member States work together to reinforce their coordination and to strengthen existing structures and mechanisms, including actions in the context of the Commission's Health Emergency Preparedness and Response Authority (HERA). It also focuses on actions enhancing the surveillance, diagnosis and treatment of communicable and non-communicable diseases, health promotion as well as actions improving accessibility, efficiency and resilience of health systems and reducing inequalities in accessing health care.

The programme also contributes to flagship initiatives such as Europe's Beating Cancer Plan and the Pharmaceutical Strategy for Europe. Particular attention is given to digitalisation, the (re-)use of health data for the provision of healthcare and for research and innovation, as well as to the digital transformation of healthcare systems, in order to address the creation of a European Health Data space.

The total voted appropriations of EU4Health include the specific reinforcement under Article 5 of the MFF Regulation, which have been established with the technical adjustment of the MFF for 2026 as foreseen in Article 4(1), point (e) of the MFF Regulation. For EU4Health, this represents EUR 393,6 million in commitment appropriations.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2027	Of which, allocation under MFFR Article 5
			CA	CA
EU4Health			**635,3**	**393,6**
Of which:	Support expenditure for the 'EU4Health Programme'	06 01 05	29,3	6,3
	EU4Health Programme	06 06 01	606,0	387,3

The **decentralised agencies** in this domain — the European Centre for Disease Prevention and Control (ECDC), the European Food Safety Authority (EFSA) and EMA — contribute to the coordination of Union actions in health policy.

([1]) Regulation (EU) 2021/522 of the European Parliament and of the Council of 24 March 2021 establishing a Programme for the Union's action in the field of health ('EU4Health Programme') for the period 2021-2027, and repealing Regulation (EU) No 282/2014, OJ L 107, 26.3.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/522/oj.
([2]) COM(2025) 102, 11.3.2025.
([3]) COM(2025) 1022, 16.12.2025 and COM(2025) 1031, 16.12.2025.
([4]) COM(2025) 1023, 16.12.2025.
([5]) COM(2025) 1024, 16.12.2025.

3.4.4. *Investing in people, social cohesion and values cluster*

(in million EUR, rounded figures at current prices)

Investing in People, Social Cohesion and Values cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027-2026		Difference 2027/2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1-2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Employment and Social Innovation	**98,7**	**107,1**	**108,7**	**104,6**	**– 10,0**	**2,6**	**- 9,22 %**	**2,48 %**	**210,3**
— ESF+ — Employment and Social Innovation (EaSI) strand	96,8	105,2	106,4	102,3	– 9,6	3,0	- 9,05 %	2,93 %	189,3
— Support expenditure	1,9	1,9	2,3	2,3	– 0,4	– 0,4	- 17,30 %	- 17,30 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	21,0
Erasmus+	**4 511,4**	**4 428,7**	**4 277,3**	**4 249,4**	**234,1**	**179,3**	**5,47 %**	**4,22 %**	**2 173,6**
— Promoting learning mobility of individuals and groups, and cooperation, inclusion and equity, excellence, creativity and innovation at the level of organisations and policies in the field of education and training	3 861,5	3 825,3	3 689,7	3 694,6	171,8	130,8	4,66 %	3,54 %	1 837,0
— Promoting non-formal and informal learning mobility and active participation among young people, and cooperation, inclusion, creativity and innovation at the level of organisations and policies in the field of youth	481,9	440,6	440,3	411,0	41,6	29,6	9,45 %	7,21 %	262,3
— Promoting learning mobility of sport staff, and cooperation, inclusion, creativity and innovation at the level of sport organisations and sport policies	94,8	89,5	81,5	78,0	13,3	11,5	16,31 %	14,79 %	69,9
— Support expenditure	73,2	73,2	65,8	65,8	7,4	7,4	11,21 %	11,21 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	4,4
European Solidarity Corps (ESC)	**152,9**	**137,5**	**149,8**	**138,3**	**3,1**	**– 0,9**	**2,05 %**	**- 0,62 %**	**101,6**
— European Solidarity Corps	145,4	130,0	142,5	131,0	2,9	– 1,0	2,05 %	- 0,77 %	101,6
— Support expenditure	7,5	7,5	7,3	7,3	0,1	0,1	1,98 %	1,98 %	0,0

Investing in People, Social Cohesion and Values cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027-2026		Difference 2027/2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1-2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
Creative Europe	**417,3**	**406,4**	**397,0**	**358,5**	**20,3**	**48,0**	**5,12 %**	**13,38 %**	**379,2**
— Culture strand	129,1	130,1	121,7	111,2	7,4	18,9	6,04 %	17,02 %	151,2
— Media strand	226,4	216,0	213,8	192,3	12,6	23,8	5,92 %	12,37 %	190,2
— Cross-sectoral strand	34,8	33,3	34,0	27,5	0,8	5,7	2,35 %	20,85 %	37,3
— Support expenditure	27,0	27,0	27,5	27,5	– 0,5	– 0,5	- 1,75 %	- 1,75 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,5
Citizens, Equality, Rights and Values	**311,2**	**273,1**	**291,9**	**216,5**	**19,3**	**56,6**	**6,62 %**	**26,17 %**	**332,7**
— Equality and rights	52,2	33,0	50,0	33,6	2,2	– 0,6	4,45 %	- 1,87 %	64,1
— Citizens' engagement and participation in the democratic life of the Union	58,6	68,6	73,8	61,4	– 15,2	7,1	- 20,56 %	11,63 %	100,6
— Daphne	37,7	30,8	35,1	20,7	2,6	10,0	7,35 %	48,40 %	46,1
— Union values	150,7	128,8	121,8	89,4	29,0	39,4	23,79 %	44,02 %	108,2
— Support expenditure	11,9	11,9	11,2	11,2	0,7	0,7	6,46 %	6,46 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	13,7
Justice	**41,4**	**35,9**	**41,7**	**32,0**	**– 0,3**	**3,9**	**- 0,71 %**	**12,17 %**	**51,7**
— Promoting judicial cooperation	10,9	9,3	11,0	9,2	– 0,1	0,1	- 0,73 %	0,67 %	11,6
— Supporting judicial training	15,7	13,0	15,9	10,4	– 0,1	2,6	- 0,73 %	24,79 %	11,1
— Promoting effective access to justice	13,7	12,5	13,8	11,3	– 0,1	1,2	- 0,73 %	11,08 %	18,5
— Support expenditure	1,1	1,1	1,1	1,1	0,0	0,0	0,00 %	0,00 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	10,5
Decentralised agencies and European Public Prosecutor's Office (EPPO)	**354,1**	**357,9**	**339,3**	**337,5**	**14,7**	**20,4**	**4,34 %**	**6,04 %**	**56,3**

Investing in People, Social Cohesion and Values cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027-2026		Difference 2027/2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1-2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— European Foundation for the improvement of living and working conditions (Eurofound)	25,9	25,9	25,4	25,4	0,5	0,5	1,95 %	1,95 %	0,0
— European Agency for Safety and Health at Work (EU-OSHA)	17,1	17,1	17,4	17,4	– 0,3	– 0,3	- 1,73 %	- 1,73 %	0,5
— European Centre for the Development of Vocational Training (Cedefop)	21,5	21,5	20,6	20,6	0,9	0,9	4,56 %	4,56 %	0,0
— European Union Agency for Fundamental Rights (FRA)	26,8	26,8	26,4	26,4	0,4	0,4	1,44 %	1,44 %	0,0
— European Institute for Gender Equality (EIGE)	10,8	10,8	10,8	10,8	0,0	0,0	0,02 %	0,02 %	0,0
— European Training Foundation (ETF)	25,6	25,6	23,8	23,8	1,9	1,9	7,92 %	7,92 %	0,0
— European Union Agency for Criminal Justice Cooperation (Eurojust)	74,4	76,2	73,0	72,4	1,4	3,8	1,90 %	5,32 %	5,4
— European Public Prosecutor's Office (EPPO)	99,7	99,7	91,5	91,5	8,2	8,2	8,95 %	8,95 %	0,0
— European Labour Authority (ELA)	52,2	54,3	50,5	49,3	1,8	4,9	3,49 %	10,01 %	50,4
Pilot projects, preparatory actions, prerogatives and other actions	**198,4**	**206,3**	**207,1**	**209,1**	**– 8,7**	**– 2,8**	**- 4,19 %**	**- 1,36 %**	**259,4**
— Pilot projects	0,0	4,1	6,2	7,1	– 6,2	– 3,0	-100,00 %	-41,95 %	9,6
— Preparatory actions	0,0	12,4	3,0	13,5	– 3,0	– 1,0	-100,00 %	-7,53 %	33,8
— Other actions	9,1	9,0	9,0	8,8	0,1	0,2	0,66 %	2,27 %	12,7
— Free movement of workers, coordination of social security schemes and measures for migrants, including migrants from third countries	9,1	9,0	9,0	8,8	0,1	0,2	0,66 %	2,27 %	12,7

Investing in People, Social Cohesion and Values cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027-2026		Difference 2027/2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1-2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— Actions financed under the prerogatives of the Commission and specific powers conferred to the Commission	189,3	180,7	188,9	179,7	0,5	1,0	0,25 %	0,54 %	203,4
Total Investing in People, Social Cohesion and Values cluster	**6 085,5**	**5 953,0**	**5 812,9**	**5 645,9**	**272,5**	**307,1**	**4,69 %**	**5,44 %**	**3 564,9**

3.4.4.1. Priorities for 2027

The **Erasmus+** programme ([1]) continues to create opportunities for the education and mobility of young people. The increased budget for Erasmus+ in 2027 will allow supporting further inclusiveness and reaching more young people from disadvantaged backgrounds, as well as enabling more people to move to another country to benefit from a European learning experience. Erasmus+ also has a key role in strengthening European identity and values, and in contributing to digital transformation and a more democratic Union. The programme has three strands: mobility, cooperation and support to policy development. Action at EU level is essential given the transnational character and scale of these activities. The Erasmus+ programme guarantees that all Member States and associated countries benefit from mobility and exchange of good practices, while ensuring optimal dissemination of results and helping to promote transformation and innovation in education and training, thereby contributing to competitiveness and democracy objectives. The additional resources in 2027 will contribute to addressing expected needs, for example by granting more support to people with fewer opportunities and further boosting inclusiveness as well as political priorities defined in the Communication on the Union of Skills ([2]).

In the early years of the COVID-19 pandemic, the restrictions to physical mobility led to lower implementation, which in turn has led to a mechanical increase of the recoveries available to Erasmus+ as assigned revenues in 2024-2026. Based on the final accounts of the National Agencies, which present the implementation of Erasmus+ measures in participating Member States, the year 2027 will see once again a very high level of such recoveries, due to the impact of the COVID-19 pandemic on Erasmus mobilities during the budget years 2020 and to a lesser extent 2021. After an exceptional level of EUR 423 million recovered in 2024, and EUR 289 million recovered in 2025, it is estimated that another EUR 220 million will be recovered in 2026 and carried over to 2027. As budget year 2021 recoveries are now completed, and the amount has significantly decreased over time, it is expected that 2026 will be the last year of exceptional recoveries related to the COVID-19 period.

Following the request of Member States to transfer resources pursuant to Article 26 of the CPR, additional resources can be implemented under Erasmus+ in accordance with the rules of the instrument, for the benefit of the Member State concerned. The appropriations are inscribed on separate budget lines.

Programme	Name	Line	Draft budget 2027	
			CA	PA
Erasmus+			**5,0**	**5,0**
Of which:	Erasmus+ — Contribution from the ESF+	07 02 13	5,0	5,0

Additionally, the external and international dimensions of the Erasmus+ programme are financed from the Neighbourhood, Development and International Cooperation Instrument (NDICI) – Global Europe and the Instrument for Pre-accession Assistance (IPA – III), respectively. The appropriations are inscribed on separate budget lines.

Programme	Name	Line	Draft budget 2027	
			CA	PA
Erasmus+			**348,5**	**340,8**
	Erasmus+ — NDICI — Global Europe contribution	14 02 01 50	290,0	282,3
	Erasmus+ — Contribution from IPA III	15 02 01 02	58,4	58,5

([1]) Regulation (EU) 2021/817 of the European Parliament and of the Council of 20 May 2021 establishing Erasmus+: the Union Programme for education and training, youth and sport and repealing Regulation (EU) No 1288/2013, OJ L 189, 28.5.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/817/oj.

([2]) COM(2025) 90, 5.3.2025.

The MFF provides for additional funding for Erasmus, including through the reinforcement under Article 5 of the MFF Regulation, which has been established with the technical adjustment of the MFF for 2027 as foreseen in Article 4(1), point (e) of the MFF Regulation. For Erasmus+, this represents EUR 461,1 million in commitment appropriations.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2027	Of which, allocation under MFFR Article 5
			CA	CA
Erasmus+			**4 511,4**	**461,1**
Of which:	Support expenditure for "Erasmus+"	07 01 02	73,2	8,5
	Promoting learning mobility of individuals, as well as cooperation, inclusion, excellence, creativity and innovation at the level of organisations and policies in the field of education and training – Indirect management	07 03 01 01	3 112,5	324,8
	Promoting learning mobility of individuals, as well as cooperation, inclusion, excellence, creativity and innovation at the level of organisations and policies in the field of education and training – Direct management	07 03 01 02	749,0	71,7
	Promoting non-formal learning mobility and active participation among young people, as well as cooperation, inclusion, creativity and innovation at the level of organisations and policies in the field of youth	07 03 02	481,9	47,3
	Promoting learning mobility of sport coaches and staff, as well as cooperation, inclusion, creativity and innovation at the level of sport organisations and sport policies	07 03 03	94,8	8,7

In 2027, Erasmus+ will continue to focus on its long-standing mission to support transnational learning mobility. It will keep providing support to the various actions on cooperation projects, and to policy development in Member States, thereby accelerating structural reforms. The Erasmus+ programme will contribute to addressing the consequences of Russia's war of aggression against Ukraine for the education, training and youth sectors, including many children and young people that have fled the country. In order to ensure continued learning, Erasmus+ will play a key role to support the education and training systems, learners and teachers, schools, vocational education and training institutes and higher education institutions, as well as youth organisations and NGOs.

The **European Solidarity Corps** ([1]) operates as the European Union's entry point for young people and organisations wishing to engage in solidarity activities. The programme offers young people across the EU uniquely accessible opportunities to pursue their vocation in the solidarity sector by taking part in supported volunteering projects or receiving funding for their own initiatives addressing specific challenges faced by their communities.

([1]) Regulation (EU) 2021/888 of the European Parliament and of the Council of 20 May 2021 establishing the European Solidarity Corps Programme and repealing Regulations (EU) 2018/1475 and (EU) No 375/2014, OJ L 202, 8.6.2021, p. 32, ELI: http://data.europa.eu/eli/reg/2021/888/oj.

In 2027, the European Solidarity Corps will continue to pursue its transversal priorities (inclusion and diversity, environmental sustainability and climate goals, digital transformation and participation in democratic life). Furthermore, in the aftermath of Russia's war of aggression against Ukraine, the European Solidarity Corps will continue demonstrating the value of solidarity, in its actions within and outside the Union, by offering relief and assistance to communities and individuals whose lives have been disrupted by the conflict.

The directly managed strand of the ESF+, the **Employment and Social Innovation (EaSI) strand**, promotes evidence-based policy-making, invests in social innovation and supports projects related to labour market, labour mobility, working conditions, employment and skills as well as social protection and inclusion including housing assistance programmes and social support for homeless people and other vulnerable citizens. Within a wider effort of redeployments in 2027, the EaSI strand of ESF+ is proposed to contribute an amount of EUR 10 million to the financing of the Recommendation for a Council Decision to become shareholder of the Council of Europe Development Bank ([1]).

The **Justice programme** supports the further development of a European area of justice based on the rule of law, on the independence and impartiality of the judiciary, on mutual recognition and mutual trust and on judicial cooperation, including via digital means.

The **Citizens, Equality, Rights and Values programme** supports civil society organisations active at local, regional, national and transnational level in promoting Union values and rights. The programme also promotes equality, non-discrimination, the rights of the child, data protection and EU citizenship rights. It helps combat gender-based violence and violence against children, raises awareness of the common European history and encourages citizens' participation in EU democratic life. For what concerns 2027, an amount of EUR 680 000 was transferred from the programme's operational line on Protection and promotion of Union values to the actions related to "Other activities in the area of fundamental rights", stemming from the adoption of the Regulation on the transparency and targeting of political advertising ([2]).

The main goal of the **Creative Europe** programme is to promote, strengthen and protect European cultural and linguistic diversity, cultural heritage and creativity, as well as the competitiveness of Europe's cultural and creative sectors. The Creative Europe programme also includes funding dedicated to the structural challenges faced by the media sector, including enhancing a free, diverse, and pluralistic media environment, quality journalism and media literacy. In 2027, the programme will continue to provide dedicated and reliable funding to the cultural and creative sectors, promoting artistic freedom, fair remuneration, and decent working conditions for artists and cultural professionals in line with the Culture Compass for Europe ([3]).

Additionally, the total voted appropriations of the Creative Europe and the Citizens, Equality, Rights and Values programmes include the specific reinforcement under Article 5 of the MFF Regulation, which have been established with the technical adjustment of the MFF for 2027 as foreseen in Article 4(1), point (e) of the MFF Regulation. For the Creative Europe and Citizens, Equality, Rights and Values programmes, this represents EUR 162,7 million and EUR 216,7 million in commitment appropriations in 2027, respectively.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2027	Of which, allocation under MFFR Article 5
			CA	CA
Creative Europe			**417,3**	**162,7**
Of which:	Support expenditure for Creative Europe	07 01 04	27,0	2,4
	Culture	07 05 01	129,1	52,9
	Media	07 05 02	226,4	93,0
	Cross-sectorial strands	07 05 03	34,8	14,4

([1]) COM(2026) 131, 24.3.2026.
([2]) Regulation (EU) 2024/900 of the European Parliament and of the Council of 13 March 2024 on the transparency and targeting of political advertising, OJ L, 2024/900, 20.3.2024, ELI: http://data.europa.eu/eli/reg/2024/900/oj.
([3]) COM(2025) 785, 12.11.2025.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2027	Of which, allocation under MFFR Article 5
			CA	CA
Citizens, Equality, Rights and Values			**311,2**	**216,7**
Of which:	Support expenditure for Citizens, Equality, Rights and Values	07 01 05	11,9	0,0
	Promote equality and rights	07 06 01	52,2	34,7
	Promote Citizens engagement and participation in the democratic life of the Union	07 06 02	58,6	41,2
	Daphne	07 06 03	37,7	35,3
	Protect and promote Union Values	07 06 04	150,7	105,4

EU decentralised agencies contribute to several policies in this cluster. Several of them provide services such as research and data collection in the area of employment and support to vocational training. The **European Labour Authority (ELA)** contributes to better enforcement of EU labour rules. The **European Public Prosecutor's Office (EPPO)** ensures increased protection of EU financial interests.

3.4.5. *Payment appropriations for this heading*

Summary payment appropriations	Payment appropriations in DB 2027	DB 2027 - Share of total payment appropriations in sub-heading 2b	Payment appropriations in Budget 2026
Payments on spending programmes	16 072,9	93,87 %	13 860,8
of which for the multiannual financial framework 2021-2027	16 062,7	93,81 %	13 837,7
of which for the multiannual financial framework 2014-2020 and earlier	*10,2*	0,06 %	23,1
Other payments ([1])	1 049,5	6,13 %	1 008,8
Total	**17 122,4**	**100,00 %**	**14 869,5**

([1]) Payments related to administrative support expenditure, decentralised agencies, pilot projects, preparatory actions, actions financed under the prerogatives of the European Commission and other actions.

A large share of the payment appropriations requested for heading 2b results from the rising borrowing costs for NextGenerationEU, for which commitments and payments are made in the same year.

The estimated payment needs under Erasmus+ are slightly increasing in 2027 compared to 2026, taking into account the accelerating implementation, which follows a short cycle, and the budget increase over time. The estimated payment needs under the EU4Health programme take into account the implementation in the years 2021 to 2026, as well as the forecasts for 2027, including the adjustment resulting from the mid-term revision of the MFF. Payment modalities have been reviewed in the light of past experience, while payments related to several large projects implemented by HERA have been assessed individually.

3.5. **Heading 3 – Natural resources and environment**

This heading is key to fulfilling the ambitions of the European Green Deal, the Vision for Agriculture and Food, the Competitiveness compass ([1]), and EU policies on water, nature, pollution, and circularity as well as the commitments of the Climate Law on climate change and the Sustainable Development Goals. It also contributes to the objectives of REPowerEU, the Net Zero Industry Act, the STEP initiative to secure the Union's long-term competitiveness in critical technologies and the Clean Industrial Deal. It covers direct support to farmers, investments in sustainable agriculture, fisheries and aquaculture sectors, aiming for a safe high-quality food supply, through modern agricultural, fisheries and maritime policies and providing the necessary flexibility in uncertain times. It provides dedicated funding for climate action, environmental protection, clean energy transition and the Just Transition Mechanism to ensure a socially just green transition. Heading 3 also covers the operational expenditure of CBAM, which has the overarching objective of addressing climate change by reducing greenhouse gas emissions in the EU and globally by preventing carbon leakage. Finally, the heading includes the expenditure of the Social Climate Fund, which started operations on the ground in 2026. Heading 3 drives the mainstreaming of climate ambition and the enhanced integration of environmental objectives across the budget: it is set to provide around half of the total 2021-2027 budget dedicated to fighting climate change.

([1]) COM(2025) 30, 29.1.2025.

3.5.1. *Summary table for commitment (CA) and payment (PA) appropriations*

(in million EUR, rounded figures at current prices)

Heading 3 Natural resources and environment by cluster	Draft budget (DB) 2027		Budget 2026 ([1])		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— Agriculture and Maritime policy	54 981,2	57 637,1	54 779,1	53 042,3	202,1	4 594,8	0,37 %	8,66 %	36 647,7
Contribution from NextGenerationEU	0,0	0,0	2,3	1 602,5					
Total Agriculture and Maritime policy	54 981,2	57 637,1	54 781,4	54 644,9	199,8	2 992,3	0,36 %	5,48 %	36 647,7
— Environment and climate action	2 254,3	3 817,4	2 190,3	2 175,0	64,0	1 642,4	2,92 %	75,51 %	12 062,1
Contribution from NextGenerationEU	1,1	6,4	1,1	3 316,2					
Total Environment and climate action	*2 255,4*	*3 823,8*	*2 191,3*	*5 491,2*	*64,0*	*– 1 667,4*	*2,92 %*	*- 30,37 %*	12 062,1
Total voted appropriations	**57 235,5**	**61 454,5**	**56 969,4**	**55 217,3**	**266,1**	**6 237,2**	**0,47 %**	**11,30 %**	**48 709,8**
Ceiling	*57 316,0*		*57 100,0*						
of which under Flexibility Instrument	*0,0*		*0,0*						
of which under Single Margin Instrument (Article 11(1) point (a))	*0,0*		*0,0*						
of which under Single Margin Instrument (Article 11(1) point (c))	*0,0*		*0,0*						
Margin	*80,5*		*130,6*						
Of which: European Agricultural Guarantee Fund	**40 555,3**	**40 631,9**	**40 451,3**	**40 398,1**	**104,0**	**233,8**	**0,26 %**	**0,58 %**	**334,7**
EAGF sub-ceiling	*41 892,0*		*41 764,0*						
Rounding difference excluded for calculating the sub-margin	*0,5*		*0,8*						
Net transfers between EAGF and EAFRD	*– 1 301,5*		*– 1 222,8*						
Net balance available for EAGF expenditure	*40 590,5*		*40 541,2*						
Adjusted EAGF sub-ceiling corrected by transfers between EAGF and EAFRD	*40 591,0*		*40 542,0*						
EAGF sub-margin	*35,7*		*90,7*						
EAGF sub-margin (excluding the rounding difference)	*35,2*		*90,0*						

Heading 3 Natural resources and environment by cluster	Draft budget (DB) 2027		Budget 2026 (1)		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Contribution from NextGenerationEU	***1,1***	***6,4***	***3,4***	***4 918,7***					
Total available	***57 236,6***	***61 460,9***	***56 972,8***	***60 136,0***	***263,8***	***1 324,9***	***0,46 %***	***2,20 %***	***48 709,8***

(1) Budget 2026 includes draft amending budget 1 and 2/2026.

3.5.2. *Agriculture and maritime policy cluster*

(in million EUR, rounded figures at current prices)

Agriculture and maritime cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
European Agricultural Guarantee Fund	**40 555,3**	**40 631,9**	**40 451,3**	**40 398,1**	**104,0**	**233,8**	**0,26 %**	**0,58 %**	**334,7**
— Agricultural reserve	450,0	450,0	437,5	437,5	12,5	12,5	2,86 %	2,86 %	0,0
— Types of interventions in certain sectors under the CAP Strategic Plans	2 273,2	2 273,2	2 122,2	2 122,2	151,0	151,0	7,12 %	7,12 %	0,0
— Market-related expenditure outside the CAP Strategic Plans	568,0	636,6	841,0	805,9	– 273,0	– 169,3	- 32,46 %	- 21,01 %	233,6
— Direct payment types of interventions under the CAP Strategic Plans	36 706,0	36 706,0	36 385,5	36 385,5	320,5	320,5	0,88 %	0,88 %	0,0
— Direct payments outside the CAP Strategic Plans	447,3	447,3	453,9	453,9	– 6,7	– 6,7	- 1,47 %	- 1,47 %	0,0
— Policy strategy, coordination and audit	108,8	116,8	208,2	190,1	– 99,4	– 73,2	- 47,75 %	- 38,53 %	101,2
— Support Expenditure	1,2	1,2	2,0	2,0	– 0,8	– 0,8	- 38,78 %	- 38,78 %	0,0
— Completion of previous programmes and activities	0,8	0,8	1,0	1,0	– 0,2	– 0,2	- 20,00 %	- 20,00 %	0,0
European Agricultural Fund for Rural Development (EAFRD)	**13 410,4**	**15 776,8**	**13 331,7**	**11 537,5**	**78,7**	**4 239,3**	**0,59 %**	**36,74 %**	**32 651,8**
— Rural development types of interventions	13 380,1	15 740,0	13 301,4	11 500,0	78,7	4 240,0	0,59 %	36,87 %	32 611,9
— European Agricultural Fund for Rural Development (EAFRD) — Operational technical assistance	28,1	34,7	28,2	35,4	0,0	– 0,7	- 0,16 %	- 2,11 %	39,6
— European Agricultural Fund for Rural Development (EAFRD) — Operational technical assistance financed from the European Union Recovery Instrument (EURI)	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,2
— InvestEU Fund — Contribution from the EAFRD	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
— Support expenditure	2,1	2,1	2,1	2,1	0,0	0,0	2,10 %	2,10 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,1

Agriculture and maritime cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
European Maritime, Fisheries and Aquaculture Fund (EMFAF)	**812,3**	**1 014,1**	**802,9**	**935,1**	**9,4**	**79,0**	**1,17 %**	**8,44 %**	**3 612,0**
— European Maritime, Fisheries and Aquaculture Fund (EMFAF) — Operational expenditure under shared management	731,3	930,0	720,0	850,0	11,3	80,0	1,57 %	9,41 %	3 146,8
— European Maritime, Fisheries and Aquaculture Fund (EMFAF) — Operational expenditure under direct and indirect management	65,3	70,0	67,6	70,0	– 2,3	0,0	- 3,36 %	0,00 %	120,1
— European Maritime, Fisheries and Aquaculture Fund (EMFAF) — Operational technical assistance	5,9	5,5	5,6	5,5	0,3	0,0	5,29 %	0,00 %	6,4
— InvestEU Fund — Contribution from the European Maritime, Fisheries and Aquaculture Fund (EMFAF)	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
— Border Management and Visa Instrument (BMVI) — Contribution from the European Maritime, Fisheries and Aquaculture Fund (EMFAF)	1,6	0,3	1,5	1,3	0,0	– 1,0	1,57 %	- 77,02 %	4,9
— Support expenditure	8,3	8,3	8,3	8,3	0,0	0,0	- 0,02 %	- 0,02 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	333,9
Sustainable Fisheries Partnership Agreements (SFPA) and Regional Fisheries Management Organisations (RFMO)	**171,0**	**175,6**	**160,5**	**137,0**	**10,5**	**38,5**	**6,55 %**	**28,11 %**	**41,6**
— Establishing a governance framework for fishing activities carried out by Union fishing vessels in third-country waters	164,2	168,8	153,9	130,4	10,4	38,4	6,73 %	29,41 %	41,6
— Promoting sustainable development for fisheries management and maritime governance in line with the Common Fisheries Policy (CFP) objectives (compulsory contributions to international bodies)	6,8	6,8	6,6	6,6	0,2	0,2	2,37 %	2,37 %	0,0
Decentralised agencies	**32,3**	**32,3**	**31,3**	**31,3**	**0,9**	**0,9**	**3,02 %**	**3,02 %**	**0,0**
— European Fisheries Control Agency	32,3	32,3	31,3	31,3	0,9	0,9	3,02 %	3,02 %	0,0

Agriculture and maritime cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Pilot projects, preparatory actions, prerogatives and other actions	**0,0**	**6,5**	**1,5**	**3,3**	**– 1,5**	**3,3**	**- 100,00 %**	**99,61 %**	**7,5**
— Pilot projects	0,0	6,5	1,5	3,3	– 1,5	3,3	-100,00 %	99,61 %	7,5
— Preparatory actions	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
Total Agriculture and Maritime Policy cluster	**54 981,2**	**57 637,1**	**54 779,1**	**53 042,3**	**202,1**	**4 594,8**	**0,37 %**	**8,66 %**	**36 647,7**

3.5.2.1. Priorities for 2027

The **Common Agricultural Policy** (CAP) supports a fully integrated single market for agricultural goods in the EU and ensures access to safe, high quality, affordable, nutritious and diverse food, while placing emphasis on the environment and climate. It supports the transition towards a fully sustainable agricultural sector and the development of vibrant rural areas.

It consists of two pillars: the **European Agricultural Guarantee Fund** (EAGF) providing direct payments to farmers and market-related support, and the **European Agricultural Fund for Rural Development** (EAFRD) supporting the vibrancy and economic viability of rural areas, which under the current performance-based delivery model are consolidated under common objectives set at EU level.

The 28 CAP Strategic Plans 2023-2027 ([1]) devote 32 %, or slightly more than EUR 97 billion, of the total public CAP funding to delivering specific environmental benefits for climate, water, soil, air, biodiversity, and animal welfare and to encouraging practices that go beyond the conditionality requirements.

Several challenges for the EU agricultural markets and farmers, such as impact of imports of grains from Ukraine, high input prices, impact of food inflation, extreme adverse weather events like droughts and floods, as well as avian influenza and foot and mouth disease, were addressed by exceptional measures financed by the agricultural reserve. Altogether, around EUR 874 million was paid until end March 2026 for the exceptional measures supporting farmers adopted since 2023. The simplification amendments to the CAP Strategic Plan Regulation and the CAP Horizontal Regulation ([2]) aim – with a limited budgetary impact – to streamline CAP Strategic Plans legislation and implementation to better recognise the diverse situations of farms, to better equip farmers as entrepreneurs, improve competitiveness and provide Member States with more flexibility in managing their Plans.

European Agricultural Guarantee Fund (EAGF) net balance and agricultural reserve

The 2027 net balance available for the EAGF amounts to EUR 40 590,5 million, considering a net transfer of EUR 1 301,5 million from rural development to the EAGF. The latter includes transfers from the EAGF to the EAFRD and vice-versa, as decided by Member States and indicated in their CAP strategic plans.

In the draft budget 2027, the 'Agricultural reserve' amounts to EUR 450 million and is fully financed from the EAGF availabilities. Taking account of the estimated amount of assigned revenue, the appropriations requested in the 2027 draft budget, including those for the 'Agricultural reserve', are lower than the new net balance available for the EAGF, leaving a margin of EUR 35,2 million.

EAGF needs, assigned revenue, and budget appropriations

Overall, as illustrated in the table below, EAGF expenditure (referred to as 'needs') for 2027 is estimated at EUR 41 048,3 million, which is EUR 282,9 million lower than the needs in the 2026 budget. Considering an amount of EUR 493 million of assigned revenue expected to become available in 2027 and no anticipated carry-over of the agricultural reserve, the Commission requests EUR 40 555,3 million in commitment appropriations to finance the EAGF needs for 2027. This represents an increase in budget appropriations of EUR 544,0 million compared to the 2026 budget.

([1]) Member States have one Strategic Plan each, except Belgium, which has two: one for Flanders and one for Wallonia.

([2]) Regulation (EU) 2025/2649 of the European Parliament and of the Council of 19 December 2025 amending Regulation (EU) 2021/2115 as regards the conditionality system, types of intervention in the form of direct payment, types of intervention in certain sectors and rural development and annual performance reports and Regulation (EU) 2021/2116 as regards suspensions of payments, annual performance clearance and controls and penalties.

(in million EUR, rounded figures at current prices)

	Draft budget 2027			2026 budget			Difference		
	Needs	Assigned revenue/Agricultural reserve carry-over	Budget	Needs	Assigned revenue/Agricultural reserve carry-over	Budget	Needs	Assigned revenue/Agricultural reserve carry-over	Budget
	1	2	1-2	1	2	1-2	1	2	1-2
Agricultural reserve	450,0		450,0	828,9	391,4	437,5	– 378,9	– 391,4	12,5
Market support	2 841,2		2 841,2	2 963,2		2 963,2	– 122,0		– 122,0
Direct payments	37 646,3	493,0	37 153,3	37 627,9	788,5	36 839,4	18,3	– 295,5	313,8
Completion of previous measures	0,8		0,8	1,0		1,0	– 0,2		– 0,2
Other EAGF expenditure	110,0		110,0	210,1		210,1	– 100,2		– 100,2
TOTAL EAGF	**41 048,3**	**493,0**	**40 555,3**	**41 631,2**	**1 179,9**	**40 451,3**	**– 582,9**	**– 686,9**	**104,0**

Intervention in agricultural markets

Financial needs for market measures and interventions under the EAGF represent a relatively small part of the EAGF. The 2027 draft budget shows a decrease of EUR 122 million in commitment appropriations compared to the 2026 budget, including an increase of EUR 151 million for market interventions under the CAP Strategic Plans and a decrease of EUR 273 million for market expenditure outside the CAP Strategic Plans. Whereas the promotion measures under direct management (multi-programmes) are maintained at a relatively low level as a result of the mid-term revision of the MFF, lower needs are expected most notably for fruits and vegetables. The modifications proposed for several market measures reflect the updated needs assessments, considering the level of execution in recent years and the amounts planned by the Member States in their CAP Strategic Plans.

Direct payments

The EAGF needs are dominated by the expenditure for direct payments to farmers. 2027 will be the fourth year in which direct payments expenditure will cover the new schemes of the reformed CAP. The latter include decoupled direct payments (Basic Income Support for Sustainability, Complementary Redistributive Income Support for Sustainability, Complementary Income Support for Young Farmers and Schemes for the climate, the environment and animal welfare (eco-schemes)) and coupled direct payments (Coupled Income Support and crop-specific payment for cotton). 24 % of direct payments will be dedicated to eco-schemes. The needs will be determined by the national ceilings for calendar year 2026. Within the overall ceilings, Member States are offered a higher degree of flexibility in implementation compared to the previous schemes. Overall, the needs for direct payments increase by EUR 18,3 million compared to 2026. As the estimated assigned revenue in Draft Budget 2027 is EUR 295,5 million lower than in the 2026 budget (including DAB 2/2026), appropriations for direct payments increase by EUR 313,8 million.

Assigned revenue

In accordance with the Regulation on the financing of the CAP ([1]), certain operations (mainly corrections under financial and conformity and clearance procedures as well as recovery of irregularities) generate revenue assigned to the EAGF that are used to cover part of the needs for this fund. As a result, a distinction is made between requested budget appropriations and estimated expenditure ('needs'). Appropriations requested for the 2027 draft budget are lower than the estimated expenditure because an estimated amount of EUR 493 million in revenue is assigned to the EAGF. While in principle available to any EAGF measure, for the sake of simplification and better transparency the assigned revenue is taken into account in its entirety in the request for the appropriations for the Basic Income Support for Sustainability on budget item 08 02 04 01.

The assigned revenue estimated to be collected in 2027 is lower compared to the 2026 budget. The deferred amounts resulting from previous financial corrections have been cleared. In 2027, EUR 344 million in EAGF financial corrections is expected to be collected. The other source of assigned revenue in the 2027 draft budget relates to the recovery of irregularities under the EAGF, which is estimated at EUR 149 million.

European Agricultural Fund for Rural Development (EAFRD)

Support provided through the EAFRD makes a vital contribution to the sustainability of the rural environment and helps maintain a balance between urban and rural areas in a competitive and knowledge-based economy. It complements market interventions and direct income support granted to farmers under the EAGF.

For the period 2023-2027, around 48 % of the EAFRD allocation is earmarked for environmental and climate change-related interventions - well above the 35 % minimum requirement - therefore substantially contributing to enhanced environmental and climate action in line with the European Green Deal.

Commitment appropriations are based on the financial envelopes stipulated in Annex XI to the CAP Strategic Plan Regulation ([2]) and reflect the net transfer from the EAGF of EUR 1 301,5 million.

Overall payment appropriations are estimated to increase in 2027 by EUR 4 239,3 million compared to 2026, driven by the final closure payments for the programmes under Rural Development Programmes 2014-2022 as well as by the acceleration of the CAP Strategic Plans 2023-2027 given that the programmes reach their fifth year of implementation. The amount of payment appropriations under the Strategic Plans included in the Draft Budget 2027 reflects the latest available Member States forecasts submitted in January 2026, adjusted on the basis of historically observed forecast accuracies.

([1]) Regulation (EU) No 1306/2013 of the European Parliament and of the Council on the financing, management and monitoring of the common agricultural policy, in particular Article 43 thereof and Regulation (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing, management and monitoring of the common agricultural policy, OJ L 347, 20.12.2013, p. 549, ELI: http://data.europa.eu/eli/reg/2013/1306/oj.

([2]) Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013 (OJ L 435, 6.12.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/2115/oj), and as amended by Commission Delegated Regulation (EU) 2023/813 of 8 February 2023 as regards Member States' allocations for direct payments and the annual breakdown by Member State of the Union support for rural development, OJ L 102, 17.4.2023, p. 1, ELI: http://data.europa.eu/eli/reg_del/2023/813/oj.

European Maritime, Fisheries and Aquaculture Fund (EMFAF)

The **European Maritime, Fisheries and Aquaculture Fund (EMFAF)** ([1]) supports the implementation of the Common Fisheries Policy (CFP) and the Union's maritime policy, as well as the EU's international ocean governance agenda. It promotes sustainable fisheries and aquaculture, the conservation of marine biological resources, and food security, including through support for the processing and marketing of fisheries and aquaculture products. A key objective is to strengthen international ocean governance and foster safe, secure, clean, and sustainably managed seas and oceans. The EMFAF contributes to UN Sustainable Development Goal 14 - conserving and sustainably using oceans, seas, and marine resources - and advances the European Green Deal. Thanks to the CFP, significant progress has been made in improving the sustainability of fish stocks across several sea basins.

Following the request of Member States to transfer resources pursuant to Article 26 of the CPR, additional resources can be implemented under EMFAF in accordance with the rules of the instrument, for the benefit of the Member State concerned. In this context, EUR 2,1 million is transferred to EMFAF from the Cohesion Fund.

Programme	Name	Line	Draft budget 2027	
			CA	PA
European Maritime, Fisheries and Aquaculture Fund (EMFAF)			**2,1**	**2,5**
Of which:	European Maritime, Fisheries and Aquaculture Fund (EMFAF) — Contribution from the ERDF	05 02 08	0,0	0,0
	European Maritime, Fisheries and Aquaculture Fund (EMFAF) — Contribution from the Cohesion Fund (CF)	05 03 06	2,1	2,5
	European Maritime, Fisheries and Aquaculture Fund (EMFAF) — Contribution from the ESF+	07 02 10	0,0	0,0

For programmes implemented under shared management the Commission proposal for payment appropriations is based on the latest available Member States' forecast provided in January 2026, combined with the pace of implementation of past programmes and the progress on the ground.

The operational programmes of the European Maritime and Fisheries Fund (EMFF), the fund for the EU's maritime and fisheries policies for the 2014-2020 period, are closing, and final payment applications had to be submitted in 2025. The deadline for Member States to submit their closure package was 15 February 2026. As no new payment applications are accepted, no fresh payment appropriations are required for 2027. Any payment linked to the closure will be covered by assigned revenue stemming from the closure of the EMFF programmes, with an estimated assigned revenue of EUR 100 million.

For the European Maritime, Fisheries and Aquaculture Fund (EMFAF) in the 2021-2027 period, payment appropriations amounting to EUR 930 million are requested to support the ongoing implementation of operational programmes. As the programme implementation is now reaching cruising speed, a significant increase in payment claims from Member States is expected. Furthermore, given that 2027 is the third year to which the N+3 automatic decommitment rule applies, Member States have a strong incentive to submit sufficient payment applications and avoid potential decommitments of funds. This is confirmed by the January 2026 forecasts from Member States which indicate that programme implementation is gaining momentum.

([1]) Regulation (EU) 2021/1139 of the European Parliament and of the Council of 7 July 2021 establishing the European Maritime, Fisheries and Aquaculture Fund and amending Regulation (EU) 2017/1004, OJ L 247, 13.7.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/1139/oj.

Sustainable Fisheries Partnership Agreements (SFPAs) and Regional Fisheries Management Organisations (RFMOs)

The EU negotiates, concludes and implements bilateral Sustainable Fisheries Partnership Agreements (SFPAs) between the European Union and third countries. With the SFPAs, the Commission maintains a political dialogue on fisheries-related policies with third countries, in coherence with the principles governing the CFP and the commitments under other relevant European policies. Several SFPAs will expire in 2026-2027 and will be subject of negotiations.

The EU is also a member of several international bodies, including various Regional Fisheries Management Organisations (RFMOs) and bodies set up by the United Nations Convention on the Law of the Sea (UNCLOS), namely the International Seabed Authority and the International Tribunal for the Law of the Sea. RFMOs promote the conservation and sustainability of straddling and highly migratory fish stocks.

The **European Fisheries Control Agency (EFCA)** contributes to a consistent application of the CFP rules across the EU.

3.5.3. *Environmental and Climate Action policy cluster*

(in million EUR, rounded figures at current prices)

Environmental and Climate Action cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027–2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 – 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Programme for Environment and Climate Action (LIFE)	**845,7**	**784,4**	**815,1**	**718,6**	**30,6**	**65,8**	**3,75 %**	**9,16 %**	**2 781,0**
— Nature and biodiversity	348,9	218,0	328,8	200,5	20,1	17,5	6,10 %	8,72 %	962,9
— Circular economy and quality of life	198,7	168,0	186,7	139,4	12,0	28,6	6,43 %	20,49 %	557,8
— Climate change mitigation and adaptation	128,1	110,0	127,3	100,6	0,9	9,4	0,69 %	9,40 %	373,0
— Clean energy transition	139,5	165,0	142,4	119,3	– 2,9	45,8	- 2,05 %	38,36 %	377,3
— Support expenditure	30,4	30,4	29,9	29,9	0,6	0,6	1,88 %	1,88 %	0,0
— Completion of previous programmes and activities	0,0	93,0	0,0	129,0	0,0	– 36,0	0,00 %	- 27,91 %	510,0
Just Transition Fund	**1 280,5**	**2 904,7**	**1 255,3**	**1 339,6**	**25,1**	**1 565,1**	**2,00 %**	**116,83 %**	**9 144,7**
— Just Transition Fund (JTF) — Operational expenditure	1 276,0	2 900,0	1 251,0	1 333,0	25,0	1 567,0	2,00 %	117,55 %	9 133,0
— Just Transition Fund (JTF) — Operational technical assistance	4,5	4,7	4,4	6,6	0,1	– 1,9	2,00 %	- 28,82 %	11,7
— Support expenditure	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
Public sector loan facility under the Just Transition Mechanism (JTM)	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,00 %**	**0,00 %**	**93,6**
— Public sector loan facility under the Just Transition Mechanism (JTM)	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	93,6
— Support expenditure	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
Social Climate Fund (SCF)	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,00 %**	**0,00 %**	**0,0**
— Social Climate Fund (SCF) – operational expenditure	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
— Support expenditure	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0

Environmental and Climate Action cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027–2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 – 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Decentralised agencies	**93,0**	**93,0**	**86,1**	**86,1**	**6,8**	**6,8**	**7,94 %**	**7,94 %**	**0,0**
— European Chemicals Agency – Environmental directives and international conventions	22,2	22,2	18,1	18,1	4,1	4,1	22,52 %	22,52 %	0,0
— European Environment Agency	70,8	70,8	68,0	68,0	2,8	2,8	4,06 %	4,06 %	0,0
Pilot projects, preparatory actions, prerogatives and other actions	**35,2**	**35,3**	**33,7**	**30,7**	**1,5**	**4,6**	**4,30 %**	**15,05 %**	**42,8**
— Pilot projects	0,0	1,1	0,0	2,9	0,0	– 1,8	0,00 %	-63,41 %	4,8
— Preparatory actions	0,0	1,7	0,0	0,7	0,0	1,0	0,00 %	132,55 %	8,7
— Actions financed under the prerogatives of the Commission and specific powers conferred on the Commission	35,2	32,5	33,7	27,0	1,5	5,4	4,30 %	20,13 %	29,3
— Carbon Border Adjustment Mechanism	35,2	32,5	33,7	27,0	1,5	5,4	4,30 %	20,13 %	29,3
Total Environment and Climate Action cluster	**2 254,3**	**3 817,4**	**2 190,3**	**2 175,0**	**64,0**	**1 642,4**	**2,92 %**	**75,51 %**	**12 062,1**

3.5.3.1. Priorities for 2027

The key priority for the EU climate, energy and environment policy is to drive a green and competitive transition enhancing nature, promoting water and climate resilience and moving to a circular economy. Supporting the transposition and enforcement of the EU legal framework will be important, as well as assisting policy implementation on the ground with a focus on unlocking innovative investments that promote nature-based solutions, foster climate change mitigation and adaptation, circularity, energy efficiency and integrated renewables, boosting EU competitiveness.

A new emissions trading system (ETS 2) has been introduced in the revised ETS Directive ([1]) to stimulate cost-effective emission reductions in buildings, road transport, and additional sectors, which are not covered by the existing EU ETS, by covering fuels combusted in these sectors. The revenues generated from the auctioning of emission allowances in ETS 2 are used to support the Social Climate Fund (SCF), established by Regulation (EU) 2023/955 ([2]), which aims to address the social impacts of the new system on vulnerable groups in the EU. With its implementation starting in 2026, ahead of the ETS 2 start, the SCF plays a crucial role in mitigating the social effects of the transition to a low carbon economy and is an important component of the EU's efforts to ensure a just and equitable transition for all.

The introduction of CBAM mitigates the risk of carbon leakage as the EU strengthens its climate ambition and ensures fair pricing of greenhouse gas emissions associated with imported goods, as it forces importers to pay a carbon price equivalent to EU producers, encouraging cleaner industrial production worldwide. Additionally, the F-Gas and Ozone Regulation ([3]) as well as the EU certification framework for carbon removal ([4]), contribute to the Green Deal Industrial Plan efforts, strengthening Europe's net-zero technologies.

Programme for the environment and climate action LIFE

LIFE ([5]) will continue to support the protection of nature and biodiversity, the transition towards an energy efficient, renewable energy-based, circular, climate neutral and climate resilient economy and the protection and quality improvement of the EU's air, water and soils.

LIFE comprises four sub-programmes:

— The Nature and Biodiversity sub-programme is set to play a crucial role in delivering the EU's environmental objectives, with a focus on protecting and restoring EU's natural capital.

— The Circular Economy and Quality of Life sub-programme supports the development, implementation and enforcement of policies and legislation in the areas of circular economy, reduction of waste and zero pollution. Furthermore, it supports actions to improve environmental governance at all levels.

([1]) Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC, OJ L 275, 25.10.2003, p. 32, ELI: http://data.europa.eu/eli/dir/2003/87/oj.

([2]) Regulation (EU) 2023/955 of the European Parliament and of the Council of 10 May 2023 establishing a Social Climate Fund and amending Regulation (EU) 2021/1060, OJ L 130, 16.5.2023, p. 1, ELI: http://data.europa.eu/eli/reg/2023/955/oj.

([3]) Regulation (EU) 2024/573 of the European Parliament and of the Council of 7 February 2024 on fluorinated greenhouse gases, amending Directive (EU) 2019/1937 and repealing Regulation (EU) No 517/2014, OJ L 573, 20.02.2024, p. 1, ELI: http://data.europa.eu/eli/reg/2024/573/oj.

([4]) Regulation (EU) 2024/3012 of the European Parliament and of the Council of 27 November 2024 establishing a Union certification framework for permanent carbon removals, carbon farming and carbon storage in products, OJ L 3012, 6.12.2024, p. 1, ELI: http://data.europa.eu/eli/reg/2024/3012/oj.

([5]) Regulation (EU) 2021/783 of the European Parliament and of the Council of 29 April 2021 establishing a Programme for the Environment and Climate Action (LIFE), and repealing Regulation (EU) No 1293/2013, OJ L 172, 17.5.2021, p. 53, ELI: http://data.europa.eu/eli/reg/2021/783/oj.

— The Clean Energy Transition sub-programme plays a key role in supporting the EU's transition to a low-carbon economy, with a focus on the development and deployment of clean energy technologies. The sub-programme prioritises projects that support the implementation of the EU's Renewable Energy Directive ([1]) and the Energy Efficiency Directive ([2]), with a specific emphasis on the development of renewable energy sources and the improvement of energy efficiency in buildings and industry.

— The Climate Change Mitigation and Adaptation sub-programme focuses on reducing greenhouse gas emissions, improving climate resilience, and supporting the development of clean energy technologies, with a specific emphasis on the implementation of the EU's Climate Law ([3]). It also provides important support to the EU climate policy, e.g. by financing the functioning and security of the EU ETS Registry.

LIFE significantly contributes to the mainstreaming of climate related expenditure in the EU budget: 61 % of LIFE expenditure is expected to be climate relevant. The programme also significantly contributes to the overall biodiversity ambition with around 50 % of its budget.

Just Transition Mechanism (JTM)

One of the main components of the European Green Deal is the Just Transition Mechanism (JTM), which consists of three pillars: a Just Transition Fund (JTF) ([4]) implemented under shared management, a dedicated just transition scheme under InvestEU, and a public sector loan facility (PSLF) to mobilise additional investments to territories concerned.

Just Transition Fund (JTF)

To ensure that no one is left behind, the JTF supports those regions and sectors that are most affected by the transition to a climate-neutral economy, such as coal and lignite regions, and regions with carbon-intensive industries. The JTF invests in economic diversification and skills, among other support measures. It supports people in territories undergoing transition to develop skills and competences for the job market of the future and helps create new economic opportunities in these regions through business support (including start-up creation, business incubators and consulting services), and productive investments in SMEs and also, under certain conditions, in large enterprises. It also supports investments in the clean energy transition and energy efficiency. The JTF is implemented through shared management in line with the rules of the Common Provisions Regulation.

The incentives and flexibilities provided by the cohesion mid-term review also applied to programmes supported by the JTF, mobilising EUR 1,4 billion to support strategic priorities related to competitiveness as well as sustainable and affordable housing. The scope of JTF support was further expanded to cover standalone water investments, while direct support was made available for Seal of Excellence projects and Important Projects of Common European Interest, among other measures.

While NGEU commitments were frontloaded in the years 2021 to 2023, the corresponding payments may be made until the end of 2026. A limited amount corresponding to administrative support and technical assistance expenditure will still be committed and paid after the end of 2026.

([1]) Directive (EU) 2023/2413 of the European Parliament and of the Council of 18 October 2023 amending Directive (EU) 2018/2001, Regulation (EU) 2018/1999 and Directive 98/70/EC as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652, OJ L 2413, 31.10.2023, p. 1, ELI: http://data.europa.eu/eli/dir/2023/2413/oj.

([2]) Directive (EU) 2023/1791 of the European Parliament and of the Council of 13 September 2023 on energy efficiency and amending Regulation (EU) 2023/955 (recast) (Text with EEA relevance), OJ L 231/1, 20.9.2023, p.1, ELI: http://data.europa.eu/eli/dir/2023/1791/oj.

([3]) Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law'), OJ L 243, p.1, ELI: http://data.europa.eu/eli/reg/2021/1119/oj.

([4]) Regulation (EU) 2021/1056 of the European Parliament and of the Council of 24 June 2021 establishing the Just Transition Fund, OJ L 231, 30.6.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/1056/oj.

JTM Public Sector Loan Facility (PSLF)

The public sector loan facility ([1]) supports investments in the public sector through preferential funding conditions. These investments will benefit the territories most negatively affected by the climate transition as identified in the Territorial Just Transition Plans. The facility consists of a grant and a loan component. The grant component will reduce the financial burden for beneficiaries relating to the reimbursement of the loan to be provided by the European Investment Bank (EIB) or another financial partner. The second call for proposals was launched in October 2025 with a total available budget of EUR 630 million.

Any upcoming assigned revenue from repayments stemming from financial instruments ([2]) and the surplus of EFSI provisioning will be made available for implementation on the PSLF budget line for the last year of the MFF.

Social Climate Fund (SCF)

The Social Climate Fund Regulation was adopted as an accompanying measure linked to the creation of the new ETS2 covering road transport, buildings and certain types of fuels. It provides Member States with dedicated funding so that the most affected vulnerable groups, such as households in energy or transport poverty and micro enterprises, are directly supported, and not left behind during the green transition. The maximum envelope of the fund, in the form of assigned revenues, is EUR 65 billion plus 25 % national contribution, amounting to a total of EUR 86,7 billion in the period 2026-2032. To ensure a seamless and timely launch in 2026, the Commission has been providing extensive support to Member States, offering technical assistance and guidance on the preparation of the Social Climate Plans, with the goal of enabling swift and effective implementation, thereby maximising its impact on vulnerable households and enterprises.

Carbon Border Adjustment Mechanism (CBAM)

CBAM addresses the risk of carbon leakage, ensuring that domestic production and imports are subject to similar levels of carbon pricing, and encourages producers in third countries to adopt low carbon technologies. CBAM officially entered its definitive, fully operational regime on 1 January 2026. This marks the end of the two-year transitional phase and the start of financial obligations for importers. The first annual declaration and surrender of certificates for 2026 imports are due by 30 September 2027. Member States will begin selling CBAM certificates through a Common Central Platform as of 1 February 2027. The adopted Regulation ([3]) is based on a centralised governance model, which heavily involves the Commission in the implementation and requires the development and maintenance of a substantial IT system for the authorisation of declarants, oversight, review of declarations and emission reports, as well as litigation and recovery. The proposed amendments ([4]) have an additional impact on the CBAM IT budget. Consequently, an additional amount of EUR 29,9 million will be used in 2025-2027 for IT solutions, risk reduction measures, and outreach activities, to be partially redeployed from the Customs Control Equipment Instrument. Additionally, the development of the Common Central Platform has started in 2026 with an expected initial investment of EUR 5,5 million.

The **decentralised agencies** of this cluster - European Chemicals Agency (ECHA) – Environmental directives and international conventions and European Environment Agency (EEA) - provide sound and independent information on the environment enabling the development, adoption, implementation and evaluation of environmental policies.

([1]) Regulation (EU) 2021/1229 of the European Parliament and of the Council of 14 July 2021 on the public sector loan facility under the Just Transition Mechanism, OJ L 274, 30.7.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/1229/oj.
([2]) Financial instruments established under the programmes listed in Annex I of the PSLF Regulation.
([3]) Regulation (EU) 2023/956 of the European Parliament and of the Council of 10 May 2023 establishing a carbon border adjustment mechanism, OJ L 130, 16.5.2023, p. 52, ELI: http://data.europa.eu/eli/reg/2023/956/oj.
([4]) COM(2025) 87, 26.2.2025 and COM(2025)989, 17.12.2025.

3.5.4. *Payment appropriations for this heading*

Summary payment appropriations	Payment appropriations in DB 2027	DB 2027 - Share of total payment appropriations in heading 3	Payment appropriations in Budget 2026
Payments on spending programmes	61 245,5	99,66 %	55 023,8
of which the EAGF	*40 630,7*	*66,12 %*	*40 396,1*
of which for the multiannual financial framework 2021-2027	*17 281,8*	*28,12 %*	*13 698,7*
of which for the multiannual financial framework 2014-2020 and earlier (1)	*3 333,0*	*5,42 %*	*929,0*
Other payments (2)	209,1	0,34 %	193,6
Total	**61 454,5**	**100,00 %**	**55 217,3**

(1) Includes also payments for EAFRD commitments implemented on the basis of extended 2014-2020 programmes.
(2) Payments related to administrative support expenditure, decentralised agencies, pilot projects, preparatory actions, actions financed under the prerogatives of the European Commission and other actions.

The payment appropriations requested for this heading as a whole, result from: on the one hand, mainly non-differentiated expenditure under the EAGF, for which the payment appropriations requested in the 2027 draft budget reflect the needs for direct payments, market interventions and agricultural reserve; on the other hand, the draft budget reflects payment appropriations for differentiated expenditure under the other programmes, for which a distinction between the current and the previous programming period can be made.

Payments for current programmes

For the EAFRD under the CAP Strategic Plans 2023-2027, the implementation of the programmes is expected to further accelerate with a total of EUR 12,5 billion of payment appropriations included in the 2027 draft budget. A further EUR 35 million is foreseen for the operational technical assistance at the initiative of the Commission and EUR 2 million for support expenditures.

Given that in 2027 no pre-financing is due, the proposed payment appropriations for the EMFAF shared management of EUR 930 million only cover interim payments. For the EMFAF operational expenditure under direct and indirect management, an amount of EUR 83,8 million is included for payments to beneficiaries and to finance administrative and operational expenditure necessary for the implementation of the programmes. Finally, EUR 175,6 million are included for the fisheries agreements and RFMOs.

For LIFE, the amount of EUR 661 million relating to the new programme is mostly meant to cover first pre-financing at the regular level of 30 % for all types of action grants and second pre-financing at levels between 25 % to 50 %, depending on the advancement of projects. Additionally, payments for procurement and operating grants will be covered with this budget.

For the JTF, payment appropriations for operational expenditure under shared management in the 2027 draft budget will include only voted budget of EUR 2,9 billion. The Commission will continue to use external assigned revenue amounting to EUR 5,3 million (on top of EUR 4,5 million of voted budget appropriations) to finance projects under Technical Assistance at the initiative of the Commission. The total level of payment appropriations in the Draft Budget 2027 points to an acceleration of the implementation, mainly driven by Member States submitting sufficient payment applications to avoid any N+3 automatic decommitments.

No payment appropriations from the voted budget are planned for the public sector loan facility (PSLF) in 2027. Available assigned revenues will cover the needs.

Payments for previous programmes

For the EAFRD, the closure of the 2014-2022 programmes is expected in 2026 while the final payments will be executed in 2027. An amount of EUR 3,2 billion is included in the draft budget for this purpose. In addition, EUR 42 million is estimated as assigned revenue to be used for the same purpose.

As for the other CPR Funds, no payment needs are expected for the completion of the 2014-2020 European Maritime and Fisheries Fund (EMFF).

An amount of EUR 93 million is budgeted to implement the completion of the programme with final, interim and second pre-financing payments, on LIFE grants from the previous MFF.

Other payments

Finally, EUR 209,1 million is foreseen for payments under the heading, of which EUR 42,0 million covering administrative support expenditure for all the above programmes, EUR 125,3 million for decentralised agencies, EUR 9,3 million for pilot projects and preparatory actions and EUR 32,5 million for CBAM.

3.6. Heading 4 – Migration and border management

This heading finances the Union's migration and asylum policy as well as the protection of its external borders. The MFF mid-term revision has brought a reinforcement of EUR 2 billion under heading 4 over the period 2025-2027, of which EUR 1,2 billion in 2027 to manage urgent challenges and needs. The EU migration policy, based on the Pact on Migration and Asylum, ensures a comprehensive European approach to migration management, which includes fast and efficient procedures for asylum and return with stronger individual safeguards, a fair and more effective system of sharing of responsibility and solidarity, and more secure external borders while respecting fundamental rights. The support under this heading contributes to a European framework to manage the interdependence between Member States' policies and decisions and to offer a proper response to migration opportunities and challenges in normal times, in situations of pressure and in crisis situations, including the consequences of the Russia's war of aggression against Ukraine.

In 2027, funding will also allow addressing urgent challenges and needs related to migration and border management in frontline Member States, as well as in those affected by the wars in Ukraine and the Middle East. It will provide for the implementation of the Pact on Migration and Asylum, including new border procedures.

A large share of the EU budget for migration and border management is managed by Member States, which receive additional financial support via the Thematic Facility to meet relevant policy objectives. Member States are receiving a top-up to their programmes in support of the implementation of the Pact on Asylum and Migration and for hosting displaced persons with temporary protection (Ukraine). The implementation of the 2021-2027 national programmes will continue in 2027 based on the budgetary envelopes established in the financial programming, which include the top-ups agreed in the MFF mid-term revision for AMIF and BMVI.

3.6.1. *Summary table for commitment (CA) and payment (PA) appropriations*

(in million EUR, rounded figures at current prices)

Heading 4 Migration and border management by cluster	Draft budget (DB) 2027		Budget 2026 (1)		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— Migration	2 367,8	1 399,7	2 323,0	1 600,1	44,8	– 200,4	1,93 %	- 12,53 %	3 496,2
— Border Management	3 421,5	2 470,0	2 695,8	2 287,8	725,7	182,2	26,92 %	7,96 %	3 184,1
Total Voted Appropriations	**5 789,3**	**3 869,7**	**5 018,9**	**3 887,9**	**770,4**	**– 18,2**	**15,35 %**	**- 0,47 %**	**6 680,3**
Ceiling	*5 893,0*		*5 103,0*						
of which under Flexibility Instrument	*0,0*		*0,0*						
of which under Single Margin Instrument (Article 11(1) point (a))	*0,0*		*0,0*						
of which under Single Margin Instrument (Article 11(1) point (c))	*0,0*		*0,0*						
Margin	*103,7*		*84,1*						
Total available	***5 789,3***	***3 869,7***	***5 018,9***	***3 887,9***	***770,4***	***- 18,2***	***15,35 %***	***- 0,47 %***	**6 680,3**

(1) Budget 2026 includes draft amending budget 1 and 2/2026.

3.6.2. *Migration cluster*

(in million EUR, rounded figures at current prices)

Migration cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 – 2026		Difference 2027/2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 – 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Asylum, Migration and Integration Fund (AMIF)	**2 109,7**	**1 141,6**	**2 074,5**	**1 375,6**	**35,2**	**– 234,0**	**1,70 %**	**- 17,01 %**	**3 493,2**
— Asylum, Migration and Integration Fund (AMIF)	2 102,6	1 048,2	2 068,6	1 316,1	34,1	– 267,9	1,65 %	- 20,36 %	2 996,6
— Border Management and Visa Policy Instrument (BMVI) — Contribution from AMIF	2,3	0,3	0,1	0,1	2,1	0,2	1 400,22 %	126,65 %	0,9
— Internal Security Fund (ISF) – Contribution from AMIF	0,0	0,3	1,6	0,2	– 1,6	0,1	- 100,00 %	80,00 %	1,4
— Support expenditure for the Asylum, Migration and Integration Fund (AMIF)	4,8	4,8	4,2	4,2	0,6	0,6	14,29 %	14,29 %	0,0
— Completion of previous programmes and activities	0,0	88,0	0,0	55,0	0,0	33,0	0,00 %	60,00 %	494,3
Decentralised agencies	**258,1**	**258,1**	**248,5**	**224,5**	**9,6**	**33,6**	**3,85 %**	**14,96 %**	**3,0**
— **European Union Agency for Asylum (EUAA)**	258,1	258,1	248,5	224,5	9,6	33,6	3,85 %	14,96 %	3,0
Total Migration cluster	**2 367,8**	**1 399,7**	**2 323,0**	**1 600,1**	**44,8**	**– 200,4**	**1,93 %**	**- 12,53 %**	**3 496,2**

3.6.2.1. Priorities for 2027

The European Asylum and Migration Management Strategy ([1]) addresses the calls for migration policies that are fair, orderly and effective with a clear and balanced vision. The ambition of this strategy covering a period of five years is to prevent irregular migration and strengthen border security - but also to establish a migration and asylum system that is fair and firm, while remaining open to skills and talents, providing legal migration pathways to boost the EU economy. In this context, the EU addresses migration challenges with comprehensive and swift support to increase the capacity of Member States and to provide a policy response focused on saving lives, securing the external borders of the Union, supporting a strong common asylum policy, addressing irregular migration, return and readmission, and promoting a new policy for legal migration.

Areas of priority in 2027 are to support the full implementation and operationalisation of the Asylum and Migration Pact, the strengthening of migration diplomacy and of external borders, border procedures and expedited returns, with a more effective return and readmission system, addressing secondary movement and working with partners. Union support will focus on assisting and supporting Member States under migration pressure and experiencing instrumentalisation of migrants by third countries. Beyond crisis needs, the asylum, migration and border funds will continue to focus on better equipping the EU to address migration policy needs as well as border management in all frontline Member States. Additionally, labour and talent mobility would be strengthened to boost competitiveness.

The **Asylum, Migration and Integration Fund (AMIF)** ([2]) contributes to the efficient management of migration flows and to the implementation, strengthening and development of the common policy on asylum, fostering solidarity actions among Member States, and the common migration policy. The Thematic Facility under AMIF also allows for the financing of emergency assistance, resettlement and humanitarian admission, as well as relocation. In 2027 it will continue to support Member States' implementation of the Pact, while the European Social Fund+ and the European Regional Development Fund complement AMIF by providing support to facilitate the longer-term integration of refugees and persons granted temporary protection after the initial phase of reception. The external policy instruments also complement in this field. In 2027, EUR 5 million are proposed to be redeployed from AMIF to contribute to the shareholding of the Council of Europe Development Bank.

Following the request of Member States to transfer resources pursuant to Article 26 of the CPR, additional resources will be implemented under AMIF in accordance with the rules of the instrument, for the benefit of the Member State concerned. The appropriations are inscribed on separate budget lines.

Programme	Name	Line	Draft budget 2027	
			CA	PA
Asylum, Migration and Integration Fund (AMIF)			36,5	8,8
Of which:	— Asylum, Migration and Integration Fund (AMIF) – Contribution from BMVI	11 02 03	36,5	8,8
	— Asylum, Migration and Integration Fund (AMIF) – Contribution from ISF	12 02 02	0,0	0,0

The **European Union Asylum Agency** provides enhanced operational and technical assistance to the Member States, notably by offering increased support for asylum procedures.

([1]) COM(2026) 45, 29.1.2026.

([2]) Regulation (EU) 2024/1351 of the European Parliament and of the Council of 14 May 2024 on asylum and migration management, amending Regulations (EU) 2021/1147 and (EU) 2021/1060 and repealing Regulation (EU) No 604/2013, OJ L, 2024/1351, 22.5.2024, ELI: http://data.europa.eu/eli/reg/2024/1351/oj.

3.6.3. *Border management cluster*

(in million EUR, rounded figures at current prices)

Border Management cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1-2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Integrated Border Management Fund (IBMF) - Instrument for border management and visa (BMVI)	**1 813,0**	**756,4**	**1 131,5**	**751,1**	**681,5**	**5,4**	**60,23 %**	**0,71 %**	**2 570,7**
— Instrument for Financial Support for Border Management and Visa Policy	1 771,6	741,3	1 126,2	673,4	645,5	67,8	57,31 %	10,07 %	2 243,2
— Support expenditure	2,9	2,9	3,4	3,4	– 0,5	– 0,5	- 14,74 %	- 14,74 %	0,0
— Completion of previous programmes and activities	0,0	3,0	0,0	74,0	0,0	– 71,0	0,00 %	- 95,95 %	327,5
Integrated Border Management Fund (IBMF) - Instrument for financial support for customs control equipment (CCEi)	**144,0**	**205,5**	**140,7**	**114,4**	**3,3**	**91,0**	**2,35 %**	**79,54 %**	**281,2**
— Instrument for financial support for customs control equipment	143,9	205,4	140,6	114,4	3,3	91,0	2,35 %	79,60 %	281,2
— Support expenditure	0,1	0,1	0,1	0,1	0,0	0,0	2,35 %	2,35 %	0,0
Decentralised agencies	**1 464,5**	**1 508,1**	**1 423,6**	**1 422,2**	**40,9**	**85,8**	**2,87 %**	**6,03 %**	**332,1**
— European Border and Coast Guard Agency (Frontex)	1 140,2	1 140,2	1 106,9	1 106,9	33,2	33,2	3,00 %	3,00 %	0,0
— European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA)	324,4	367,9	316,7	315,3	7,7	52,6	2,42 %	16,68 %	332,1
Total Border Management cluster	**3 421,5**	**2 470,0**	**2 695,8**	**2 287,8**	**725,7**	**182,2**	**26,92 %**	**7,96 %**	**3 184,1**

3.6.3.1. Priorities for 2027

Strong external borders and a harmonised implementation of the common visa policy, together with a genuinely Common European Asylum System, allow for a fully functioning Schengen area without internal border controls. Strong external borders require adequate support to the Member States facing most pressure because of their geographical location. The focus on ensuring strong external borders will involve support to up-to-date and interoperable IT systems as well as the use of smart technologies.

The **Integrated Border Management Fund** (IBMF) comprises the **Instrument for Financial Support for Border Management and Visa Policy** (BMVI) ([1]) and the **Customs Control Equipment Instrument** (CCEI) ([2]).

The BMVI provides support for an effective European integrated border management at the external borders, helping Member States to properly manage the various challenges and risks at those borders and overcome the differences in terms of capacity and resources.

In 2027, support to Member States for their implementation of the Pact on Asylum and Migration, from the thematic facility of the BMVI will notably strengthen the new elements introduced by the Pact in relation to the management of the external border of the Union, regarding the roll-out of the IT systems for border management and the screening of third country nationals arriving to the EU without fulfilling the conditions for entry, with independent monitoring mechanisms monitoring the respect of fundamental rights during the screening procedure. The border management policy will be implemented by the European Border and Coast Guard, as a shared responsibility of the **European Border and Coast Guard Agency (FRONTEX)** and the national authorities responsible for border management, facilitating legitimate border crossings, preventing and detecting irregular migration and cross-border crime and managing migration effectively.

In addition, BMVI contributes to a common visa policy ensuring a harmonised approach for the issuance of visas procedures, facilitating legitimate travel, while helping to prevent migratory and security risks. Following the adoption of the EU Visa strategy ([3]), EU funding will ensure implementation of Visa policy and of the EU Visa strategy. In particular, it will support Member States' consulates in processing applications from non-EU nationals with specialised skills and strong innovation and research potential, with a focus on Talent Partnership countries. It will further finance the development of national components and necessary adaptations of large-scale IT systems (Visa Information system), strengthen processing capacities and support measures such as an EU Visa support Office.

The BMVI supports the development of relevant large-scale IT systems for the border management and visa policy, as well as their interoperability, supporting also those IT systems with a multi-purpose character. The Thematic Facility under the BMVI allows for the financing of inter alia emergency assistance, equipment and IT development. Following the request of Member States to transfer resources pursuant to Article 26 of the CPR, additional resources will be made available under BMVI in accordance with the rules of the instrument, for the benefit of the Member State concerned. The appropriations are inscribed on separate budget lines.

([1]) Regulation (EU) 2021/1148 of the European Parliament and of the Council of 7 July 2021 establishing, as part of the Integrated Border Management Fund, the Instrument for Financial Support for Border Management and Visa Policy, OJ L 251, 15.7.2021, p. 48, ELI: http://data.europa.eu/eli/reg/2021/1148/oj.

([2]) Regulation (EU) 2021/1077 of the European Parliament and of the Council of 24 June 2021 establishing, as part of the Integrated Border Management Fund, the instrument for financial support for customs control equipment, OJ L 234, 2.7.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/1077/oj.

([3]) COM(2026) 43, 29.1.2026.

Programme	Name	Line	Draft budget 2027	
			CA	PA
Integrated Border Management Fund (IBMF)			97,6	24,4
Of which:	Border Management and Visa Instrument (BMVI) — Contribution from the ERDF	05 02 07	52,8	16,8
	Border Management and Visa Instrument (BMVI) — Contribution from the CF	05 03 05	14,0	2,4
	Border Management and Visa Instrument (BMVI) — Contribution from the ESF+	07 02 09	27,0	4,6
	Border Management and Visa Instrument (BMVI) — Contribution from the EMFAF	08 04 05	1,6	0,3
	Border Management and Visa Instrument (BMVI) — Contribution from the AMIF	10 02 02	2,3	0,3

Additionally, the total voted appropriations of the Border Management and Visa Instrument under the Integrated Border Management Fund include the specific reinforcement under Article 5 of the MFF Regulation, which have been established with the technical adjustment of the MFF for 2027 as foreseen in Article 4(1), point (e) of the MFF Regulation. For the Border Management and Visa Instrument, this represents EUR 274,0 million in commitment appropriations.

(in million EUR, rounded figures at current prices)

Programme	Name	Line	Draft budget 2027	Of which, allocation under MFFR Article 5
			CA	CA
Integrated Border Management Fund (IBMF)			**1 957,0**	**274,0**
Of which:	Border Management and Visa instrument (BMVI)	11 02 01	1 771,6	274,0

The **Customs Control Equipment Instrument** (CCEI) provides financial support to Member States' customs administrations for the purchase, maintenance, and upgrade of state-of-the-art customs control equipment for border crossing points and customs laboratories. Customs controls facilitate legitimate business activity and trade, contributing to a secure and efficient customs union, thus protecting the financial and economic interests of the Union and its Member States.

Decentralised agencies in the area of freedom, security and justice stand at the core of a fully integrated EU border management system. **FRONTEX** continues to build up a standing corps of border guards, whereas the European Union Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA) continues revising and upgrading existing EU information systems, and developing new systems for the implementation of migration policy.

3.6.4. *Payment appropriations for this heading*

Summary payment appropriations	Payment appropriations in DB 2027	DB 2027 - Share of total payment appropriations in heading 4	Payment appropriations in Budget 2026
Payments on spending programmes	2 095,7	54,16 %	2 233,5
of which for the multiannual financial framework 2021-2027	*2 004,7*	*51,81 %*	*2 104,5*
of which for the multiannual financial framework 2014-2020 and earlier	*91,0*	*2,35 %*	*129,0*
Other payments ([1])	1 773,9	45,84 %	1 654,4
Total	**3 869,7**	**100,00 %**	**3 887,9**

([1]) Payments related to administrative support expenditure, decentralised agencies, pilot projects and preparatory actions.

The table above shows the total payment appropriations requested for the heading, broken down according to whether they will be needed for new programmes, or the outstanding commitments of prior multiannual periods. The increase in payments related to the 2021-2027 period reflects notably the payment levels requested for interim payments which have been assessed considering the latest available Member States' forecasts, past experience regarding the pace of implementation of the programmes and current implementation on the ground, as well as the clearing of the 2023 pre-financing. For AMIF and BMVI, this represents respectively 84 % and 95 % of 2027 payment appropriations requested in the Draft Budget under the operational budget line of each Fund, whereas the request for CCEI takes account of the implementation issues experienced in 2025 and 2026.

3.7. **Heading 5 – Security and defence**

This heading addresses security and defence challenges, and an approach to complex threats that no Member State can meet on its own. Several Commission proposals have been adopted in recent years, in particular to provide essential funding to strengthen defence activities.

The European Defence Fund has been reinforced for the period of 2024-2027 by an amount of EUR 1,5 billion – of which EUR 375 million in 2027 – following the MFF mid-term revision and the adoption of STEP. STEP is the common European action to support EU industry and boost investments in critical technologies such as digital and deep-tech, clean and resource efficient technologies as well as biotechnologies in Europe. In that context, STEP is channelling significant additional investments into projects that are awarded a 'STEP Seal'.

The European Defence Industry Programme (EDIP) has an envelope of EUR 1,5 billion entirely redeployed from EDF. EDIP will ensure the competitiveness of the European Defence Technological and Industrial Base focusing on the availability and supply of defence products as identified in the European Defence Industrial Strategy (EDIS) ([1]) contribute to Europe's strategic autonomy and support the Ukrainian defence industry's modernisation. As part of EDIP, the Ukraine support instrument (USI) with a dedicated budget of EUR 300 million, contributes to the recovery, reconstruction and modernisation of the Ukrainian Defence Technological and Industrial Base (DTIB) with a view to increasing its defence industrial readiness, taking into account its possible future integration into the European DTIB, through cooperation between the Union and Ukraine.

([1]) JOIN(2024) 10, 5.3.2024.

The White Paper for European Defence and ReArm Europe plan/Readiness 2030 ([1]) include targeted amendments to existing EU funding programmes which will support faster, more flexible and coordinated investments in Europe's defence technological and industrial base whereas it broadens the ability of the EU and Member States to develop, scale up and innovate in key defence capabilities, while streamlining access to EU funds for defence-related projects. In particular, the proposal broadens the scope of STEP to cover defence-related technologies and products. Also, the mid-term review of the cohesion policy provides several flexibilities and financial incentives for Member States to voluntarily re-programme their cohesion resources towards their defence capabilities.

The SAFE instrument ([2]) will provide up to EUR 150 billion in loans to enable Member States to invest in key defence capabilities such as missile defence, drones and cybersecurity. The funds will be raised on capital markets and disbursed to Member States upon demand, based on national plans. The Commission also invited Member States to activate the national escape clause of the Stability and Growth Pact, which will provide them additional budgetary space to increase their defence spending, within the EU fiscal rules.

In addition, the programme for agile and rapid defence innovation (AGILE) ([3]) builds on the EU Defence Industry Transformation Roadmap, which highlighted the need for increased speed, flexibility and risk-taking in addressing evolving capability requirements. With a proposed budget of EUR 115 million, to be financed from redeployment, AGILE will focus on the development of solutions addressing priority capability needs, identified in close cooperation with Member States and industry. It is designed to accelerate the transition from innovation to deployment, with a targeted time-to-grant of four months. It will provide targeted support to a broader range of New Defence Players, including small and medium-sized enterprises (SMEs), start-ups and scale-ups to foster a more dynamic and responsive European defence innovation ecosystem.

([1]) Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) 2021/694, (EU) 2021/695, (EU) 2021/697, (EU) 2021/1153, (EU) 2023/1525 and 2024/795, as regards incentivising defence-related investments in the EU budget to implement the ReArm Europe Plan, COM(2025) 188 final, 22.04.2025.

([2]) Council Regulation (EU) 2025/1106 of 27 May 2025 establishing the Security Action for Europe (SAFE) through the Reinforcement of the European Defence Industry Instrument.

([3]) COM(2026) 135, 25.3.2026.

3.7.1. *Summary table for commitment (CA) and payment (PA) appropriations*

(in million EUR, rounded figures at current prices)

Heading 5 Security and defence by cluster	Draft budget (DB) 2027		Budget 2026 (1)		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1-2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— Security	794,4	745,9	810,4	838,7	– 16,0	– 92,8	-1,98 %	-11,06 %	1 365,8
— Defence	2 272,0	1 485,2	2 003,1	1 414,6	268,9	70,6	13,42 %	4,99 %	3 866,7
Total voted appropriations	**3 066,4**	**2 231,1**	**2 813,5**	**2 253,3**	**252,9**	**– 22,2**	**8,99 %**	**- 0,99 %**	**5 232,5**
of which under Flexibility Instrument	*0,0*		*3,5*						
of which under Single Margin Instrument (Article 11(1) point (a))	*0,0*		*0,0*						
of which under Single Margin Instrument (Article 11(1) point (c))	*0,0*		*0,0*						
Ceiling	*3 080,0*		*2 810,0*						
Margin	*13,6*		*0,0*						
Total available	***3 066,4***	***2 231,1***	***2 813,5***	***2 253,3***	***252,9***	***- 22,2***	***8,99 %***	***- 0,99 %***	**5 232,5**

(1) Budget 2026 includes draft amending budget 1 and 2/2026.

3.7.2. *Security cluster*

(in million EUR, rounded figures at current prices)

Security cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1-2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Internal Security Fund (ISF)	**289,9**	**183,0**	**326,9**	**270,8**	**– 37,0**	**– 87,8**	**- 11,32 %**	**- 32,41 %**	**715,8**
— Internal Security Fund (ISF)	287,5	172,5	324,5	243,3	– 37,0	– 70,8	- 11,41 %	- 29,09 %	616,2
— Support expenditure	2,5	2,5	2,5	2,5	0,0	0,0	0,82 %	0,82 %	0,0
— Completion of previous programmes and activities	0,0	8,0	0,0	25,0	0,0	– 17,0	0,00 %	- 68,00 %	99,6
Nuclear decommissioning (Lithuania)	**82,3**	**130,2**	**74,6**	**130,1**	**7,7**	**0,1**	**10,34 %**	**0,07 %**	**315,2**
— Nuclear decommissioning assistance to Lithuania	82,3	127,7	74,6	130,1	7,7	– 2,5	10,34 %	- 1,89 %	308,1
— Support expenditure	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
— Completion of previous programmes and activities	0,0	2,6	0,0	0,0	0,0	2,6	0,00 %	100,00 %	7,1
Nuclear Safety and decommissioning (incl. For Bulgaria and Slovakia)	**89,9**	**98,0**	**78,6**	**110,2**	**11,3**	**– 12,2**	**14,40 %**	**- 11,06 %**	**303,8**
— Kozloduy programme	9,0	0,2	9,9	0,1	– 0,9	0,1	- 9,09 %	65,22 %	308,1
— Bohunice programme	0,1	0,2	4,6	19,9	– 4,5	– 19,8	- 97,52 %	- 99,05 %	44,9
— Decommissioning and Waste Management Programme of the Joint Research Centre (JRC)	78,2	57,0	61,6	47,0	16,7	10,0	27,10 %	21,28 %	57,6
— Support expenditure	2,6	2,6	2,5	2,5	0,1	0,1	2,04 %	2,04 %	0,0
— Completion of previous programmes and activities	0,0	38,1	0,0	40,7	0,0	– 2,6	0,00 %	- 6,28 %	157,6
—Decentralised agencies	**308,0**	**311,0**	**306,4**	**304,9**	**1,6**	**6,1**	**0,53 %**	**2,00 %**	**7,6**
— European Union Agency for Law Enforcement Cooperation (Europol)	254,1	257,1	257,9	256,4	– 3,8	0,7	- 1,49 %	0,26 %	4,6
— European Union Agency for Law Enforcement Training (CEPOL)	12,4	12,4	12,9	12,9	– 0,6	– 0,6	- 4,40 %	- 4,40 %	0,0
— European Union Drugs Agency (EUDA)	30,4	30,4	35,5	35,5	– 5,1	– 5,1	- 14,37 %	- 14,37 %	3,0

Security cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1-2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— EU Centre on Child Sexual Abuse (CSA)	11,1	11,1	0,0	0,0	11,1	11,1	100,00 %	100,00 %	0,0
—Pilot projects, preparatory actions, prerogatives and other actions	**24,3**	**23,7**	**23,9**	**22,8**	**0,4**	**1,0**	**1,47 %**	**4,18 %**	**23,4**
— Preparatory actions	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,4
— Actions financed under the prerogatives of the Commission and specific powers conferred on the Commission	24,3	23,7	23,9	22,8	0,4	1,0	1,47 %	4,18 %	23,1
Total Security cluster	**794,4**	**745,9**	**810,4**	**838,7**	**– 16,0**	**– 92,8**	**- 1,98 %**	**- 11,06 %**	**1 365,8**

3.7.2.1. Priorities for 2027

Security is fundamental to ensuring citizens' safety, protecting their fundamental rights, and fostering the strength of, and the trust in, our economies, societies and democracies. Security threats have become increasingly complex, stemming from criminals' ability to operate across borders, exploit social and economic disparities, and navigate between the physical and digital worlds. Security has an inherently cross-border dimension and requires a strong, coordinated EU response. To be ready to protect its citizens, Europe also needs a step change to enhance its open strategic autonomy and to build well-designed and streamlined instruments in relation to defence. The seventh progress report ([1]) on the implementation of the EU Security Union Strategy ([2]) includes an overview of the implementation of the Strategy, outlining the crucial legislative and non-legislative initiatives adopted by the Commission that now need to be fully and effectively implemented. In April 2025, the Commission presented a new European internal security strategy, ProtectEU ([3]), to support EU countries in guaranteeing security for their citizens, with a stronger legal framework, better information-sharing and closer cooperation.

The **Internal Security Fund** (ISF) ([4]) contributes to ensuring a high level of security in the Union, in particular by preventing and combating terrorism and radicalisation, serious and organised crime, and cybercrime, by assisting and protecting victims of crime, as well as by preparing for, protecting against and effectively managing security-related incidents, risks and crises. The ISF will help develop networks and common systems for efficient cooperation between national authorities and improve the capacity of the Union to face security threats. This will be complemented by efforts to strengthen cybersecurity in all relevant programmes focused on digital technologies, infrastructures and networks, research and innovation as well as targeted defence against cybercrime, notably through the Digital Europe Programme and Horizon Europe.

Following the request of Member States to transfer resources pursuant to Article 26 of the CPR, additional resources will be implemented under ISF in accordance with the rules of the instrument, for the benefit of the Member State concerned. The appropriations are inscribed on separate budget lines.

Programme	Name	Line	Draft budget 2027	
			CA	PA
Internal Security Fund (ISF)			1,9	0,8
Of which:	— Internal Security Fund (ISF) – Contribution from AMIF	10 02 03	0,0	0,3
	— Internal Security Fund (ISF) – Contribution from BMVI	11 02 02	1,9	0,5

Through the nuclear decommissioning assistance programme and the nuclear safety and decommissioning programmes, the EU continues to provide targeted financial support for **the decommissioning and safety of nuclear activities** in Lithuania, Bulgaria and Slovakia, as well as for its own nuclear research installations. The 2021-2027 programmes address objectives linked to ensuring the dissemination of knowledge and the sharing of experience in all relevant areas, such as research and innovation, regulation and training, and developing potential Union synergies. The EU budget also finances nuclear safeguards and provides support for the health of workers and the general public, preventing environmental degradation and contributing to nuclear safety and security.

Decentralised agencies - the European Union Agency for Law Enforcement Cooperation (Europol), the European Union Agency for Law Enforcement Training (CEPOL), the European Union Drugs Agency (EUDA) and the proposed EU Centre to prevent and counter child sexual abuse are placed under this cluster and contribute to the strengthening of the different aspects of the Union's internal security.

([1]) COM(2024) 198, 15.5.2024.
([2]) COM(2020) 605, 24.7.2020.
([3]) COM(2025) 148, 1.4.2025.
([4]) Regulation (EU) 2021/1149 of the European Parliament and of the Council of 7 July 2021 establishing the Internal Security Fund, OJ L 251, 15.7.2021, p. 94, ELI: http://data.europa.eu/eli/reg/2021/1149/oj.

For 2027, EUR 16,5 million were planned to be allocated to CSA, to be redeployed from the Internal Security Fund (ISF). However, pending the outcome of the negotiations on the creation of this new agency and the delays in the launch of the agency compared to the assumptions at the time of the proposal, only EUR 11,1 million are proposed to be entered in the budget. Hence, the difference of EUR 5,4 million would remain with ISF.

3.7.3. *Defence cluster*

(in million EUR, rounded figures at current prices)

Defence cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1-2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
European Defence Fund (Non Research)	**735,8**	**589,2**	**663,9**	**541,8**	**71,9**	**47,4**	**10,83 %**	**8,75 %**	**1 918,4**
— Capability development	731,6	585,0	660,1	535,0	71,5	50,0	10,83 %	9,35 %	1 898,7
— Support expenditure	4,2	4,2	3,8	3,8	0,4	0,4	10,79 %	10,79 %	0,0
— Completion of previous programmes and activities	0,0	0,0	0,0	3,0	0,0	– 3,0	0,00 %	- 100,00 %	19,7
European Defence Fund (Research)	**271,5**	**264,8**	**335,7**	**278,7**	– 64,3	– 13,9	-19,14 %	-4,97 %	891,6
— Defence research	256,7	250,0	322,1	265,0	– 65,4	– 15,0	- 20,30 %	- 5,66 %	891,6
— Support expenditure	14,8	14,8	13,7	13,7	1,1	1,1	8,31 %	8,31 %	0,0
Military Mobility	**256,2**	**151,9**	**261,3**	**169,4**	– 5,1	– 17,5	-1,94 %	-10,32 %	406,1
— Military mobility	254,3	150,0	259,4	167,5	– 5,1	– 17,5	- 1,96 %	- 10,45 %	406,1
— Support expenditure	1,9	1,9	1,9	1,9	0,0	0,0	0,83 %	0,83 %	0,0
Short-term Defence instrument on common procurement	**0,0**	**67,0**	**0,0**	**100,0**	0,0	– 33,0	0,00 %	-33,00 %	237,0
— Instrument for the reinforcement of European defence industry through common procurement	0,0	67,0	0,0	100,0	0,0	– 33,0	0,00 %	- 33,00 %	237,0
— Support expenditure	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
Defence Industrial Reinforcement Instrument	**0,0**	**65,0**	**0,0**	**100,0**	0,0	– 35,0	0,00 %	-35,00 %	289,8
— Defence Industrial Reinforcement Instrument	0,0	65,0	0,0	100,0	0,0	– 35,0	0,00 %	- 35,00 %	289,8
— Support expenditure	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
European Defence Industry Programme	**843,7**	**227,3**	**621,3**	**94,7**	222,5	132,5	35,81 %	139,95 %	0,0
— European Defence Industry Programme	683,5	110,0	456,5	58,9	227,0	51,1	49,72 %	86,85 %	0,0
— Ukraine Support Instrument	148,0	105,0	148,0	19,1	0	85,9	49,72 %	86,85 %	0,0
— Support expenditure	10,3	10,3	14,8	14,8	– 4,5	– 4,5	- 30,49 %	- 30,49 %	0,0
Union Secure Connectivity Programme	**49,8**	**90,0**	**121,0**	**130,0**	– 71,2	– 40,0	-58,84 %	-30,77 %	123,4

Defence cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1-2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— Union Secure Connectivity — Contribution from Heading 5	49,8	90,0	121,0	130,0	– 71,2	– 40,0	- 58,84 %	- 30,77 %	123,4
Programme for agile and rapid defence innovation (AGILE)	**115,0**	**30,0**							
— Programme for agile and rapid defence innovation (AGILE)	115,0	30,0							
— **Pilot projects, preparatory actions, prerogatives and other actions**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,00 %**	**0,00 %**	**0,5**
— Preparatory actions	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,5
Total Defence cluster	**2 272,0**	**1 485,2**	**2 003,1**	**1 414,6**	**268,9**	**70,6**	**13,42 %**	**4,99 %**	**3 866,7**

3.7.3.1. Priorities for 2027

In the area of defence, the Union encourages and leverages Member States' collaboration in developing the defence capabilities needed to address common security challenges by co-funding with the Member States industrial consortia to collaborate on both large and small research and development actions. The **European Defence Fund** (EDF) ([1]) fosters the competitiveness and innovative capacity of the defence industry throughout the Union by supporting collaborative research and development actions at each stage of the industrial cycle. This will avoid duplication, allow for economies of scale and ultimately result in a more efficient use of taxpayers' money. In this respect, the EU Strategic Compass sets out an ambitious plan for action for strengthening the EU's security and defence policy by 2030. In addition, the Commission proposes that the Union enhances its strategic transport infrastructures to make them fit for military mobility, through the CEF.

Regulation (EU) 2025/2643 establishing the EDIP programme was adopted on 16 December 2025 and follows up the phasing-out of the two short term defence instruments:

— The **European defence industry Reinforcement through common Procurement Act** (EDIRPA), which aimed at fostering the competitiveness of the EU's Defence Technological and Industrial Base (EDTIB) by supporting cooperation between Member States in the field of defence common procurement.

— **The Act in Support of Ammunition Production** (ASAP) establishing a **Defence Industrial Reinforcement Instrument** . The instrument aimed at targeting the industrial capacity ramp up and ensuring availability of ground-to-ground and artillery ammunition as well as missiles required to maintain the continuous support to Ukraine.

The EDIP envelope of EUR 1,5 billion has been entirely redeployed from EDF. The programme will ensure the competitiveness of the European Defence Technological and Industrial Base (EDTIB) focusing on the availability and supply of defence products as identified in the European Defence Industrial Strategy (EDIS) ([2]) and contribute to Europe's strategic autonomy and support the Ukrainian defence industry's modernisation. EDIP will also contribute to the establishment and deployment of European Defence Projects of Common Interest (EDPCI). These new, ambitious collaborative industrial projects contributing to the development of Member States' military capabilities critical for the security and defence interests of the Union will benefit a wider part of the EU.

Moreover, as part of EDIP, the Ukraine support instrument (USI) with a dedicated budget of EUR 300 million, contributes to the recovery, reconstruction and modernisation of the Ukrainian Defence Technological and Industrial Base (DTIB) with a view to increasing its defence industrial readiness, taking into account its possible future integration into the European DTIB, through cooperation between the Union and Ukraine. The biannual 2026-2027 EDIP work programme was adopted by the Commission at the end of March 2026.

On 25 March 2026, the Commission adopted a proposal for a new Programme for Agile and Rapid Defence Innovation (AGILE). The relatively small envelope of EUR 115 million in 2027 is explained by the short duration of the programme, building on the EU Defence Industry Transformation Roadmap, which highlighted the need for increased speed, flexibility and risk-taking in addressing evolving capability requirements. AGILE will focus on the development of solutions addressing priority capability needs, identified in close cooperation with Member States and industry. It is designed to accelerate the transition from innovation to deployment, with a targeted time-to-grant of four months. It will provide support to a broader range of New Defence Players, including small and medium-sized enterprises, start-ups and scale-ups to foster a more dynamic and responsive European defence innovation ecosystem. AGILE is fully financed by the redeployment from existing programmes: Space (EUR 22,5 million), Union Secure Connectivity Programme (EUR 22,5 million), EDF (EUR 35 million) and EDIP (EUR 35 million).

([1]) Regulation (EU) 2021/697 of the European Parliament and of the Council of 29 April 2021 establishing the European Defence Fund and repealing Regulation (EU) 2018/1092, OJ L 170, 12.5.2021, p. 149, ELI: http://data.europa.eu/eli/reg/2021/697/oj.

([2]) JOIN(2024) 10, 5.3.2024.

The reallocations from existing programmes have been designed to maintain the effectiveness of the source programmes and ensure that ongoing commitments and activities can continue as planned. The Union support provided under AGILE will, in most cases, benefit the same entities that were participating in the source programmes, but in a more targeted and faster manner. This is particularly relevant for EDF, which will see its objectives complemented by this initiative. For EDIP, the budget reallocation comes from the part of the budget initially allocated to support actions, mostly targeting SMEs, while channelling this funding through AGILE will ensure an effective and impactful Union support to the same group of target beneficiaries. Finally, the programme's support for emerging and disruptive defence solutions for defence in the space domain will also have a positive spill-over effect on the EU Space Programme and the Secure Connectivity Programme, ultimately contributing to the Union's space policy objectives. AGILE is also of pilot nature as it can be used to test some of the provisions included in the proposal for the forthcoming European Competitiveness Fund (ECF) ([1]).

3.7.4. *Payment appropriations for this heading*

Summary payment appropriations	Payment appropriations in DB 2027	DB 2027 - Share of total payment appropriations in heading 5	Payment appropriations in Budget 2026
Payments on spending programmes	1 858,2	83,29 %	1 884,6
of which for the multiannual financial framework 2021-2027	*1 809,6*	*81,11 %*	*1 815,9*
of which for the multiannual financial framework 2014-2020 and earlier	*48,7*	*2,18 %*	*68,7*
Other payments ([1])	372,9	16,71 %	368,7
Total	**2 231,1**	**100,00 %**	**2 253,3**

([1]) Payments related to administrative support expenditure, decentralised agencies, pilot projects, preparatory actions, actions financed under the prerogatives of the European Commission and other actions.

The table above shows the total payment appropriations requested for the heading, broken down according to whether they will be needed to finance new programmes, or the outstanding commitments of prior multiannual periods.

ISF interim payments have been assessed considering the latest available Member States' forecasts, past experience regarding the pace of implementation of the programmes and current implementation on the ground, as well as the clearing of the 2023 pre-financing. It represents 60 % of the 2027 payment appropriations requested in the Draft Budget under the operational budget line of the ISF.

3.8. **Heading 6 – Neighbourhood and the world**

The geopolitical world order has been rapidly changing. There are protracted and emerging crises at the EU's borders, global economic downturns, shifting external aid dynamics, and threats to international law and multilateralism. In this new reality, the EU needs to adapt its approach.

EU external action financing will build stronger and more resilient strategic autonomy and cater for the Union's competitiveness. Strategic interests including economic security, migration management, connectivity, energy security, and critical raw material supply chains will underpin the EU's external action agenda.

([1]) COM(2025) 555, 17.7.2025.

Meanwhile, in an uncertain geopolitical environment, the EU will continue to cooperate with key third countries and position itself as a predictable and reliable partner. The continued leveraging of the Team Europe approach will be crucial in this respect. The EU will continue to deliver on international commitments and uphold multilateralism and international law, while providing continued funding to well-established horizontal priorities ([1]).

The external action budget is under heavy pressure due to competing needs and limited budgetary availabilities in the last year of the current MFF. Therefore, it is essential to use the budget both efficiently and effectively. Against this backdrop, the EU's external action budget in 2027 will foster strategic opportunities in key geographies; address the humanitarian-development-peace nexus, including responding to crises in the Middle East; support candidate countries on their enlargement track; and continue its unwavering support to Ukraine.

In a volatile and evolving world, the EU will act in line with its economic foreign policy and geopolitical needs. The EU will step up its cooperation with Greenland responding directly to geopolitical developments in the Arctic region. Increased support will focus on critical raw materials, energy security, and digital connectivity, as well as on improving Greenland's administrative capacities. The EU will also ramp up its cooperation with other strategic partners in key geographies such as Australia, India, and South America. The new free trade agreements with these partners will open new markets for EU businesses, provide access to critical raw materials supply chains, and embed a strong emphasis on shared values.

Nowhere has the EU stepped up more decisively than in its unwavering support to Ukraine. The most recent example of this steadfast commitment is the Ukraine Support Loan: a financial support package of EUR 90 billion for 2026-2027. This package will strengthen Ukraine's defence capabilities and safeguard its financial stability by delivering substantial budget support. Moreover, it will complement existing support mechanisms, including the Macro Financial Assistance and the Ukraine Facility, which has been crucial to address the country's fiscal needs and enhance its resilience, while facilitating its path towards EU accession. Additionally, through the Ukraine Loan Cooperation Mechanism, the EU is collecting extraordinary revenues generated by the immobilised Russian Sovereign Assets to support, notably the early repayment of the G7 Extraordinary Revenues Acceleration Loans. In doing so, the Union is leveraging its strength to ensure a just and lasting peace, including a sovereign and prosperous Ukraine, and will continue to do so for as long as it takes.

Other key geographic areas where the EU will have to play a more direct and active role given the multitude of needs are the Southern Neighbourhood, the Middle East, and Sub-Saharan Africa.

The EU, together with its Member States, as the largest humanitarian donor worldwide, will also continue to position itself as a predictable and principled humanitarian donor. The withdrawal of the United States opens the door for the EU to emerge as the leading actor behind the humanitarian reset, championing a more resilient needs-based system, which is fit for the future.

The war with Iran and its spillover effects into neighbouring countries, including on energy and food security; the deepening humanitarian crises in Gaza and Lebanon; as well as continued conflict in Sudan and the wider region have not only led to immense human suffering but also to the displacement of millions of people in the EU's immediate neighbourhood. In Lebanon alone, more than 1 million people have been displaced since the start of the crisis, whereas more than 12 million people have been displaced following the outbreak of the civil war in Sudan. Exacerbated by massive funding cuts of the United States and other major donors, these crises, if not addressed immediately, might lead to unprecedented migratory flows towards the EU's external borders. Providing rapid humanitarian relief will therefore not only help to alleviate human suffering but also cater for basic livelihood opportunities in countries affected by disasters, which will contribute to mitigating further population movements.

([1]) As per the NDICI Regulation, 30 % of the NDICI financial envelope is expected to contribute to climate objectives; at least 20 % of the Official Development Assistance (ODA) funded under the instrument to social inclusion and human development, and indicatively 10% to actions supporting management and governance of migration and forced displacement, within the objectives of the NDICI-Global Europe, and actions to address the root causes of irregular migration and forced displacement when they directly target specific challenges related to migration and forced displacement.

Development cooperation is an important vehicle to finance actions addressing the root causes of fragility, irregular migration, and forced displacement. The EU will continue to provide assistance to enhance the protection of the most vulnerable groups, as well as assist third countries in border management and fight against human trafficking. Next to cooperating in migration management with key countries in Sub-Saharan Africa, the Middle East, and North Africa, an important partner country in this respect is Türkiye, including in the context of the war with Iran. Therefore, the EU will continue its support to refugees in Türkiye.

The crises in the Middle East will have long-lasting consequences. The EU will continue its support for the stabilisation and resilience of partner countries in the region as well as contribute to early reconstruction, when conditions allow for it. In the Southern Neighbourhood overall, the EU will work on strengthening further partnerships through the Pact for the Mediterranean focussing on the areas of education, skills, energy, security and migration.

The EU will continue investing in digital infrastructure, clean energy and transport corridors through Global Gateway. It will mobilise private investments together with Member States and development finance institutions and accompany the twin green and digital transitions beyond Europe's borders. Building on the upcoming Global Health Resilience Initiative, improvement of health infrastructure and fighting diseases will also be essential.

The Union will continue supporting actions covering peace, stability and conflict prevention in situations of emerging crisis, protracted crisis, and post-crisis. Moreover, the EU will enhance cooperation with partner countries on strengthening resilience to Foreign Information Manipulation and Interference (FIMI) and on devising collective approaches to tackle hybrid and cyber threats. These actions will be accompanied by a consistent and coherent EU policy outreach, including through public and cyber diplomacy in line with the Strategic Compass and the EU Security Strategy.

A key driver for long-term security, peace and prosperity is EU enlargement, promoting common values and fostering economic growth in candidate countries. EU assistance to candidate countries will continue to support the implementation of agreed political, legal, and economic reforms. It will enable candidate countries to progressively align with EU rules, standards, policies and practices and fulfil the requirements of the EU accession process.

The enlargement policy in the Western Balkans region is producing concrete results, most notably in the case of Montenegro, which has indicated a clear ambition to provisionally close all negotiation chapters by the end of 2026. Likewise, the pre-accession support to Moldova through the Reform and Growth Facility for Moldova has led to rapid progress of the country on its enlargement track alongside Ukraine which has been making progress despite relentless Russian attacks.

3.8.1. *Summary table for commitment (CA) and payment (PA) appropriations*

(in million EUR, rounded figures at current prices)

Heading 6 Neighbourhood and the world by cluster	Draft budget (DB) 2027		Budget 2026		Difference 2027-2026		Difference 2027/2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1-2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— External Action	12 833,2	14 373,1	12 898,4	14 367,3	– 65,1	5,9	-0,51 %	0,04 %	35 515,9
— Pre-Accession Assistance	2 634,6	2 287,5	2 701,7	2 202,4	– 67,0	85,1	-2,48 %	3,86 %	8 554,5
Total voted appropriations	**15 467,9**	**16 660,6**	**15 600,0**	**16 569,7**	**– 132,2**	**91,0**	**- 0,85 %**	**0,55 %**	**44 070,4**
Ceiling	*16 071,0*		*15 614,0*						
of which under Flexibility Instrument	*0,0*		*0,0*						
of which under Single Margin Instrument (Article 11(1) point (a))	*0,0*		*0,0*						
of which under Single Margin Instrument (Article 11(1) point (c))	*0,0*		*0,0*						
offset of the Single Margin Instrument (Article 11(1)(c))	– 503,1								
Margin	100,0		*14,0*						
Total available	***15 467,9***	***16 660,6***	***15 600,0***	***16 569,7***	***- 132,2***	***91,0***	***- 0,85 %***	***0,55 %***	**44 070,4**

3.8.2. *External action cluster*

(in million EUR, rounded figures at current prices)

External action cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Neighbourhood, Development and International Cooperation Instrument — Global Europe	**10 066,8**	**11 576,1**	**10 172,0**	**11 367,2**	**– 105,2**	**208,9**	**- 1,03 %**	**1,84 %**	**33 484,6**
— Geographic programmes	7 668,9	9 081,7	7 821,3	7 881,8	– 152,4	1 199,9	- 1,95 %	15,22 %	26 079,3
— Thematic programmes	716,3	917,6	738,0	1 040,7	– 21,7	– 123,1	- 2,95 %	- 11,83 %	2 353,3
— Rapid response actions	579,7	544,9	462,0	591,1	117,6	– 46,1	25,46 %	- 7,81 %	1 963,3
— Emerging challenges and priorities cushion	729,4	159,0	782,9	782,9	– 53,6	– 623,9	- 6,84 %	- 79,69 %	0,0
— Support expenditure	372,6	372,6	367,7	367,7	4,9	4,9	1,33 %	1,33 %	0,0
— Completion of previous programmes and activities	0,0	500,2	0,0	703,1	0,0	– 202,8	0,00 %	- 28,85 %	3 088,7
European Instrument for International Nuclear Safety Cooperation (INSC)	**50,9**	**38,6**	**47,2**	**44,6**	**3,7**	**– 6,0**	**7,82 %**	**- 13,44 %**	**138,6**
— Nuclear safety, radiation protection and safeguards	24,9	33,0	45,6	38,0	– 20,7	– 5,0	- 45,40 %	- 13,16 %	122,1
— INSC — Provisioning of the common provisioning fund	24,4	0,0	0,0	0,0	24,4	0,0	100,00 %	0,00 %	0,0
— Support expenditure	1,6	1,6	1,6	1,6	0,0	0,0	0,76 %	0,76 %	0,0
— Completion of previous programmes and activities	0,0	4,0	0,0	5,0	0,0	– 1,0	0,00 %	- 20,00 %	16,5
Overseas Countries and Territories (OCT)	**75,4**	**99,8**	**74,3**	**83,2**	**1,1**	**16,6**	**1,47 %**	**19,90 %**	**151,8**
— All overseas countries and territories	8,7	4,4	14,6	3,4	– 5,9	0,9	- 40,25 %	26,45 %	9,1
— Overseas countries and territories other than Greenland	4,5	61,0	47,9	57,7	– 43,4	3,3	- 90,70 %	5,70 %	108,8
— Greenland	60,8	32,4	10,5	20,0	50,4	12,4	481,82 %	62,00 %	33,1
— Support expenditure	1,4	1,4	1,4	1,4	0,0	0,0	1,34 %	1,34 %	0,0
— Completion of previous programmes and activities	0,0	0,6	0,0	0,7	0,0	– 0,1	0,00 %	- 8,07 %	0,8

External action cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Humanitarian aid (HUMA)	**1 962,4**	**1 917,8**	**1 962,5**	**2 189,2**	**0,0**	**– 271,3**	**0,00 %**	**- 12,39 %**	**1 208,0**
— Humanitarian aid	1 866,6	1 828,8	1 868,5	2 095,9	– 1,9	– 267,1	- 0,10 %	- 12,74 %	1 155,7
— Disaster prevention, disaster risk reduction and preparedness	84,5	77,7	82,8	82,1	1,7	– 4,5	2,00 %	- 5,42 %	52,3
— Support expenditure	11,4	11,4	11,2	11,2	0,2	0,2	1,68 %	1,68 %	0,0
Common Foreign and Security Policy (CFSP)	**414,7**	**420,0**	**404,2**	**407,8**	**10,5**	**12,3**	**2,61 %**	**3,01 %**	**75,1**
— Civilian Common Security and Defence Policy (CSDP)	356,7	362,0	347,4	351,0	9,3	11,0	2,68 %	3,14 %	33,9
— European Union Special Representatives	24,1	24,1	23,1	23,1	0,9	0,9	4,08 %	4,08 %	0,1
— Non-proliferation and disarmament	33,7	33,7	32,5	32,5	1,2	1,2	3,68 %	3,68 %	41,1
— Support expenditure	0,3	0,3	1,2	1,2	– 0,9	– 0,9	- 75,00 %	- 75,00 %	0,0
Ukraine Macro-financial Assistance Plus (MFA+)	**0,3**	**0,3**	**0,3**	**0,3**	**0,0**	**0,0**	**6,67 %**	**6,67 %**	**154,7**
— Ukraine MFA+ interest rate subsidy	0,3	0,3	0,3	0,3	0,0	0,0	6,67 %	6,67 %	154,7
Union Secure Connectivity	**50,0**	**80,0**	**50,0**	**70,0**	**0,0**	**10,0**	**0,00 %**	**14,29 %**	**50,0**
— Union Secure Connectivity Programme - Contribution from Heading 6	50,0	80,0	50,0	70,0	0,0	10,0	0,00 %	14,29 %	50,0
Pilot projects, preparatory actions, prerogatives and other actions	**212,7**	**240,5**	**187,9**	**205,0**	**24,8**	**35,5**	**13,17 %**	**17,31 %**	**253,0**
— Pilot projects	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,0
— Preparatory actions	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	0,1
— Other actions	111,9	136,1	87,0	111,0	24,8	25,0	28,50 %	22,53 %	97,7
— Macro-financial assistance (MFA) grants	64,5	64,5	61,5	61,5	3,0	3,0	4,92 %	4,92 %	0,2
— International organisations and agreements	27,3	27,3	25,5	25,3	1,8	2,0	6,99 %	7,86 %	0,6
— Council of Europe Development Bank — Provision of paid-up shares of subscribed capital	20,0	20,0	0,0	0,0	20,0	20,0	100,00 %	100,00 %	0,0

External action cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1 - 2)		(1 / 2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
— Actions financed under the prerogatives of the Commission and specific powers conferred to the Commission	100,8	104,4	100,9	93,9	– 0,1	10,5	-0,05 %	11,14 %	155,3
— International Organisations of Vine and Wine	0,1	0,1	0,1	0,1	0,0	0,0	0,00 %	0,00 %	0,0
— External trade relations and Aid for Trade	17,6	19,5	20,7	18,9	– 3,1	0,6	- 15,20 %	3,17 %	26,4
— Information policy and strategic communication for external action	53,0	54,1	51,0	49,3	1,9	4,8	3,81 %	9,67 %	58,4
— Strategic evaluations and audits	21,5	18,5	20,7	18,3	0,8	0,2	3,91 %	1,16 %	49,5
— Promotion of the coordination between the Union and Member States on development cooperation and humanitarian aid	8,7	12,2	8,3	7,3	0,3	4,9	4,11 %	66,72 %	21,0
Total External Action cluster	**12 833,2**	**14 373,1**	**12 898,4**	**14 367,3**	**– 65,1**	**5,9**	**- 0,51 %**	**0,04 %**	**35 515,9**

3.8.2.1. Priorities for 2027

The **Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI-GE)** ([1]) with a total envelope of EUR 10.1 billion will continue to be the main vehicle for EU external support in 2027. NDICI-GE will answer to the developments in the Middle East and their possible spill-over effects on other partner countries, while continuing to underpin the EU's commitment to the eradication of poverty and advance on the targets set by the Sustainable Development Goals.

The Southern Neighbourhood budget envelope of EUR 1 784 million in 2027 will be used to implement key initiatives identified in the Joint Communication on the Pact for the Mediterranean of October 2025 ([2]), contributing to further social and economic development, better preparedness and enhanced security of partners. Out of this envelope, migration actions in North Africa will be funded at the level of EUR 210 million, targeting the needs of migrants and local communities, addressing migration management and legal migration mobility. Allocations for partner countries in the Middle East will address the regional repercussions of the war in Iran, recovery and early reconstruction in Syria and Gaza, and the needs of Syrian refugees and host communities.

In the Arctic region, a new support package for Greenland of EUR 200 million for 2026-2027 will focus on critical raw materials, energy, and digital connectivity, as well as supporting Greenland's administrative capacities.

More than EUR 2,8 billion in the draft budget 2027 is dedicated to geographic programmes in Sub-Saharan Africa intended to underpin regional engagement and bilateral partnerships. These partnerships will include EU support for the Migrant Protection, Return and Reintegration Programme for Sub-Saharan Africa (MPRR-SSA) to address critical challenges related to migration and mobility between the EU and Africa, as well as within the African continent. The EU will also continue to contribute to global health, including through the EU's pledge of EUR 185 million in 2027 to the Global Fund to Fight AIDS, Tuberculosis and Malaria.

The EU will make available funds for digital connectivity, sustainable infrastructure and the energy transition in Asian partner countries in 2027 reflecting the ambitions of the EU–ASEAN Summit in 2025. Given the increased vulnerability of the region to energy shocks and natural disasters, NDICI-GE will fund not only disaster preparedness but also the green and digital transitions. In this respect, EUR 500 million will be made available in 2026-2027 to support engagement with India on their green transition.

Funding in Latin America and the Caribbean in 2027 will focus on climate finance and resilience. The implementation of the newly signed EU–Mercosur Trade Agreement will receive an amount of EUR 350 million, most of which will be directed to leverage investment across Mercosur members.

Global Gateway is set to transition from start-up to scale-up. As flagships are being consolidated, the new EU Investment Hub will facilitate access of EU businesses to Global Gateway funding and streamline flagship initiatives. In 2027, Global Gateway will deliver on the EU's competitiveness agenda. Investments will be channelled to support countries' green transition of partner countries and ensure security of critical raw materials supply chains by investing in sustainable extraction and processing.

Through the Rapid Response Pillar of NDICI-GE with an envelope of EUR 579,5 million, the EU will continue to address urgent global foreign policy needs; provide conflict prevention rapidly and effectively; and respond to situations of crisis or instability. Following the escalation in the Middle East and the Gulf, this envelope will be crucial to provide quick and efficient crisis response support to further strengthen resilience to multi-faceted crises in the wider region. Actions will also strengthen resilience to FIMI and tackle disinformation in key partner countries in the Eastern Neighbourhood and Central Asia by reinforcing networks of civil society and independent media.

([1]) Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe, amending and repealing Decision No 466/2014/EU of the European Parliament and of the Council and repealing Regulation (EU) 2017/1601 of the European Parliament and of the Council and Council Regulation (EC, Euratom) No 480/2009, OJ L 209, 14.6.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/947/oj.

([2]) JOIN(2025) 26, 16.10.2025.

Following the entry into force of Regulation (EU) 2026/995 ([1]), the surplus of European Fund for Sustainable Development (EFSD) provisions, as reported in Working Document XI attached to the draft budget 2027, will be used for the provisioning of the EFSD+ guarantee. A resulting saving of EUR 503 million increases the unallocated margin under Heading 6 and will be used to cover part of the financing of the Ukraine Support Loan interest rate costs via the offsetting of the mobilisation of the Single Margin Instrument (Article 11(1) point (c) of the MFF Regulation).

In 2027, EUR 20 million will provisionally be allocated for the Union's membership in the Council of Europe Development Bank (CEB) following the Commission's Recommendation for a Council Decision ([2]). Overall budget neutrality is ensured by redeployments under the following three programmes: Employment and Social Innovation (EaSI) strand of the European Social Fund Plus (ESF+) (Heading 2b), Asylum, Migration and Integration Fund (AMIF) (Heading 4) and NDICI-GE (Heading 6). The amount will be placed in reserve and will only be made available when the Council Decision is adopted in 2027.

([1]) Regulation (EU) 2026/995 of the European Parliament and of the Council of 29 April 2026 amending Regulation (EU) 2021/947 as regards increased efficiency of the External Action Guarantee, OJ L, 2026/995, 4.5.2026, ELI: http://data.europa.eu/eli/reg/2026/995/oj.

([2]) COM(2026) 131, 24.3.2026.

(in million EUR, rounded figures at current prices)

Geographic and thematic programmes of the NDICI — Global Europe	Draft budget (DB) 2027		Budget 2026		Difference 2027-2026		Difference 2027/2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1-2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
Geographic programmes	**7 668,9**	**9 081,7**	**7 821,3**	**7 881,8**	**– 152,4**	**1 199,9**	**- 1,95 %**	**15,22 %**	**26 079,3**
— Southern Neighbourhood	1 784,1	1 590,0	1 863,8	1 143,9	– 79,7	446,1	- 4,27 %	38,99 %	5 032,1
— Reform and Growth Facility for the Republic of Moldova	81,5	77,9	114,8	48,4	– 33,3	29,6	- 29,01 %	61,12 %	0,0
— Eastern Neighbourhood	253,2	228,0	249,9	327,0	3,3	– 99,0	1,32 %	- 30,26 %	1 376,1
— Neighbourhood — Territorial and cross-border cooperation and supporting measures	89,7	117,7	88,5	114,7	1,2	2,9	1,36 %	2,56 %	148,7
— West Africa	1 116,0	1 138,9	1 046,6	1 032,8	69,4	106,0	6,63 %	10,27 %	4 727,0
— East and Central Africa	1 083,9	1 117,7	1 012,4	1 025,6	71,5	92,2	7,06 %	8,99 %	4 464,9
— Southern Africa and Indian Ocean	590,9	633,8	549,4	580,0	41,4	53,8	7,54 %	9,28 %	2 862,2
— Middle East and Central Asia	243,8	258,0	247,5	274,1	– 3,7	– 16,1	- 1,50 %	- 5,86 %	1 047,7
— South and East Asia	394,8	485,0	371,2	482,0	23,6	3,0	6,35 %	0,62 %	1 930,9
— The Pacific	15,4	95,0	79,0	80,0	– 63,6	15,0	- 80,52 %	18,75 %	374,2
— The Americas	166,6	273,0	187,0	250,0	– 20,4	23,0	- 10,91 %	9,20 %	1 090,3
— The Caribbean	62,1	89,0	71,8	80,0	– 9,7	9,0	- 13,53 %	11,25 %	338,3
— Erasmus+ — NDICI — Global Europe contribution	290,0	282,3	290,0	276,7	0,0	5,6	0,00 %	2,02 %	280,5
— European Development Fund — ACP Investment Facility reflows	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %	147,8
— NDICI — Global Europe — Provisioning of the common provisioning fund	1 496,9	2 695,4	1 649,3	2 166,6	– 152,4	528,8	- 9,24 %	24,41 %	2 258,7
Thematic programmes	**716,3**	**917,6**	**738,0**	**1 040,7**	**– 21,7**	**– 123,1**	**- 2,95 %**	**- 11,83 %**	**2 353,3**
— Election observation missions — Human Rights and Democracy	41,1	39,0	39,2	36,0	1,9	3,0	4,84 %	8,33 %	72,2
— Fundamental rights and freedoms — Human Rights and Democracy	120,9	170,0	115,3	175,0	5,5	– 5,0	4,80 %	- 2,86 %	397,1
— Civil Society Organisations	157,2	201,0	157,8	198,0	– 0,7	3,0	- 0,42 %	1,52 %	652,6
— Peace, Stability and Conflict Prevention	109,1	120,0	104,0	105,0	5,1	15,0	4,86 %	14,29 %	284,9

Geographic and thematic programmes of the NDICI — Global Europe	Draft budget (DB) 2027		Budget 2026		Difference 2027-2026		Difference 2027/2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1-2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	
— People — Global Challenges	110,7	120,0	84,2	266,3	26,5	– 146,3	31,55 %	- 54,94 %	251,7
— Planet — Global Challenges	101,0	114,6	110,8	71,0	– 9,8	43,6	- 8,84 %	61,41 %	338,6
— Prosperity — Global Challenges	60,6	115,0	82,0	114,3	– 21,5	0,7	- 26,19 %	0,64 %	261,9
— Partnerships — Global Challenges	15,9	38,0	44,7	75,1	– 28,8	– 37,1	- 64,53 %	- 49,40 %	94,4
Rapid response actions	**579,7**	**544,9**	**462,0**	**591,1**	**117,6**	**– 46,1**	**25,46 %**	**- 7,81 %**	**1 963,3**
— Crisis response	212,3	220,0	202,4	240,0	9,8	– 20,0	4,86 %	- 8,33 %	264,3
— Resilience	327,3	279,9	221,4	316,1	105,9	– 36,1	47,84 %	- 11,43 %	1 582,3
— Foreign policy needs	40,1	45,0	38,2	35,0	1,9	10,0	4,86 %	28,57 %	116,6
Emerging challenges and priorities cushion	**729,4**	**159,0**	**782,9**	**782,9**	**– 53,6**	**– 623,9**	**- 6,84 %**	**- 79,69 %**	**0,0**
Support expenditure	**372,6**	**372,6**	**367,7**	**367,7**	**4,9**	**4,9**	**1,33 %**	**1,33 %**	**0,0**
Completion of previous programmes and activities	**0,0**	**500,2**	**0,0**	**703,1**	**0,0**	**– 202,8**	**0,00 %**	**- 28,85 %**	**3 088,7**
Sub-total	**10 066,8**	**11 576,1**	**10 172,0**	**11 367,2**	**– 105,2**	**208,9**	**- 1,03 %**	**1,84 %**	**33 484,6**

The **European Instrument for International Nuclear Safety Cooperation (INSC)** ([1]) underpins the long-standing commitment of the EU to support nuclear safety and radiation protection worldwide. In 2027, assistance will continue to address the consequences of the unprovoked Russian aggression by enhancing nuclear safety and radioactive waste management in Ukraine. The instrument will also contribute to a more global Emergency Preparedness and Response framework for nuclear and radiological incidents based on EU expertise. For example, in Armenia, the instrument will continue to improve the safety of power plants and align its regulatory framework with EU standards. Furthermore, in Central Asia the EU will fund radioactive waste management with a focus on the environmental remediation of uranium legacy sites.

The Council Decision on the association of the **Overseas Countries and Territories including Greenland (DOAG)** ([2]) aims to promote the economic and social development of the overseas countries and territories (OCTs) and strengthen their economic ties with the Union. With an envelope of EUR 75,4 million, the instrument will enhance the OCTs' competitiveness and resilience, reduce their economic and environmental vulnerability and promote cooperation with partners. For Greenland, the 2027 funding allocation under this instrument will complement the funding for critical raw materials and digital connectivity provided under NDICI-GE. In particular, the funding of the OCT instrument will continue to address the needs identified by Greenland with a focus on education and green growth. For the other OCTs, the support is based on individual priorities chosen by each OCT, in addition to intraregional programmes.

Through the **Humanitarian Aid instrument** with an envelope of EUR 1 962 million in 2027, the EU will provide needs-based humanitarian assistance to people affected by disaster. The EU support will save lives, alleviate human suffering, and safeguard the integrity and dignity of populations affected by natural disasters or man-made crises. New and ongoing crises in and around the Middle East, particularly as a result of the US-Iran war, conflict in Lebanon as well as other protracted crises in Ukraine, Gaza, Afghanistan, Yemen, and Sudan are exacerbating global food insecurity, displacing populations and require urgently needed humanitarian assistance. As the largest humanitarian donor, the EU, together with its Member States, will play a pivotal role in shaping the Humanitarian Reset, an UN-wide reform process to make humanitarian aid more effective. Sustained and predictable EU humanitarian funding will therefore be essential not only to provide acute humanitarian relief on the ground but also to cater for basic livelihood needs that will minimise new population movements and limit potential spill-over effects to other countries. Responding to natural disasters on a global scale, the EU will also continue swift humanitarian assistance to countries in Southeast Asia as well as in Latin America and the Caribbean. With climate change leading to more extreme weather events in the future, a swift response will remain crucial for countries affected by natural disasters.

In 2027, Union funding will also make a tangible impact by preserving peace, strengthening international security, fostering international cooperation and promoting EU values abroad, notably through the **Common Foreign and Security Policy(CFSP)** with an envelope of EUR 414,7 million. These objectives will continue to be advanced through the deployment of civilian Common Defence and Security Policy (CSDP) missions and eleven EU Special Representatives (EUSRs) worldwide. The EU Border Assistance Mission for the Rafah Crossing Point, for instance, plays an important role in building up the Palestinian capacity in border management. Meanwhile, the CSDP mission to Ukraine (EUAM) will continue to advise on security, police, judiciary, prosecution, anti-corruption and human rights. In addition to civilian missions, the EU will support international mechanisms against the proliferation of weapons of mass destruction, for example by building national mine clearance capabilities in Africa and by contributing to the elimination of the Syrian chemical weapons programme.

The **Union Secure Connectivity programme** with a dedicated envelope of EUR 50 million in 2027 will continue to ensure worldwide access to secure governmental satellite communication services for the protection of critical infrastructures, surveillance, external actions and crisis management.

([1]) Council Regulation (Euratom) 2021/948 of 27 May 2021 establishing a European Instrument for International Nuclear Safety Cooperation complementing the Neighbourhood, Development and International Cooperation Instrument – Global Europe on the basis of the Treaty establishing the European Atomic Energy Community, and repealing Regulation (Euratom) No 237/2014, OJ L 209, 14.6.2021, p. 79, ELI: http://data.europa.eu/eli/reg/2021/948/oj.

([2]) Council Decision (EU) 2021/1764 of 5 October 2021 on the association of the Overseas Countries and Territories with the European Union including relations between the European Union on the one hand, and Greenland and the Kingdom of Denmark on the other (Decision on the Overseas Association, including Greenland), OJ L 355, 7.10.2021, p. 6, ELI: http://data.europa.eu/eli/dec/2021/1764/oj.

3.8.3. *Pre-accession assistance cluster*

(in million EUR, rounded figures at current prices)

Pre-accession assistance cluster by programmes and objectives	Draft budget (DB) 2027		Budget 2026		Difference 2027-2026		Difference 2027/2026		Outstanding commitments as of 01/01/2026
	(1)		(2)		(1-2)		(1/2)		
	CA	PA	CA	PA	CA	PA	CA	PA	CA
Pre-Accession Assistance (IPA III)	**2 134,6**	**2 137,9**	**2 201,7**	**2 129,0**	**– 67,0**	**9,0**	**- 3,04 %**	**0,42 %**	**7 642,0**
— Fundamentals, Union policies and people-to-people	682,0	728,3	782,2	517,7	– 100,2	210,5	- 12,81 %	40,67 %	1 695,0
— Investment for Growth and Employment	1 314,7	1 060,5	1 281,8	1 151,0	32,9	– 90,4	2,57 %	- 7,86 %	4 410,0
— Territorial and cross-border cooperation	77,2	94,0	77,8	84,2	– 0,6	9,8	- 0,82 %	11,67 %	219,3
— Support expenditure	60,8	60,8	59,8	59,8	0,9	0,9	1,54 %	1,54 %	0,0
— Completion of previous programmes and activities	0,0	194,4	0,0	316,2	0,0	– 121,9	0,00 %	- 38,54 %	1 317,7
Reform and Growth Facility for the Western Balkans	**500,0**	**149,6**	**500,0**	**73,5**	**0,0**	**76,1**	**0,00 %**	**103,64 %**	**912,5**
— Albania	66,1	14,9	66,2	0,0	0,0	14,9	- 0,05 %		66,0
— Bosnia and Herzegovina	77,8	0,0	77,9	0,0	0,0	0,0	- 0,05 %		155,7
— Kosovo *	63,3	7,5	63,3	0,0	0,0	7,5	- 0,05 %		63,2
— Montenegro	27,5	6,3	27,5	0,0	0,0	6,3	- 0,05 %		27,4
— North Macedonia	53,8	4,3	53,8	0,0	0,0	4,3	- 0,05 %		53,7
— Serbia	113,8	18,0	113,8	0,0	– 0,1	18,0	- 0,05 %		439,0
— Reform and Growth Facility for the Western Balkans – Provisioning of the Common Provisioning Fund	90,0	91,0	90,0	66,0	0,0	25,0	0,00 %	37,88 %	107,4
— Support expenditure	7,7	7,7	7,5	7,5	0,2	0,2	2,68 %	2,68 %	0,0
Total Pre-Accession Assistance cluster	**2 634,6**	**2 287,5**	**2 701,7**	**2 202,4**	**– 67,0**	**85,1**	**- 2,48 %**	**3,86 %**	**8 554,5**

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

3.8.3.1. Priorities for 2027

The **Instrument for Pre-accession Assistance(IPA III)** will continue to be a key component of the EU's support for the Western Balkans and Türkiye. The Instrument will help to build up the capacities of the potential candidates and candidate countries for EU membership throughout their accession process. This will be done for example via the Economic and Investment Plan or the Green Agenda for the Western Balkan region.

Since 2024, IPA III is complemented by the **Reform and Growth Facility for the Western Balkans**, a performance-based instrument designed to accelerate socioeconomic convergence and EU integration for the six Western Balkans' partners over the course of 2024-2027. In 2027, the implementation of the Reform Agendas will continue, building on the progress made previously under each policy area covered by the Reform Agendas as well as the investments unlocked through the Western Balkans Investment Framework.

Despite the complexity of the relationship, cooperation with Türkiye will be crucial in 2027 given the multitude of crises in the EU's neighbourhood that might have a spill-over effect on Türkiye and the EU. Cooperation with Türkiye will therefore especially need to focus on migration management, given that Türkiye is hosting one of the world's largest refugee populations. Support to Refugees in Türkiye will be provided at the level of EUR 398 million (funded through NDICI-GE and IPA III) to support projects including increased resilience and self-reliance of refugees and providing essential needs to refugees, including education, health and basic needs.

3.8.4. *Macro-financial assistance and Macro-financial assistance+ loans*

Macro-Financial Assistance(MFA) is a crisis tool at the disposal of the EU in 2027, funded from both NDICI-GE and IPA III. It can provide financial aid in the form of grants and/or loans to partner countries facing balance-of-payments crises stabilising economies and facilitating economic adjustments and structural reforms. By the end of 2027, additional support in the form of loans is expected to be disbursed to Egypt and Jordan; the total disbursements would add up to EUR 5 billion and EUR 1 billion respectively since 2024, subject to the satisfactory fulfilment of policy-based conditionality. As a crisis instrument, in case of need and subject to budgetary availabilities, new MFA programmes could be mobilised on a case-by-case basis in 2027.

Macro-financial Assistance Plus (MFA+) [1] supports Ukraine in the form of loans of EUR 18 billion since 2023. Given the limited availabilities under Heading 6, the subsidy for the interest rate charges related to these loans will be mainly financed by contributions of the EU Member States in 2027. Only the administrative costs related to the borrowing and lending will be covered by the EU budget.

3.8.5. *Payment appropriations for this heading*

Summary payment appropriations	Payment appropriations in DB 2027	DB 2027 - Share of total payment appropriations in heading 6	Payment appropriations in Budget 2026
Payments on spending programmes	15 964,5	95,82 %	15 914,4
of which for the multiannual financial framework 2021-2027	*15 265,3*	*91,62 %*	*14 889,4*
of which for the multiannual financial framework 2014-2020 and earlier	699,2	*4,20 %*	1 025,0
Other payments [1]	696,1	4,18 %	655,3
Total	**16 660,6**	**100,00 %**	**16 569,7**

[1] Payments related to administrative support expenditure, decentralised agencies, pilot projects, preparatory actions, actions financed under the prerogatives of the European Commission and other actions.

[1] Regulation (EU) 2022/2463 of the European Parliament and of the Council of 14 December 2022 establishing an instrument for providing support to Ukraine for 2023 (macro-financial assistance +), OJ L 322, 16.12.2022, p. 1, ELI: http://data.europa.eu/eli/reg/2022/2463/oj.

The table above shows the total payment appropriations requested for the heading, split between payment needs to fund current programmes and outstanding commitments of prior multiannual periods. Payment needs remain relatively dynamic, with implementation progressing as expected.

Payments on outstanding commitments of prior MFF periods are expected to follow the implementation patterns of the 2014-2020 programmes, and are gradually phasing out, with a substantial decrease in 2027 compared to the previous year. Payments on outstanding commitments made under the previous European Development Fund will continue to be carried out outside the EU budget and be covered by contributions from Member States. Conversely, payments to cover commitments under the current MFF will go up slightly given the increase in outstanding commitments on NDICI-GE, notably because of the level of budgetary commitments for the provisioning to the Common Provisioning Fund and the financing of investment projects under the Western Balkans Facility, which take time to pay.

3.9. **Heading 7 – European public administration**

The policies and priorities of the MFF, set out in the preceding sections, can only be properly prepared, implemented, monitored and followed up if there are adequate resources to ensure the functioning of the European public administration. The administration in turn must be efficient and effective while adapting to new challenges in a constantly changing environment.

The high inflation of recent years has had direct and significant impact on administrative costs (salaries and pensions), rent, energy, purchases (information systems development, IT hardware, licenses), contracts for services (IT, cleaning, guarding of buildings, etc). The Commission has successfully identified savings and efficiency gains, channelling those savings to cover areas of increasing costs. This budgetary discipline allows the Commission to keep the increase on non-salary expenditure in 2027 below the maximum of 2 %, as set out in more detail below.

Since the beginning of this MFF, the pressure on staff resources has risen to unsustainable levels. Accordingly, in the MFF mid-term revision, the Commission proposed to address both the need for additional staff (at the time, 885 posts were requested to enable all institutions to fulfil their tasks effectively) and the growing discrepancy with actual inflation by adjusting the expenditure ceiling of heading 7. However, this was not approved and in the preparation of the 2027 draft budget, the Commission once again was bound to apply the principles of stable staffing. The Commission also applied a maximum 2 % increase in non-salary related expenditure for all institutions, including for the security costs for the EU Delegations born by the EEAS budget, and it has revised the requests of other institutions in order to present a draft budget which respects all legal obligations, while seeking to limit the necessary recourse to special instruments. Despite these strict measures, based on current parameters, recourse to the special instruments is unavoidable for a total amount of EUR 700,3 million, in order to respect all legal obligations.

Bearing in mind the volatility of the main parameters for the update of remuneration, and in order to take a prudent approach in the preparation of the 2027 draft budget, the Commission has kept the parameters for remuneration as provided in December 2025. The final result will depend on the observed inflation and on the decisions taken currently by Member States in relation to wage agreements for national civil servants within the reference period until the end of June 2026. As in previous years, this situation will be reviewed in the autumn, when the parameters for the update of remuneration are final.

3.9.1. *Summary table for commitment (CA) and payment (PA) appropriations*

(in million EUR, rounded figures at current prices)

	Draft budget (DB) 2027	Budget 2026	Share of total heading	Difference 2027 - 2026	
— **European Schools and Pensions**	**3 466,0**	**3 277,8**	**25,37 %**	**188,3**	**5,74 %**
— Pensions	3 178,9	3 003,0	23,27 %	175,9	5,86 %
— Staff Pensions	3 106,8	2 934,7	22,74 %	172,1	5,86 %

	Draft budget (DB) 2027	Budget 2026	Share of total heading	Difference 2027 - 2026	
— Pensions of former Members — Institutions	72,0	68,3	0,53 %	3,8	5,56 %
— European Schools	287,2	274,8	2,10 %	12,4	4,50 %
— Commission	284,7	273,3	2,00 %	11,4	4,16 %
— Other institutions	2,5	1,5	0,02 %	1,0	8,70 %
(European School) European Parliament	2,2	1,2	0,02 %	0,9	73,16 %
(European School) European Council and Council	0,1	0,0	0,00 %	0,1	0,00 %
(European School) Court of Justice of the European Union	0,1	0,1	0,00 %	0,0	0,00 %
(European School) European Ombudsman	0,2	0,2	0,00 %	0,0	- 1,96 %
(European School) European External Action Service	0,1	0,1	0,00 %	0,0	54,55 %
— Administrative expenditure of the institutions	**10 193,3**	**10 002,9**	**74,63 %**	**190,4**	**1,90 %**
— Commission	4 691,4	4 594,9	34,35 %	96,5	2,10 %
— Other institutions	5 501,9	5 408,0	40,28 %	93,9	1,74 %
— European Parliament	2 654,3	2 603,6	19,43 %	50,7	1,95 %
— European Council and Council	752,7	739,6	5,51 %	13,1	1,78 %
— Court of Justice of the European Union	555,1	554,7	4,06 %	0,4	0,07 %
— European Court of Auditors	205,7	200,2	1,51 %	5,5	2,74 %
— European Economic and Social Committee	183,1	179,6	1,34 %	3,5	1,95 %
— European Committee of the Regions	138,8	135,3	1,02 %	3,4	2,55 %
— European Ombudsman	16,6	16,5	0,12 %	0,1	0,64 %
— European Data Protection Supervisor	30,3	30,8	0,22 %	– 0,5	- 1,73 %
— European External Action Service	965,4	947,7	7,07 %	17,7	1,87 %
Total	**13 659,3**	**13 280,7**	***2,85 %***	**378,6**	**2,85 %**
Ceiling	***12 959,0***	***12 506,0***			
of which under Flexibility Instrument	*0,0*	*23,3*			
of which under Single Margin Instrument (Article 11(1) point (a))	*700,3*	*751,4*			
of which under Single Margin Instrument (Article 11(1) point (c))	*0,0*	*0,0*			
Margin	*0,0*	*0,0*			

	Draft budget (DB) 2027	Budget 2026	Share of total heading	Difference 2027 - 2026	
Of which Administrative expenditure of the institutions	***10 193,3***	***10 002,9***		***190,4***	***1,90 %***
Sub-ceiling	***9 786,0***	***9 464,0***			
Sub-margin	*0,0*	*0,0*			

3.9.1.1. Priorities for 2027

The key priority for 2027 remains to maximise efficiency of administrative expenditure spending, while allowing institutions to meet their legal and contractual obligations. The Commission will continue to optimise costs, notably in relation to building expenditure, as evidenced by the ongoing steps to reduce the surface area occupied by its buildings, notably following the sale of 23 of its buildings in Brussels. The budgetary impact of the optimisation of costs will help adapt the buildings portfolio to the new ways of working and will allow raising environmental standards and reducing carbon emissions. It will also support critical investments in security infrastructure. The costs of the Integrated Security Operations Centre (ISOC) in Brussels will also be covered by reprioritisations made within the infrastructure budget.

Mission expenditure, as well as costs for meetings, committees and conferences have been frozen at the 2026 level.

Ensuring the availability of translation and interpretation is crucial to respecting the principle of multilingualism. As such, a balancing contribution is needed to ensure the budgetary equilibrium of the Translation Centre (CdT). This is intended as a temporary measure, pending the results of an ongoing evaluation of the agency and further reforms.

Thanks to the disciplined approach to all non-salary expenditure items and to the reallocation of the savings delivered by its building policy, the Commission is able to limit its request for non-salary expenditure to an increase of 1,8 % compared to 2026, well below the maximum increase of 2 %.

3.9.2. *European schools and pensions*

The 5,86 % increase in appropriations for staff **pensions** results from both the expected natural growth in the number of pensioners (+ 4,6 %) and the estimated annual updates for 2026 and 2027. The budget request takes account of the expected assigned revenues stemming from the UK pension contribution relating to pension expenditure in 2026, which will be paid in 2027, and is estimated at EUR 351 million.

For pensions relating to former **Members of the institutions**, the 5,56 % increase in appropriations takes into account the evolution in the number of beneficiaries expected in each institution (+ 6,9 %), driven in particular by the change of mandate of the European Parliament and the Commission, as well as the annual salary updates for 2026 and 2027.

The appropriations for the contribution to the **European schools** ('Type I'), set at EUR 281,7 million, show an increase of 4,09 % as compared to 2026, which is mainly due to the salary updates for 2026 and 2027, the increased correcting coefficients and the rising number of pupils in particular in the more costly secondary cycle. The contribution to the 'Type II' European schools amounts to EUR 5,5 million. The increase compared to 2026 reflects the agreement foreseen with a new school in Waterloo, aiming at increasing the overall capacity of the European Schools.

3.9.3. *Administrative expenditure of the institutions*

(in million EUR, rounded figures at current prices)

Administrative expenditure of the institutions by type	Staff remuneration	Members [1]	Non-salary expenditure								Draft budget 2027
			Other staff expenditure	Information and communication technology	Rent, purchase and linked to buildings	Meeting people	Information	General administrative expenditure	Specific to the institution	Sub-total	
— Commission	**3 594,5**	16,6	85,2	303,4	503,7	61,3	29,6	88,5	8,5	1 080,3	**4 691,4**
Evolution vs previous year (%)	*2,24 %*	*- 7,48 %*	*6,43 %*	*5,77 %*	*- 2,71 %*	*0,00 %*	*2,89 %*	*6,33 %*	*167,17 %*	1,80 %	*2,10 %*
— European Parliament	**1 441,1**	249,2	39,5	202,2	248,7	43,5	23,5	128,1	278,6	964,0	**2 654,3**
Evolution vs previous year (%)	*2,23 %*	*0,46 %*	*6,21 %*	*3,75 %*	*- 0,72 %*	*10,35 %*	0,54 %	*3,93 %*	*0,51 %*	*1,91 %*	*1,95 %*
— European Council and Council	**480,7**	2,7	11,2	59,6	65,8	29,6	3,2	99,9	0,0	269,3	**752,7**
Evolution vs previous year (%)	*1,63 %*	*5,62 %*	*- 0,44 %*	*6,80 %*	*4,05 %*	*2,20 %*	*0,31 %*	*- 1,65 %*		*2,00 %*	*1,78 %*
— Court of Justice of the European Union	**383,9**	47,9	10,1	39,1	46,7	1,1	3,1	23,2	0,1	123,3	**555,1**
Evolution vs previous year (%)	*2,57 %*	*1,94 %*	*8,19 %*	*12,89 %*	*- 25,37 %*	*13,18 %*	*22,09 %*	*- 0,76 %*	*0,00 %*	*- 7,60 %*	*0,07 %*
— European Court of Auditors	**167,7**	12,4	3,8	9,4	5,2	3,0	1,6	2,5	0,0	25,5	**205,7**
Evolution vs previous year (%)	*3,37 %*	*- 3,79 %*	*0,45 %*	*1,51 %*	*1,69 %*	*7,42 %*	*- 1,98 %*	*3,32 %*		*2,00 %*	*2,74 %*
— European Economic and Social Committee	**105,1**	24,7	2,3	9,6	25,3	2,9	1,3	12,0	0,0	53,3	**183,1**
Evolution vs previous year (%)	*1,91 %*	*6,49 %*	*- 3,71 %*	*8,02 %*	*- 2,64 %*	*7,86 %*	*4,22 %*	*- 1,49 %*		*0,05 %*	*1,95 %*
— European Committee of the Regions	**88,8**	10,3	2,1	6,7	18,9	2,6	1,8	6,8	0,8	39,7	**138,8**
Evolution vs previous year (%)	*2,86 %*	*4,96 %*	*3,28 %*	*8,20 %*	*- 0,38 %*	*1,98 %*	*1,38 %*	*- 2,04 %*	*7,33 %*	*1,26 %*	*2,55 %*
— European Ombudsman	**12,7**	0,6	0,2	0,5	1,8	0,2	0,1	0,5	0,0	3,3	**16,6**
Evolution vs previous year (%)	*0,40 %*	*- 1,63 %*	*7,26 %*	*13,99 %*	*2,97 %*	*- 11,41 %*	*77,22 %*	*- 11,77 %*		*2,00 %*	*0,64 %*
— European Data Protection Supervisor	**20,9**	0,5	0,4	2,2	2,8	0,8	0,5	2,1	0,0	8,9	**30,3**
Evolution vs previous year (%)	*- 2,92 %*	*- 12,72 %*	*287,17 %*	*- 24,43 %*	*11,53 %*	*20,00 %*	*1,58 %*	*7,03 %*		*2,00 %*	*- 1,73 %*

Administrative expenditure of the institutions by type	Staff remunera-tion	Members [1]	Non-salary expenditure								Draft budget 2027
			Other staff expenditure	Information and communi-cation technology	Rent, purchase and linked to buildings	Meeting people	Information	General administra-tive expenditure	Specific to the institution	Sub-total	
— European External Action Service	**529,3**	0,0	48,7	25,3	287,6	9,3	2,3	62,8	0,0	436,1	**965,4**
Evolution vs previous year (%)	*1,76 %*		*1,64 %*	*2,12 %*	*1,89 %*	*4,67 %*	*1,53 %*	*2,40 %*		*2,00 %*	*1,87 %*
Total by type	**6 824,8**	**364,8**	**203,6**	**658,0**	**1 206,5**	**154,2**	**66,9**	**426,4**	**288,1**	**3 003,7**	**10 193,3**
Evolution vs previous year (%)	**2,19 %**	**0,62 %**	**4,79 %**	**5,34 %**	**- 1,96 %**	**3,93 %**	**2,13 %**	**2,30 %**	**2,42 %**	**1,42 %**	**1,90 %**

[1] Following the agreement in the Budget 2024 conciliation, with respect to the sections of the European Parliament, the European Council, the Commission, the Court of Justice, the European Court of Auditors and the European Data Protection Supervisor, the expenditure related to Members who receive salaries from the EU budget, which are subject to the indexation, are classified as salary expenditure and therefore excluded from the Commission guidelines on limiting the increase for non-salary related expenditure to 2%.

3.9.3.1. Administrative expenditure of the institutions

The administrative expenditure of all institutions combined increases by 1,90 % (excluding pensions and European schools). Taking into account the expenditure for pensions and European schools, which is grouped in the Commission section of the budget but common to all institutions, the proposed increase is 2,10 % for the Commission and 1,74 % for the other institutions.

The Commission has encouraged all EU institutions and bodies to follow the same rigorous approach in respect of the request for administrative expenditure and staff, aiming at a stable staffing policy while limiting the increase for all non-salary related expenditure (excluding pensions and the European Schools) to a maximum of 2 % compared to the 2026 level.

This has proven difficult for the other EU institutions, and the challenges of each institution are outlined below. The key areas driving non-salary expenditure upward are high inflation, increased rental and IT-related costs. The requests for additional staff arise from increased workload and new tasks (partially stemming from the Cybersecurity Regulation ([1])), which the other EU institutions cannot meet through redeployment. In total, there are requests for 17 posts and 32 FTEs of external staff (contract agents, seconded national experts, local agents and agency staff) and zero accredited parliamentary assistants.

In previous budget exercises up to 2023, exceptional expenditure needs related to changes in mandate, or critical infrastructure have been exempted from the limit on non-salary expenditure. However, in the context of the overall pressure on the ceiling of heading 7, the Commission has adjusted downwards the original draft estimates of the other institutions - with the exception of the European Parliament - by a total amount of EUR 41,2 million, by stabilising staffing levels at the 2026 level, while keeping non-salary related expenditure capped at an increase of 2 % compared to 2026.

European Parliament

The Parliament established a statement of estimates in line with the Commission's budgetary guidelines on non-salary related expenditure and stable staffing.

Based on the above, the Commission proposes to integrate the Parliament's 2027 budget expenditure as initially requested, with an increase of 1,95 % compared to 2026.

European Council and Council

The Council established a statement of estimates showing an increase of 2,1 % compared to 2026. In addition, the Council requests appropriations for five additional posts related to cybersecurity and four additional Seconded National Experts (SNEs) to cater for needs for specialists in certain sectors in the General Secretariat of the Council.

By limiting all non-salary expenditure to a maximum 2 % increase and by keeping the staffing level stable at the 2026 level, the Commission proposes an increase in the Council's 2027 budget expenditure of 1,78 % compared to 2026, down from the 2,1 % initially requested.

Court of Justice of the European Union

The Court of Justice established a statement of estimates showing an increase of 0,1 % compared to 2026. The Court did not request additional posts but requested four additional contract agents and 1,5 FTE interim staff.

([1]) 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.

By keeping the staffing level stable at the 2026 level, the Commission proposes an increase in the Court of Justice's 2027 budget request of 0,07 % compared to 2026 as originally requested.

European Court of Auditors

The Court of Auditors established a statement of estimates showing an increase of 3,0 % compared to 2026 due to indexation and inflation in Luxembourg. In addition, the Court again requested to transform 29 temporary reinforcements allocated until 2027, for NGEU-related work, into permanent staff. This has not been included.

The Commission proposes an increase in the Court of Auditors 2027 budget request of 2,7 % compared to 2026.

European Economic and Social Committee

The Economic and Social Committee statement of estimates shows an increase of 4,5 % compared to 2026. It exceeds the 2 % maximum increase for non-salary related expenditure by EUR 3,9 million. According to the Committee, the main drivers are increased indexation of contracts and members-related expenditures, i.e. travel costs and allowances, communication and outreach activities as well as digital transformation and investment in cybersecurity. Furthermore, the EESC requests appropriations for four additional posts, of which one related to cybersecurity, one related to data analyst for financial and budgetary data to ensure data quality in forecasts, one related to medical service and one for communication to enhance social media, outreach, and digital communication efforts, as well as to combat disinformation. As regards external staff, the European Economic and Social Committee requests two additional contract agents to address workload pressure and the creation of one extra SNE post.

By limiting all non-salary expenditure to a maximum 2 % increase and maintaining a stable staffing level, the Commission proposes an increase in the Committee's 2027 budget request of 1,95 % compared to 2026, down from the 4,5 % increase originally requested.

European Committee of the Regions

The Committee of the Regions statement of estimates shows an increase of 5,4 % compared to 2026. It exceeds the 2 % maximum increase for non-salary related expenditure by EUR 3,8 million. According to the Committee, this results from a range of increases, mainly: reinforcement of communication activities of CoR Members and political groups, expansion of the Local Dialogues' programme, strengthening the EU Local Councillor's Network, enhancement Members' visibility to increase the CoR's institutional and political impact, reinforcement of CoR cybersecurity and cloud development and data safety. Furthermore, the Committee requested one additional establishment plan post related to cybersecurity.

By limiting all non-salary expenditure to a maximum 2 % increase and maintaining a stable staffing level, the Commission proposes an increase in the Committee's 2027 budget expenditure of 2,55 % compared to 2026, down from the 5,4 % initially requested.

European Ombudsman

The European Ombudsman established a statement of estimates showing an increase of 2,0 % compared to 2026. It exceeds the 2 % maximum increase for non-salary related expenditure by EUR 46 704. According to the Ombudsman, the additional funding is primarily linked to contractual indexations of building related costs and IT costs. Moreover, the Ombudsman requests two additional posts to cover the unprecedented rise in complaints and inquiries since 2025.

By limiting all non-salary expenditure to a maximum 2 % increase and maintaining a stable staffing level, the Commission proposes an increase in the Ombudsman's 2027 budget request of 0,64 % compared to 2026, down from the 2,0 % increase originally requested.

European Data Protection Supervisor (EDPS)

The European Data Protection Supervisor established a statement of estimates showing an increase of 5,6 % compared to 2026. First, it exceeds the 2 % maximum increase for non-salary related expenditure by EUR 1,6 million which is due to compulsory deployment of IT tools and upgrades of IT tools as well as an increase of prices due to indexation of contacts for goods and services. Furthermore, the EDPS requests appropriations for three additional posts and three additional contract agents for the EDPS as well as two additional posts and one additional contract agent for the European Data Protection Board (EDPB).

By limiting all non-salary expenditure to a maximum 2 % increase and by maintaining a stable staffing level while taking into account the revision proposed by the EDPS of its average staff costs, the 2027 budget request of the EDPS is reduced by 1,73% compared to 2026, down from the 5,6 % increase originally requested.

European External Action Service (EEAS)

The European External Action Service established a statement of estimates showing an increase of 4,7 % compared to 2026. It exceeds the 2 % maximum increase for non-salary related expenditure by EUR 26,3 million. According to the EEAS, this growth relates to security costs to protect Commission and EEAS staff in the 145 EU Delegations. This includes investments in secure communications, protective infrastructure and armoured vehicles, as well as enhanced security measures for staff in high-risk locations. Furthermore, inflation is projected to be significantly higher in several regions where EU Delegations operate, notably Sub-Saharan Africa, the Middle East and Central Asia which further increase security-related costs in our Delegations. Moreover, the EEAS does not request appropriations for additional posts, but rather for 15 additional external staff to strengthen the EU Military Staff, notably the EU Cyber Defence Coordination Centre (CDCC), to address a critical operational gap in cyber defence, to enhance analysis and threats monitoring and strategic foresight, including the Single Intelligence Analysis Capacity (SIAC) and to fight against Foreign interference and information manipulation (FIMI), as well as to support the implementation of Security and Defence Partnerships in EU Delegations.

By limiting all non-salary expenditure to a maximum 2 % increase and maintaining a stable staffing level, the Commission proposes an increase in the 2027 budget request of the EEAS of 1,87 % compared to 2026 down from the 4,7 % increase originally requested.

The table below shows the comparison between the draft budget and the original estimates of the other institutions as sent to the Commission.

Comparative table of the other institutions (in EUR)	Original Statement of Estimates 2027	Draft Budget 2027	Difference
— European Parliament	2 656 435 753	2 656 435 753	0
— European Council and Council	754 983 821	752 774 665	2 209 156
— Court of Justice of the European Union	555 493 000	555 130 777	362 223
— European Court of Auditors	206 168 000	205 670 000	498 000
— European Economic and Social Committee	187 651 416	183 122 221	4 529 195
— European Committee of the Regions	142 600 414	138 750 785	3 849 629
— European Ombudsman	17 006 600	16 783 612	222 988
— European Data Protection Supervisor	32 535 000	30 262 189	2 272 811
— European External Action Service	992 669 052	965 443 055	27 225 997
Total	***5 545 543 056***	***5 504 373 056***	***41 169 999***

3.9.3.2. Administrative expenditure of the European Commission

Since the beginning of the current MFF, the Commission has undertaken a series of actions, with the double target of (1) becoming a greener Institution and (2) save costs. These actions continue to show results, in particular on the building costs and the expenditure for missions, meetings and conferences.

Thanks to these efforts, the Commission will only request an increase on non-salary expenditure of 1,8 % compared to 2026 budget, below the maximum 2 % increase. This will help reduce the need to rely on special instruments in Heading 7.

The following table shows the evolution by nature of the administrative expenditure for the Commission:

(in million EUR, rounded figures at current prices)

Administrative expenditure of the European Commission by nature	Draft budget (DB) 2027	Budget 2026	Difference 2027 - 2026	Difference 2027 / 2026
	(1)	(2)	(1 - 2)	(1 / 2)
Staff remunerations	***3 594,5***	***3 515,8***	***78,7***	***2,24 %***
— Remuneration statutory staff	3 260,8	3 191,6	69,2	2,17 %
— Remuneration external staff	333,7	324,2	9,5	2,94 %
Members	***16,6***	***17,9***	***- 1,3***	***- 7,48 %***
— Members - Salaries and allowances	16,6	16,4	0,2	0,97 %
— Members - Temporary allowances	0,0	1,5	– 1,5	- 100,00 %
Non salary-related expenditure	***1 080,3***	***1 061,2***	***19,1***	***1,80 %***
— Other staff expenditure	85,2	80,1	5,2	6,43 %
— Recruitment costs	35,3	33,7	1,6	4,63 %
— Termination of service	7,9	7,7	0,2	2,14 %
— Training costs	17,3	16,4	0,8	5,03 %
— Social and Mobility	24,8	22,2	2,6	11,70 %
— Information and communication technology	303,4	286,8	16,6	5,77 %
— Information Systems	133,1	109,1	24,0	22,04 %
— Digital Workplace	46,8	50,4	– 3,5	- 7,00 %
— Data Centre and Networking services	114,5	118,3	– 3,8	- 3,25 %
— Cybersecurity Service for the Union institutions, bodies, offices and agencies (CERT-EU)	8,9	9,1	– 0,1	- 1,44 %
— Rent, purchase and linked to buildings	503,7	517,8	– 14,1	-2,71 %
— Rents and purchases	254,0	286,6	– 32,6	- 11,38 %
— Linked to buildings	159,4	141,4	18,0	12,74 %
— Security	90,4	89,8	0,5	0,60 %
— Meeting people	61,3	61,3	0,0	0,00 %
— Mission and representation	45,2	45,2	0,0	0,00 %
— Meetings, committees, conference	16,0	16,0	0,0	0,00 %
— Information	29,6	28,8	0,8	2,89 %
— Official journal	3,1	3,1	0,0	0,33 %
— Publications	12,7	12,1	0,6	5,31 %
— Acquisition of information	7,1	6,9	0,2	2,63 %
— Studies and investigations	6,8	6,8	0,0	0,00 %

Administrative expenditure of the European Commission by nature	Draft budget (DB) 2027	Budget 2026	Difference 2027 - 2026	Difference 2027 / 2026
	(1)	(2)	(1 - 2)	(1 / 2)
— General administrative expenditure	88,5	83,2	5,3	6,33 %
— General equipment, vehicle, furniture	33,1	30,0	3,1	10,46 %
— Linguistic external services	34,9	33,1	1,8	5,51 %
— Other administrative expenditure	20,5	20,2	0,3	1,55 %
— Specific to the institution	8,5	3,2	5,3	167,17 %
— Decentralised agencies	8,5	3,2	5,3	167,17 %
— Pilot projects and preparatory actions	0,0	0,0	0,0	0,00 %
Sub-total administrative expenditure of the European Commission	**4 691,4**	**4 594,9**	**96,5**	**2,10 %**
— ***Pensions***	***3 178,9***	***3 003,0***	***175,9***	***5,86 %***
— Staff Pensions	3 106,8	2 934,7	172,1	5,86 %
— Pensions of former Members — Institutions	72,0	68,3	3,8	5,56 %
— ***European Schools***(Commission)	***284,7***	***273,3***	***11,4***	***4,16 %***
Sub-total	**3 463,5**	**3 276,3**	**187,3**	**5,72 %**
Total section III	**8 154,9**	**7 871,2**	**283,8**	**3,61 %**

The Commission's administrative expenditure (excluding pensions and European schools) shows an increase of 2,10 %.

Expenditure for staff remuneration increases by 2,1 %. It results mainly from:

— The annual salary update as estimated in December 2025, which assumed + 2,2 % as of 1 July 2026 and + 2,3 % as of 1 July 2027 (on a six-month basis).

— External staff (Full Time Equivalent - FTE) under heading 7 increases mainly due to the conversion of establishment plan posts (ex-D officials) into contract agents (seven in the Commission, two in OIL and five in OIB), in addition to the conversion of two contract agents into one establishment plan post in OIL and of four contracts into two establishment plan posts in OIB. The external staff number also includes a reinforcement of 20 FTEs for the implementation of the Carbon Border Adjustment Mechanism (CBAM) in line with the corresponding revised legislative financial statement.

— **Members' expenditure** decreases by 7,5 %. Following the change in mandate in the Commission in 2024, temporary allowances for former Commission Members started to decrease as of 2026.

Non-salary-related expenditure increases by 1,8 %. This increase is a result of statutory and contractual obligations, but also of a sound financial approach to energy related costs, considering that the current situation in the Middle East and past experience on the war of aggression on Ukraine (+ 12,7 % on costs linked to buildings) might push prices upwards in 2027. The Commission proposes to mitigate these potentially significant increases by freezing or cutting other types of expenditure (missions, meetings and committees) and by reducing the costs of ownership of buildings.

The increase in IT expenditure (5,8 %) reflects the investments needed to prepare the MFF 2028-2034, and in particular the work on the future Single Gateway. The Single Gateway will provide a coherent, user-friendly and modern front-end as entry point to information and services related to the EU budget. This one stop shop initiative oriented towards EU citizens and businesses, should be up and running by 1 January 2028, therefore investing already the necessary funding is a priority. Other investments in corporate systems, data analytics, collaboration tools and integration will continue with a view to seeking synergies and efficiencies in the existing IT landscape, while introducing innovative delivery modes (e.g. Artificial Intelligence technical capabilities) in support of Commission activities.

3.9.3.3. Offices and delegations

(in million EUR, rounded figures at current prices)

Offices and delegations	Draft budget (DB) 2027	Budget 2026	Difference 2027 - 2026	Difference 2027 / 2026
	(1)	(2)	(1-2)	(1/2)
Delegations in third countries	***215,7***	***218,0***	***- 2,3***	***- 1,04 %***
Offices	***432,6***	***426,5***	***6,1***	***1,44 %***
— Publications Office	124,1	124,0	0,1	0,05 %
— European Personnel Selection Office	31,0	29,1	1,9	6,50 %
— Office for Administration and Payment of Individual Entitlements	61,5	61,2	0,4	0,59 %
— Office for Infrastructure and Logistics — Brussels	106,8	105,0	1,8	1,70 %
— Office for Infrastructure and Logistics — Luxembourg	34,6	34,2	0,4	1,26 %
— European Anti-Fraud Office (OLAF)	74,7	73,1	1,6	2,19 %

Expenditure for the six **European offices** is included in the budget of the Commission although they provide services to all institutions. The same cost-containment objectives as in the Commission's central administration apply to all the offices, resulting in an overall increase of 1,44 % compared to 2026:

— OP: the increase in the Publications Office budget is driven by increases in personnel costs, which are partly offset by savings of appropriations for the Official Journal resulting from more favourable contract pricing.

— EPSO: the increase in the EPSO budget request results mainly from the increase in personnel costs.

— PMO: the PMO budget request takes into account an update of the average costs of external staff and an increase of IT appropriations compared to 2026. It integrates a budget of nine external staff for the handling of an increasing number of files for salaries and pensions, which have become more complex, for instance following the introduction of the housing allowance for certain staff in Luxembourg and the new 'My Commuting application', as well as for the accounting system SUMMA.

— OIB: the increase in the OIB budget results mainly from the transfer of activities of the Commission's representations offices from DG COMM.

— OIL: the OIL budget request takes into account a slight increase in the salaries.

— OLAF: the increase in the OLAF budget result mainly from the increase in salaries.

4. HORIZONTAL ISSUES

4.1. **Human resources**

4.1.1. *Human resources by institution*

The overview table below presents, for each institution, the number of establishment plan posts authorised in the 2026 budget and the number of posts requested in the 2027 draft budget.

The requests for the institutions are presented in the table below:

(Number of posts in the establishment plans of the institutions)

Institution	Budget 2026	Initial request May 2026	Integrated into DB 2027			2027 DB total	Change 2027 - 2026
			Of which reductions	Of which requests	*Remarks*		
European Parliament	**6 823**	0	0	0		**6 823**	0
European Council and Council	**3 030**	5	0	0		**3 030**	0
European Commission	**23 357**	0	– 40	10	(a)	**23 327**	– 30
Court of Justice of the European Union	**2 120**	0	0	0		**2 120**	0
European Court of Auditors	**881**	0	0	0		**881**	0
European Economic and Social Committee	**671**	4	0	0		**671**	0
Committee of the Regions	**497**	1	0	0		**497**	0
European Ombudsman	**75**	2	0	0		**75**	0
European Data Protection Supervisor	**105**	5	0	0		**105**	0
European External Action Service	**1 750**	0	0	0		**1 750**	0
Total institutions	**39 309**	**17**	**– 40**	**10**		**39 279**	**– 30**

(a) The 2026 budget includes 41 additional posts for Ukraine Support Loan, as per the Draft Amending Budget 2/2026.
Also 29 posts reduced due to delegation of tasks to executive agencies (from research establishment plans) + transformation of 14 posts into appropriations (TEC) + transformation of 6 FTE of external staff into 3 establishment plan posts + 5 posts requested for Carbon Border Adjustment Mechanism (CBAM), +3 posts for Forced Labour Regulation, + 2 posts for European Climate Law Amendment.

The section below presents in more detail the Commission's request for human resources. Details on the initial requests for human resources for the other institutions can be found in their respective statements of estimates for 2027. Section 4.3 below presents an overview of the Commission request as regards the establishment plan posts for the decentralised agencies and other bodies.

4.1.2. *Commission human resources*

The Commission continues to work under the constraints of the stable staffing principle despite the increasing scope of responsibilities entrusted by the European Parliament and the Council. To be able to cope with the implementation of numerous new political priorities, the Commission will continue to simplify and rationalise working methods to the extent possible, and to ensure the efficient use of scarce resources via reprioritisation of tasks. However, the growing staff capacity gap leads to increasing business continuity risks and poses a severe threat to the Commission's capability to successfully achieve our common European objectives and tackle crises in a robust, streamlined, and impactful manner. In the context of important new initiatives to be implemented by the Commission, on the basis of revised legislative financial statements for several initiatives, the following additional staff is requested in the draft budget 2027:

— Carbon Border Adjustment Mechanism (CBAM): five additional establishment plan posts and 20 FTEs for external staff under Heading 7.

— Forced Labour Regulation: three additional establishment plan posts under Heading 7 and 11 FTEs for external staff paid from the administrative expenditure line under the Single Market Programme for the implementation of Regulation (EU) 2024/3015 prohibiting products made with forced labour on the Union market. ([1])

— AI Office: 38 additional FTEs for external staff financed from the administrative support line of the Digital Europe Programme to support the implementation of the Artificial Intelligence Office.

— Performance Review Board of the Single European Sky: 10 additional FTEs for external staff financed from the administrative support line of the Transport strand of the Connecting Europe Facility to address the additional tasks linked to the Performance Review Board of the Single European Sky.

— Return of third-country nationals: five additional FTEs for external staff to be financed from the administrative support line of the Asylum, Migration and Integration Fund, placed in EU Delegations for support in the implementation of the legislation on the return of third-country nationals.

— European Climate Law Amendment: two additional establishment plan posts under Heading 7 as per the revised legislative financial and digital statement linked to Regulation EU 2026/667 as regards the setting of a Union intermediate climate target for 2040

— Grids Package: pending adoption of the proposal ([2]), four additional FTEs for external staff to be financed from the administrative support line of the Connecting Europe Facility – Energy for the implementation of the Regulation on guidelines for trans-European energy infrastructure.

— Strategic Partnership Agreements with Gulf countries, work on Syria and Palestine ([3]) and the implementation of the Pact for the Mediterranean: 9 additional FTE for external staff financed from the administrative support line of the Neighbourhood, Development and International Cooperation Instrument - Global Europe.

In line with established practice, the Commission will continue to pay external staff from assigned revenues stemming from the supervisory fee established by the Digital Services Act (DSA) ([4]). In 2027, there will be no change to the total number of estimated FTE compared to what was reported in the Staff Working Document presented in 2025 ([5]) and for which the details will be presented in the new Staff Working Document in 2026. These FTEs do not bear costs to the EU Budget, as the salaries as well as social benefits including the employer's contributions, are paid directly from the amounts financed by the DSA supervisory fee.

Otherwise, the Commission maintains its commitment to respect the stable staffing principle in this MFF: DB 2027 shows a net decrease by 30 posts. Delivery of new Commission priorities will be covered to the maximum possible extent through efficiency gains and redeployment. However, as explained above this approach has reached its limits.

With respect to the establishment plans, the change of the number of posts results from:

— The reduction of 29 posts linked to the delegation of tasks to executive agencies (see section 4.3.1).

— The increase of five additional posts linked to CBAM in 2027.

— The increase of three additional posts linked to the Forced Labour Regulation in 2027.

— The increase of two additional posts linked to the European Climate Law Amendment in 2027.

([1]) Regulation (EU) 2024/3015 of the European Parliament and of the Council of 27 November 2024 on prohibiting products made with forced labour on the Union market and amending Directive (EU) 2019/1937.
([2]) COM(2025) 1006 final.
([3]) The designation of Palestine shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.
([4]) COM(2020) 842 final.
([5]) SWD(2025) 175 final: Overview of elements accounted for the estimation of the amount of external assigned revenues stemming from the supervisory fee pursuant to Article 6(1) of Commission Delegated Regulation (EU) 2023/1127.

— The transformation of 14 posts into appropriations, which is partly offset by a transformation of six FTEs of external staff into three establishment plan posts.

Concerning external personnel, the budget includes an increase of 20 FTEs for CBAM financed under Heading 7, and an increase of 77 FTE financed from the administrative support lines of operational programmes as detailed above.

Net of these changes, **the overall number of human resources in the Commission** shows a net increase of 53 Full Time Equivalents (FTE, i.e. 0,16 % of total staff), with a net reduction of 30 establishment plan posts (- 0,09 % of total staff) and an increase of 83 FTE (0,25 % of total staff) of external personnel.

Details of the evolution of the Commission's human resources can be found in Working Document II accompanying this draft budget.

	2026 Budget Authorisation (Posts & estimated FTE of external Personnel)	2027 staff request	Change 2027/2026	
Establishment Plan Posts				
Commission	**18 838**	**18 857**	**0,10 %**	**19**
Research - Direct Actions	**1 647**	**1 641**	**- 0,36 %**	**– 6**
Research - Indirect Actions	**1 333**	**1 310**	**- 1,73 %**	**– 23**
OP	**565**	**559**	**- 1,06 %**	**– 6**
OLAF	**310**	**308**	**- 0,65 %**	**– 2**
EPSO	**107**	**106**	**- 0,93 %**	**– 1**
OIB	**292**	**287**	**- 1,71 %**	**– 5**
OIL	**106**	**102**	**- 3,77 %**	**– 4**
PMO	**159**	**157**	**- 1,26 %**	**– 2**
Total Commission Posts	**23 357**	**23 327**	**- 0,13 %**	**– 30**
External Personnel				
Under Heading 7	4 369	4 397	0,64 %	28
Global envelope	2 349	2 373	1,02 %	24
Other Heading 7*	2 020	2 024	0,20 %	4
Outside Heading 7	4 826	4 881	1,14 %	55
Headings 1,2,3,4,5 and 6**	3 575	3 652	2,15 %	77
Direct Research	698	683	- 2,15 %	– 15
Indirect Research	553	546	- 1,27 %	– 7
Total Commission External Personnel	**9 195**	**9 278**	**0,90 %**	**83**
Total Commission human resources	**32 552**	**32 605**	**0,16 %**	**53**

* Including: additional 41 posts for the implementation of the Ukraine Support Loan as per the Draft Amending Budget 2 to Budget 2026.
** For Headings 1 and 6 (BA lines), adjustment of 24 full-time equivalents (FTE) under the support expenditure for the European Defence Industry Programme (EDIP) following the political agreement reached during the fourth trilogue on 16 October 2025, reflecting the additional operational responsibilities and tasks conferred on the Commission arising from the political compromise.

	2026 Budget Authorisation (Posts & estimated FTE of external Personnel)	2027 staff request	Change 2027/2026	
Executive agencies staff* **				
EISMEA	336	327	- 2,68 %	– 9
EACEA	596	618	3,69 %	22
HADEA	458	457	- 0,22 %	– 1
CINEA	535	537	0,37 %	2
ERCEA	512	514	0,39 %	2
REA	918	922	0,44 %	4
Total executive agencies staff	**3 355**	**3 375**	**0,60 %**	**20**

***
[a] Including 10 FTE as per the Amending Letter No1 to the Draft Budget 2026 5 FTE (1 establishment plan post and 4 contract agents) for HaDEA, for the Critical Raw Materials Act and 5 FTE for REA following the increase of the EAGF subsidy for the implementation of the promotion measures.
[b] Including posts in the establishment plans financed from NGEU and programmes outside the EU budget, as follows:
For 2026, 46 posts in CINEA, 16 posts in HADEA, 17 posts in EISMEA, 29 posts in ERCEA, 30 posts in REA and 5 posts in EACEA.
For 2027, 49 posts in CINEA, 18 posts in HADEA, 19 posts in EISMEA, 37 posts in ERCEA, 34 posts in REA and 5 posts in EACEA.

The implementation of NGEU-funded programmes requires the partial use of the external assigned revenues to finance expenditure for administrative and technical assistance related to the implementation of these programmes, including external staff. The impact in 2027 is at the level of some 290 FTEs (including 28 FTEs for research external personnel) and corresponding appropriations.

The finalisation of third country association agreements and the increase in third country participation to certain programmes leads to additional staff fully financed from the operational contributions and fees received from third countries. Following new third country association agreements, the impact for the Commission already in 2026 was at the level of some 385 FTE and corresponding appropriations, including 122 FTEs for research external staff. The impact in 2027 is 392 FTE including 122 FTE for research external staff.

The 2027 draft budget includes some changes in the function group composition of the existing establishment plans in order to allow the Commission to adapt the structure of its human resources to its responsibilities. This includes the budgetary neutral transformation of 80 AST posts into AD posts.

As any public administration, the Commission continues to reallocate posts to emerging political priorities by internal redeployments.

In this context, the implementation of a permanent contribution mechanism of 1 % will be continued in 2027 across all services (ca. 175 posts in statutory staff), aiming to redeploy staff to Commission political priority areas. Additionally, to complement the above and address the needs for internal reprioritisation within each policy area, each service of the Commission also has to reach an internal annual redeployment target of 2 % of its workforce (around 660 FTEs per year) to address new needs and tasks within its own mandate.

The documents accompanying the annual budget, and particularly Working Document II (Human Resources of the EU institutions, Executive Agencies, and focusing on the Commission), show in detail how staff is redeployed within the Commission to address new priorities.

Finally, in relation to its human resources, the Commission regularly monitors the geographical balance, verifying that staff is recruited on the broadest possible geographical basis from among nationals of Member States and that there is no significant and unjustified imbalance between nationalities among officials.

4.2. **Commission administrative expenditure outside heading 7**

4.2.1. *Support expenditure for programmes under headings 1-6*

The EU budget uses a small portion of programme expenditure to finance related administrative and support expenditure including staff needed for implementing the budget (e.g. to protect the financial interests of the Union). This is a matter of transparency and accountability: there is a clear link between the volume of funds managed and the administrative expenditure needed to implement them.

This technical and administrative support expenditure is clearly identified in the EU budget. This is reflected in the presentation of each programme in section 3 above, and the global overview is presented in the table below. These appropriations are used to carry out activities such as evaluation of calls for proposals, studies, information systems, expert meetings and audits, needed to achieve value for money and ensure compliance with the principle of sound financial management.

(in million EUR, at current prices)

Administrative expenditure by headings, clusters and programmes	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026	
	(1)		(2)		(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA
Single Market, Innovation and Digital	**1 078,1**	**1 078,1**	**1 046,0**	**1 046,0**	**32,1**	**32,1**	**3,07 %**	**3,07 %**
— Research and Innovation	983,5	983,5	958,6	958,6	24,9	24,9	2,60 %	2,60 %
— Horizon Europe	861,2	861,2	837,9	837,9	23,3	23,3	2,78 %	2,78 %
— Euratom Research and Training Programme	114,0	114,0	112,3	112,3	1,8	1,8	1,56 %	1,56 %
— International Thermonuclear Experimental Reactor (ITER)	8,3	8,3	8,4	8,4	– 0,1	– 0,1	- 1,62 %	- 1,62 %
— European Strategic Investments	57,8	57,8	52,4	52,4	5,4	5,4	10,25 %	10,25 %
— InvestEU Fund	1,0	1,0	1,0	1,0	0,0	0,0	0,00 %	0,00 %
— Connecting Europe Facility (CEF)	25,2	25,2	25,3	25,3	– 0,1	– 0,1	0,0	0,0
— Digital Europe Programme	31,6	31,6	26,1	26,1	5,5	5,5	20,96 %	20,96 %
— Other actions	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %
— Single Market	29,8	29,8	28,3	28,3	1,5	1,5	5,38 %	5,38 %
— Single Market Programme	29,2	29,2	27,7	27,7	1,5	1,5	5,49 %	5,49 %
— Cooperation in the field of taxation (Fiscalis)	0,3	0,3	0,3	0,3	0,0	0,0	0,00 %	0,00 %
— Cooperation in the field of customs (Customs)	0,3	0,3	0,3	0,3	0,0	0,0	0,00 %	0,00 %
— Space	7,0	7,0	6,8	6,8	0,2	0,2	2,21 %	2,21 %
— Union Space Programme	6,9	6,9	6,6	6,6	0,3	0,3	4,55 %	4,55 %
— Union Secure Connectivity Programme	0,1	0,1	0,2	0,2	– 0,2	– 0,2	- 75,00 %	- 75,00 %

Administrative expenditure by headings, clusters and programmes	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026	
	(1)		(2)		(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA
Cohesion, Resilience and Values	**186,1**	**186,1**	**175,7**	**175,7**	**10,4**	**10,4**	**5,91 %**	**5,91 %**
— Regional Development and Cohesion	17,5	17,5	17,2	17,2	0,3	0,3	1,80 %	1,80 %
— European Regional Development Fund (ERDF)	6,1	6,1	5,9	5,9	0,2	0,2	4,04 %	4,04 %
— Cohesion Fund (CF)	9,2	9,2	9,1	9,1	0,0	0,0	0,37 %	0,37 %
— Support to the Turkish Cypriot community	2,2	2,2	2,2	2,2	0,0	0,0	1,80 %	1,80 %
— Recovery and resilience	38,7	38,7	35,8	35,8	2,9	2,9	8,14 %	8,14 %
— European Recovery and Resilience Facility and Technical Support Instrument	2,2	2,2	2,2	2,2	0,0	0,0	1,49 %	1,49 %
— Protection of the euro against counterfeiting	0,2	0,2	0,0	0,0	0,2	0,2	100,00 %	100,00 %
— European Union Recovery Instrument (EURI)	7,0	7,0	7,0	7,0	0,0	0,0	0,00 %	0,00 %
— Union Civil Protection Mechanism	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %
— EU4Health Programme	29,3	29,3	26,6	26,6	2,7	2,7	10,08 %	10,08 %
— Emergency support within the Union	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %
— Investing in People, Social Cohesion and Values	129,9	129,9	122,7	122,7	7,2	7,2	5,84 %	5,84 %
— European Social Fund Plus (ESF+)	9,2	9,2	9,8	9,8	– 0,6	– 0,6	- 6,16 %	- 6,16 %
— Erasmus+	73,2	73,2	65,8	65,8	7,4	7,4	11,21 %	11,21 %
— European Solidarity Corps	7,5	7,5	7,3	7,3	0,1	0,1	1,98 %	1,98 %
— Creative Europe	27,0	27,0	27,5	27,5	– 0,5	– 0,5	- 1,75 %	- 1,75 %
— Citizens, Equality, Rights and Values	11,9	11,9	11,2	11,2	0,7	0,7	6,46 %	6,46 %
— Justice	1,1	1,1	1,1	1,1	0,0	0,0	0,00 %	0,00 %
Natural Resources and Environment	**42,0**	**42,0**	**42,2**	**42,2**	**– 0,2**	**– 0,2**	**- 0,37 %**	**- 0,37 %**
— Agriculture and Maritime policy	11,6	11,6	12,3	12,3	– 0,7	– 0,7	-5,83 %	-5,83 %
— European Agricultural Guarantee Fund (EAGF)	1,2	1,2	2,0	2,0	– 0,8	– 0,8	- 38,78 %	- 38,78 %
— European Agricultural Fund for Rural Development (EAFRD)	2,1	2,1	2,1	2,1	0,0	0,0	2,10 %	2,10 %

Administrative expenditure by headings, clusters and programmes	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026	
	(1)		(2)		(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA
— European Maritime, Fisheries and Aquaculture Fund (EMFAF)	8,3	8,3	8,3	8,3	0,0	0,0	- 0,02 %	- 0,02 %
— Environment and climate action	30,4	30,4	29,9	29,9	0,6	0,6	1,88 %	1,88 %
— Programme for the Environment and Climate Action (LIFE)	30,4	30,4	29,9	29,9	0,6	0,6	1,88 %	1,88 %
— Just Transition Fund (JTF)	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %
— Public sector loan facility under the Just Transition Mechanism (JTM)	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %
Migration and Border Management	**7,8**	**7,8**	**7,7**	**7,7**	**0,1**	**0,1**	**1,33 %**	**1,33 %**
— Migration	4,8	4,8	4,2	4,2	0,6	0,6	14,29 %	14,29 %
— Asylum, Migration and Integration Fund (AMIF)	4,8	4,8	4,2	4,2	0,6	0,6	14,29 %	14,29 %
— Border Management	3,0	3,0	3,5	3,5	– 0,5	– 0,5	-14,32 %	-14,32 %
— Integrated Border Management Fund (IBMF) — Instrument for Financial Support for Border Management and Visa Policy	2,9	2,9	3,4	3,4	– 0,5	– 0,5	- 14,74 %	- 14,74 %
— Integrated Border Management Fund (IBMF) — Instrument for financial support for customs control equipment	0,1	0,1	0,1	0,1	0,0	0,0	2,35 %	2,35 %
Security and Defence	**38,2**	**38,2**	**41,0**	**41,0**	**– 2,9**	**– 2,9**	**- 6,98 %**	**- 6,98 %**
— Security	5,0	5,0	5,0	5,0	0,1	0,1	1,43 %	1,43 %
— Internal Security Fund (ISF)	2,5	2,5	2,5	2,5	0,0	0,0	0,82 %	0,82 %
— Nuclear decommissioning for Lithuania	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %
— Nuclear Safety and decommissioning, including for Bulgaria and Slovakia	2,6	2,6	2,5	2,5	0,1	0,1	2,04 %	2,04 %
— Defence	20,9	20,9	19,3	19,3	1,6	1,6	8,08 %	8,08 %
— European Defence Fund (EDF) — Non-research	4,2	4,2	3,8	3,8	0,4	0,4	10,79 %	10,79 %
— European Defence Fund (EDF) — Research	14,8	14,8	13,7	13,7	1,1	1,1	8,31 %	8,31 %
— Military mobility	1,9	1,9	1,9	1,9	0,0	0,0	0,83 %	0,83 %

Administrative expenditure by headings, clusters and programmes	Draft budget (DB) 2027		Budget 2026		Difference 2027 - 2026		Difference 2027 / 2026	
	(1)		(2)		(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA
— Instrument for the reinforcement of European defence industry through common procurement	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %
— Defence Industrial Reinforcement Instrument	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %
Neighbourhood and the World	**455,6**	**455,6**	**450,3**	**450,3**	**5,3**	**5,3**	**1,18 %**	**1,18 %**
— External Action	387,2	387,2	383,0	383,0	4,2	4,2	1,10 %	1,10 %
— Neighbourhood, Development and International Cooperation Instrument — Global Europe	372,6	372,6	367,7	367,7	4,9	4,9	1,33 %	1,33 %
— Humanitarian Aid	11,4	11,4	11,2	11,2	0,2	0,2	1,68 %	1,68 %
— Common Foreign and Security Policy	0,3	0,3	1,2	1,2	– 0,9	– 0,9	- 75,00 %	- 75,00 %
— Overseas countries and territories	1,4	1,4	1,4	1,4	0,0	0,0	1,34 %	1,34 %
— European Instrument for International Nuclear Safety Cooperation (INSC)	1,6	1,6	1,6	1,6	0,0	0,0	0,76 %	0,76 %
— Ukraine macro-financial assistance + (MFA+)	0,0	0,0	0,0	0,0	0,0	0,0	0,00 %	0,00 %
— Pre-Accession Assistance	60,8	60,8	59,8	59,8	0,9	0,9	1,54 %	1,54 %
— Pre-accession Assistance	60,8	60,8	59,8	59,8	0,9	0,9	1,54 %	1,54 %
Total	**1 807,9**	**1 807,9**	**1 763,1**	**1 763,1**	**44,8**	**44,8**	**2,54 %**	**2,54 %**

The Commission has used the appropriations for administrative support in the 2026 budget as a benchmark for the 2027 draft budget, taking into account budget execution in 2025, as well as the expected level of operational appropriations to be managed in 2027.

Support expenditure for research and innovation

The support expenditure requested for the Research and Innovation programmes fully respects the ceilings proposed in the legal bases for indirect research support expenditure of Horizon Europe and the Euratom Research and Training Programme. It covers the appropriations needed for salaries of staff under the research establishment plans, external research personnel and other administrative expenditure needed for programme management and implementation (preparation, monitoring, control, audits and evaluations of achievements, information and communication actions etc.). The level of appropriations for salaries has been adjusted to take account of the allocation of research staff for 2027 and the salary updates of 2026 and 2027 as expected at the time of the preparation of the Draft Budget.

The administrative expenditure of Horizon Europe also includes EU budget contributions to the operating budget of the executive agencies that will implement the programme. More detailed information is given in Section 4.3.1.

Support expenditure in heading 1-6

The evolution of external personnel financed by heading 1 to 6 shows an increase of 77 FTEs mainly linked with the reinforcements required for new initiatives:

— The Regulation prohibiting products made with forced labour on the Union market (11 FTEs).

— The Artificial Intelligence Office referred to in the Artificial Intelligence Act (38 FTEs).

— The Performance Review Board of the Single European Sky (10 FTEs).

— The return of third-country nationals (5 FTEs).

— The Regulation on guidelines for trans-European energy infrastructure (4 FTEs).

— Strategic Partnerships Agreements (9 FTEs).

4.3. **Bodies set up by the European Union and having legal personality**

4.3.1. *Executive Agencies*

This section presents an overview for the six executive agencies as concerns their establishment plans and external personnel. In 2027, the Commission will continue to make intensive use of executive agencies in the management of the 2021-2027 spending programmes. The staffing of executive agencies as from 2025 has been adjusted to reflect the combined effects of the MFF mid-term revision, the redeployments to finance initiatives launched after 2021, such as the European Chips Act and the Secure Connectivity Programme, other adjustments such as the financing of EU Missions within Horizon Europe, and the actual budget execution between 2021-2024. Consequently, the staffing levels requested for the agencies in the 2027 draft budget reach 3 375 FTEs, an increase of 20 compared to the 2026 level. The proposed EU contribution to the agencies take account of the higher-than-expected salary update since 2022, which could not be foreseen at the time of the delegation package [1], and which has had a substantial impact on the running costs of the executive agencies.

Staffing levels

The main change reflected for the 2027 draft budget compared to the delegation package relates to the adjustments of staffing levels as a consequence of the changes mentioned above, which affect the budgetary envelopes of programmes delegated to executive agencies. As such, the initial staff level communicated in the delegation package in 2027 was 3 482 FTEs, i.e. an increase of 817 FTEs compared to 2020 (including staff financed outside the EU budget). Taking into account the revised estimates of the envelopes expected to be delegated between 2021 and 2027, the estimated staff level of the executive agencies in 2027 is 3 375, of which 3 213 financed under the EU budget.

These reductions were reflected gradually until 2027. While these adjustments in the staffing level of executive agencies are expected to generate savings on their overall running costs, the EU contribution to executive agencies in the 2027 Draft Budget is above the programming made at the time of the delegation package, due to the higher-than-expected salary updates since 2022.

Moreover, the operational contributions of third countries to EU programmes – significantly increased with the association of the United Kingdom and Switzerland to Horizon Europe – keep generating additional workload in the executive agencies. The staff levels are adjusted accordingly, while all direct and indirect administrative costs incurred by this staff, including the employer's contributions to pensions, are fully covered by the amounts resulting from the third country contributions.

[1] Communication to the Commission on the delegation of the management of the 2021-2027 EU programmes to executive agencies (C(2021) 946 of 12.2.2021).

Consequently, the proposed number of staff in the executive agencies increases to 3 375 FTEs in 2027 (+ 20 FTEs compared to 2026, of which 23 temporary agent posts and a decrease of three contract agents), including establishment plan posts financed outside the EU budget (+ 18 temporary agent posts compared to 2026). Overall, the total staff is reduced compared to the staff numbers foreseen in the specific financial statements accompanying the Commission's delegation decisions, as well as in the Communication to the Commission on the delegation of tasks to executive agencies. More details on the staffing levels by agency are shown in the table below:

Staffing levels in executive agencies	Staffing levels for 2026		Staffing levels requested in DB 2027	
	Establishment plan posts (*)	Contract agents (FTE)	Establishment plan posts (*)	Contract agents (FTE)
European Climate, Infrastructure and Environment Executive Agency (CINEA)	167	368	172	365
European Health and Digital Executive Agency (HaDEA)	125	333	128	329
European Research Executive Agency (REA)	251	667	256	666
European Research Council Executive Agency (ERCEA)	153	359	158	356
European Innovation Council and SMEs Executive Agency (EISMEA)	107	229	106	221
European Education and Culture Executive Agency (EACEA)	152	444	158	460
Total	**955**	**2 400**	**978**	**2 397**
Grand Total	**3 355**		**3 375**	

** Including posts in the establishment plans financed from NGEU and programmes outside the EU budget, as follows:*
For 2026, 46 posts in CINEA, 16 posts in HADEA, 17 posts in EISMEA, 29 posts in ERCEA, 30 posts in REA and 5 posts in EACEA.
For 2027, 49 posts in CINEA, 18 posts in HADEA, 19 posts in EISMEA, 37 posts in ERCEA, 34 posts in REA and 5 posts in EACEA.
*** Including 10 FTEs as per the Amending Letter No1 to the Draft Budget 2026 for HADEA 5 FTEs (1 establishment plan post and 4 contract agents) for the Critical Raw Materials Act and for REA 5 FTEs (contract agents) following the increase of the EAGF subsidy for the implementation of the promotion measures*

Financing

In general, the EU budget contribution to cover the running costs of the six executive agencies in the 2027 draft budget (EUR 430,2 million) is larger than the amounts foreseen in the final version of the delegation package for 2027, due the impact of the upward revision of salary expenditure. The amounts requested for individual agencies take account of observed vacancy rates and the impact of the salary updates in 2026 and 2027 as expected at the time of the preparation of the draft budget.

The table below shows the requested appropriations for 2027 by agency, as compared to the amounts included in the 2026 budget. The increased contribution requested for 2027 is mainly due to the requested staff increase for 2027 – staff numbers continue to increase overall compared to 2026, although to a smaller extent than planned in the delegation package – and the salary updates since 2022.

(in million EUR, at current prices)

EU budget contribution to executive agencies	Draft budget (DB)		Budget		Difference		Difference	
	2027		2026		2027 - 2026		2027 / 2026	
	(1)		(2)		(1 - 2)		(1 / 2)	
	CA	PA	CA	PA	CA	PA	CA	PA
European Climate, Infrastructure and Environment Executive Agency (CINEA)	61,7	61,7	63,2	63,2	– 1,5	– 1,5	- 2,30 %	- 2,30 %
European Health and Digital Executive Agency (HaDEA)	62,2	62,2	60,6	60,6	1,6	1,6	2,69 %	2,69 %
European Research Executive Agency (REA)	116,9	116,9	115,1	115,1	1,8	1,9	1,64 %	1,64 %
European Research Council Executive Agency (ERCEA)	66,3	66,3	65,0	65,0	1,3	1,3	2,00 %	2,00 %
European Innovation Council and SMEs Executive Agency (EISMEA)	43,3	43,3	43,8	43,8	– 0,5	– 0,5	- 1,15 %	- 1,15 %
European Education and Culture Executive Agency (EACEA)	79,7	79,7	75,3	75,3	4,3	4,3	5,75 %	5,75 %
Total	**430,2**	**430,2**	**423,0**	**423,0**	**7,2**	**7,2**	**1,70 %**	**1,70 %**

Impact on the Commission staffing

The necessary additional staff increase in the agencies following the delegation of tasks is compensated by a reduction of human resources in the Commission. The decrease in the expected level of staff in the executive agencies in 2027 will also impact the planned offsetting due by the Commission for the delegation of tasks.

According to the Chapeau Communication, the Commission was expected to offset a total of 426 FTEs, for a corresponding increase of staff in executive agencies at the level of 817 FTEs by 2027, from 2 665 FTEs to 3 482 FTEs ([1]). By applying the offsetting principles underpinning the delegation package, a revised level of increase of staffing in executive agencies of 717 FTEs by 2027, from 2 665 FTEs to 3 382 FTEs, would result in a revised number of FTEs to be offset on the Commission side of 358 FTEs for the full period 2021-2027. Taking into account that up to 2026 included, the Commission has implemented a total offsetting of 322 FTEs, the remaining offsetting to be implemented by the Commission in 2027 is 36 FTEs.

([1]) Considering the adjustments introduced since 2021, notably for the Innovation Fund as an effect of increase of carbon prices, this number is adjusted to 3 482 at the level of 2027, yet with no impact on offsetting as the Innovation Fund is financed outside the EU budget.

In 2027, the increase in the staffing levels and related administrative expenditure in the executive agencies linked to the delegation of tasks is compensated by a further reduction of 36 FTEs in the Commission. This results in a net reduction of the Commission establishment plans of 29 posts. The total number of 'freed' and 'frozen' posts over the period is shown in the table below:

'Freed' and 'frozen' posts: ensuring budgetary neutrality	Total number of freed and frozen posts until 2026		Total number of freed and frozen posts in 2027		Total number of freed and frozen posts in 2027	
	Establishment plan posts	Contract agents (FTE)	Establishment plan posts	Contract agents (FTE)	Establishment plan posts	Contract agents (FTE)
Total 'freed'	*188*	*69*	*29*	*7*	*217*	*76*
Total 'frozen'	*65*				65	
Total	***253***	***69***	***29***	***7***	***282***	***76***
Grand Total	***322***		***36***		***358***	

4.3.2. *Decentralised agencies*

The draft budget 2027 request for decentralised agencies is based on a thorough assessment of the resource needs of each of the agencies, for the EU contribution and staffing levels. While striving for further efficiencies and rationalisations, the draft budget includes new or ongoing proposals to extend the mandates of certain agencies, over and above the indicative amounts for the agencies by policy cluster in the 2021-2027 MFF. The reinforcements requested for specific agencies follow the decisions of the European Parliament and the Council as legislator, typically to pool tasks at Union level that were previously performed by the Member States, resulting in better coordination and harmonisation.

As part of the preparation of this draft budget, the Commission continues deducting assigned revenue resulting from the recovery of decentralised agency surpluses for the year 2025 from the 2027 EU contribution to the agencies concerned, which lowers the need for new appropriations to be entered in the 2027 budget.

To the extent possible, the Commission encouraged all decentralised agencies to remain within the annual 2 % indexation of the EU contribution to the decentralised agencies. The proposed level of the EU contribution is EUR 3 433,2 million, of which EUR 3 374,7 million covered by 2027 appropriations. Of the overall amount, more than one third is allocated to FRONTEX. The proposed number of establishment plan posts is 9 594. Overall, this exercise results in an EUR 141,7 million increase in expenditure compared to the 2026 authorised budget, and an increase by 319 posts in the establishment plans for all (fully or partially) EU-financed decentralised agencies, mainly in favour of AMLA, EUCA and Europol; the introduction of staff for the new EU Centre to prevent and combat child sexual abuse, and the evolving needs of EASA, EMA, EFSA and ELA.

The breakdown in terms of the EU contribution and establishment plan posts is shown in detail in the table below:

(commitment appropriations, in million EUR, rounded figures at current prices)

	Draft budget 2027		Budget 2026		Difference 2027 / 2026	
	Total EU contribution	Of which budget	Total EU contribution	Of which budget	Total EU contribution	Of which budget
Agencies fully financed through EU contribution						
European Maritime Safety Agency (EMSA)	116,6	114,8	113,6	112,4	2,57 %	2,14 %
authorised establishment plan posts	*239*		*238*		*1*	

	Draft budget 2027		Budget 2026		Difference 2027 / 2026	
	Total EU contribution	Of which budget	Total EU contribution	Of which budget	Total EU contribution	Of which budget
European Union Agency for Cybersecurity (ENISA)	27,0	26,9	26,5	26,3	1,93 %	2,08 %
authorised establishment plan posts	*83*		*83*		*0*	
Body of European Regulators for Electronic Communications (BEREC) — Office	8,9	8,9	8,3	8,3	7,63 %	7,84 %
authorised establishment plan posts	*17*		*17*		*0*	
European Union Agency for the Space Programme (EUSPA)	84,3	83,9	83,8	83,4	0,66 %	0,71 %
authorised establishment plan posts	*283*		*283*		*0*	
European Centre for Disease Prevention and Control (ECDC)	95,0	94,4	92,0	90,9	3,20 %	3,77 %
authorised establishment plan posts	*225*		*225*		*0*	
European Food Safety Authority (EFSA)	164,8	164,4	162,8	162,2	1,23 %	1,36 %
authorised establishment plan posts	*410*		*410*		*0*	
European Foundation for the Improvement of Living and Working Conditions (Eurofound)	25,9	25,9	25,4	25,4	1,95 %	1,95 %
authorised establishment plan posts	*91*		*91*		*0*	
European Agency for Safety and Health at Work (EU-OSHA)	18,0	17,1	17,7	17,4	2,00 %	- 1,73 %
authorised establishment plan posts	*40*		*40*		*0*	
European Centre for the Development of Vocational Training (Cedefop)	21,5	21,5	20,9	20,6	3,32 %	4,56 %
authorised establishment plan posts	*91*		*91*		*0*	
European Union Agency for Fundamental Rights (FRA)	27,1	26,8	26,6	26,4	2,00 %	1,44 %
authorised establishment plan posts	*72*		*72*		*0*	
European Institute for Gender Equality (EIGE)	10,9	10,8	10,9	10,8	- 0,08 %	0,02 %
authorised establishment plan posts	*28*		*28*		*0*	
European Training Foundation (ETF)	25,7	25,6	24,5	23,8	5,08 %	7,92 %
authorised establishment plan posts	*86*		*86*		*0*	
European Union Agency for Criminal Justice Cooperation (Eurojust)	75,3	74,4	73,5	73,0	2,48 %	1,90 %
authorised establishment plan posts	*255*		*251*		*4*	
European Public Prosecutor's Office (EPPO)	100,0	99,7	93,0	91,5	7,42 %	8,95 %
authorised establishment plan posts	*240*		*235*		*5*	

	Draft budget 2027		Budget 2026		Difference 2027 / 2026	
	Total EU contribution	Of which budget	Total EU contribution	Of which budget	Total EU contribution	Of which budget
European Labour Authority (ELA)	53,4	52,2	51,2	50,5	4,30 %	3,49 %
authorised establishment plan posts	*73*		*69*		*4*	
European Fisheries Control Agency (EFCA)	32,3	32,3	31,8	31,3	1,83 %	3,02 %
authorised establishment plan posts	*77*		*77*		*0*	
European Union Agency for Asylum (EUAA)	266,8	258,1	252,0	248,5	5,86 %	3,85 %
authorised establishment plan posts	*371*		*371*		*0*	
European Border and Coast Guard Agency (Frontex)	1 171,7	1 140,2	1 125,9	1 106,9	4,07 %	3,00 %
authorised establishment plan posts	*2 020*		*2 026*		*– 6*	
European Union Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA)	324,6	324,4	319,1	316,7	1,72 %	2,42 %
authorised establishment plan posts	*274*		*272*		*2*	
European Union Agency for Law Enforcement Cooperation (Europol)	256,6	254,1	261,4	257,9	- 1,84 %	- 1,49 %
authorised establishment plan posts	*820*		*809*		*11*	
European Union Agency for Law Enforcement Training (CEPOL)	12,5	12,4	13,1	12,9	- 4,59 %	- 4,40 %
authorised establishment plan posts	*34*		*34*		*0*	
European Union Drugs Agency (EUDA)	36,3	30,4	35,5	35,5	2,23 %	- 14,37 %
authorised establishment plan posts	*103*		*101*		*2*	
European Union Customs Authority (EUCA)	3,1	3,1	0,9	0,9	229,96 %	229,96 %
authorised establishment plan posts	10		2		8	
EU Centre to prevent and counter child sexual abuse (CSA)	11,1	11,1	0,0	0,0	100,00 %	100,00 %
authorised establishment plan posts	*20*		0		20	
Subtotal – EU contribution	**2 969,3**	**2 913,3**	**2 870,2**	**2 833,6**	**3,45 %**	**2,81 %**
authorised establishment plan posts	**5 962**		**5 911**		**51**	
Decentralised agencies with national co-financing and fees						
European Banking Authority (EBA)	21,3	21,2	20,8	20,7	2,53 %	2,12 %
authorised establishment plan posts	*194*		*191*		*3*	
European Insurance and Occupational Pensions Authority (EIOPA)	15,2	15,1	14,8	14,7	2,59 %	2,62 %
authorised establishment plan posts	*151*		*147*		*4*	

	Draft budget 2027		Budget 2026		Difference 2027 / 2026	
	Total EU contribution	Of which budget	Total EU contribution	Of which budget	Total EU contribution	Of which budget
European Securities and Markets Authority (ESMA)	23,1	23,1	22,1	22,0	4,28 %	5,04 %
authorised establishment plan posts	*278*		*278*		*0*	
Subtotal – EU contribution	**59,5**	**59,4**	**57,7**	**57,4**	**3,22 %**	**3,37 %**
authorised establishment plan posts	***623***		***616***		***7***	
Agencies financed through EU contribution and fees & charges						
European Union Aviation Safety Agency (EASA)	48,6	48,6	45,2	44,7	7,48 %	8,61 %
authorised establishment plan posts	*729*		*700*		*29*	
European Union Agency for Railways (ERA)	33,9	33,6	30,8	30,8	10,09 %	9,12 %
authorised establishment plan posts	*180*		*162*		*18*	
Agency for the Cooperation of Energy Regulators (ACER)	25,6	25,3	24,3	23,8	5,48 %	6,43 %
authorised establishment plan posts	*150*		*140*		*10*	
European Chemicals Agency (ECHA) - Activities in the field of chemicals legislation	81,2	80,8	78,4	77,5	3,57 %	4,25 %
authorised establishment plan posts	*404*		*404*		*0*	
European Chemicals Agency (ECHA) - Activities in the field of biocides legislation	8,3	7,5	8,2	8,0	2,00 %	- 6,23 %
authorised establishment plan posts	*52*		*52*		*0*	
Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA)	55,6	55,6	37,1	37,1	49,99 %	49,99 %
authorised establishment plan posts	*323*		*153*		*170*	
European Medicines Agency (EMA)	49,1	49,1	49,7	45,1	- 1,14 %	8,89 %
authorised establishment plan posts	*750*		*719*		*31*	
European Chemicals Agency (ECHA) - Environmental directives and International conventions	22,4	22,2	18,2	18,1	23,08 %	22,52 %
authorised establishment plan posts	*46*		*44*		*2*	
European Environment Agency (EEA)	71,1	70,8	68,6	68,0	3,59 %	4,06 %
authorised establishment plan posts	*182*		*181*		*1*	
Translation Centre for the Bodies of the European Union (CdT)	8,5	8,5	3,2	3,2	167,17 %	167,17 %
authorised establishment plan posts	*193*		*193*		*0*	
Subtotal – EU contribution	**404,3**	**402,0**	**363,6**	**356,3**	**11,21 %**	**12,83 %**
authorised establishment plan posts	**3 009**		**2 748**		***261***	
TOTAL – EU contribution	**3 433,2**	**3 374,7**	**3 291,5**	**3 247,3**	**4,30 %**	**3,92 %**
authorised establishment plan posts	**9 594**		**9 275**		**319**	

The proposed level of EU contribution and the staffing level of each agency reflects their stage of development. Agencies that have recently been created, are proposed to be created or have recently been assigned new tasks by the co-legislators require additional appropriations and additional staff, whereas agencies at 'cruising speed' generally have stable budgets and structures.

Detailed justifications for the requests in terms of the EU contribution and staff for each of the agencies can be found in Working Document III accompanying this draft budget. The section below summarises the main developments.

Heading 1 Single Market, Innovation and Digital

The European Union Agency for the Cooperation of Energy Regulators (ACER) is proposed to be further reinforced by 10 establishment plan posts and five contract agents, linked to the review of the sufficiency of the Agency's human and financial resources, which has been carried out in line with Article 33(10) of the Agency's basic act, and linked to the implementation of Directive (EU) 2024/1788 on common rules for the internal markets for renewable gas, natural gas and hydrogen ([1]), Regulation (EU) 2024/1787 on the reduction of methane emissions in the energy sector ([2]), Directive (EU) 2024/1711 as regards improving the Union's electricity market design ([3]) ([4]) Regulation (EU) 2024/1106 as regards improving the Union's protection against market manipulation on the wholesale energy market ([5]) and the Commission proposal on guidelines for trans-European energy infrastructure COM(2025)1006 ([6]).

The European Union Aviation Safety Agency (EASA) is proposed to be reinforced by 29 establishment plan posts to cover higher workload in the certification of Air Traffic Management, Air Navigation Services equipment, and approval of Design and Production Organisations, for which the rate and volume of applications are much higher than expected when the revised Basic Regulation was concluded in 2018. Five posts were already agreed in the 2026 budget, four establishment plan posts and two contract agents are linked to the Commission Proposal on Military Mobility ([7]), while the remaining 20 additional posts are proposed as general reinforcements for the agency's fee activities in the Draft Budget 2027. The costs for the additional establishment plan posts for the certification tasks are to be covered by EASA's fee income.

Moreover, EASA has been experiencing a deficit in the EU contribution, accumulated over the past years due to several factors including growing workload, high inflation rates, digital growth and to balance discrepancies between mandate extensions and resources allocated. To decrease the deficit, a reinforcement of EUR 2 million in the EU contribution to the agency is proposed to be financed by an offsetting from the Transport strand of the Connecting Europe Facility (CEF Transport) in order to support EASA's regulatory activities that are essential for European competitiveness in the aviation sector.

([1]) Directive (EU) 2024/1788 of the European Parliament and of the Council of 13 June 2024 on common rules for the internal markets for renewable gas, natural gas and hydrogen, amending Directive (EU) 2023/1791 and repealing Directive 2009/73/EC (recast), OJ L, 2024/1788, 15.7.2024, ELI: http://data.europa.eu/eli/dir/2024/1788/oj.

([2]) Regulation (EU) 2024/1787 of the European Parliament and of the Council of 13 June 2024 on the reduction of methane emissions in the energy sector and amending Regulation (EU) 2019/942, OJ L, 2024/1787, 15.7.2024, ELI: http://data.europa.eu/eli/reg/2024/1787/oj.

([3]) Directive (EU) 2024/1711 of the European Parliament and of the Council of 13 June 2024 amending Directives (EU) 2018/2001 and (EU) 2019/944 as regards improving the Union's electricity market design, OJ L, 2024/1711, 26.6.2024, ELI: http://data.europa.eu/eli/dir/2024/1711/oj.

([4]) Proposal for a Regulation of the European Parliament and of the Council establishing the Union Customs Code and the European Union Customs Authority, and repealing Regulation (EU) No 952/2013, COM (2023) 258, 17.5.2023.

([5]) Regulation (EU) 2024/1106 of the European Parliament and of the Council of 11 April 2024 amending Regulations (EU) No 1227/2011 and (EU) 2019/942 as regards improving the Union's protection against market manipulation on the wholesale energy market, OJ L, 2024/1106, 17.4.2024, ELI: http://data.europa.eu/eli/reg/2024/1106/oj.

([6]) Commission Proposal for a Regulation of the European Parliament and of the Council on guidelines for trans-European energy infrastructure, amending Regulations (EU) 2019/942, (EU) 2019/943 and (EU) 2024/1789 and repealing Regulation (EU) 2022/869.

([7]) Proposal for Regulation of the European Parliament and of the Council on establishing a framework of measures to facilitate the transport of military equipment, goods and personnel across the Union COM(2025)847.

The European Union Agency for Railways (ERA) is proposed to be reinforced with 18 establishment plan posts and seven contract agents. This total staff increase is the net result of a planned decrease with two establishment plan posts following the phasing out of the temporary reinforcement with six permanent and six temporary establishment plan posts linked to the agency's strengthening plan and the increases linked to new Commission proposals and additional fee-financed staff. The Commission proposal on Military Mobility ([1]) reinforces the agency's budget with EUR 2,1 million, nine additional establishment plan posts and three contract agents, while the Commission proposal on Rail Infrastructure Capacity ([2]) includes EUR 0,8 million, two additional establishment plan posts and two contract agents. Based on the increased (and expected future increase) workload in the agency's certification activities, the agency is further proposed to be reinforced with 9 additional establishment plan posts and two contract agents, all fee-financed.

The Office of the Body of the European Regulators for Electronic Communications (BEREC Office) is proposed to be reinforced with an additional amount of EUR 466 913 above the financial programming for 2027, to be redeployed from the Digital strand of the Connecting Europe Facility (CEF Digital). Of this, EUR 100 000 and one contract agent post are to strengthen the agency's cybersecurity competences and the additional amount of EUR 366 913 is planned to finance cybersecurity deliverables required under the Cybersecurity Regulation and to enhance the security of the Agency's critical ICT systems and premises in Riga.

The European Banking Authority (EBA) is proposed to be reinforced in 2027 by three establishment plan posts and EUR 0,3 million in view of the proposal for a Regulation on the EU securitisation framework ([3]). The amount is set aside in the reserve Title of the budget awaiting the adoption of the legal act.

The European Insurance and Occupational Pensions Authority (EIOPA) is proposed to be reinforced in 2027 by three establishment plan posts, offset by a reduction of three seconded national experts, to cope with the increased geopolitical challenges related to the implementation of the Digital Operational Resilience Act (DORA) ([4]). The agency will be further reinforced by one establishment plan post and EUR 0,1 million to continue preparing the postponed implementation of the Retail Investment Strategy ([5]).

The European Securities and Markets Authority (ESMA) is proposed to be reinforced in total by EUR 0,9 million. The reinforcement is meant to (a) develop an IT tool for the implementation of the revised versions of the Alternative Investment Fund Managers Directive (AIMFD) and the Undertakings for collective investment in transferable securities (UCITS) Directive, (b) continue preparing the postponed implementation of the Retail Investment Strategy ([6]), and (c) continue the implementation of the Regulation on a pilot regime for market infrastructures based on distributed ledger technology ([7]). The total amount also includes a foreseen reduction in ESMA's tasks in relation to the EU securitization framework ([8]) proposal and some reductions in other IT related costs. As to staff resources, a reduction of two contract agents is planned in 2027, as the initial heavy workload of registration and authorization linked to the implementation of the Regulation on transparency and operations of ESG Rating providers ([9]) is expected to ease in 2027.

([1]) Proposal for Regulation of the European Parliament and of the Council on establishing a framework of measures to facilitate the transport of military equipment, goods and personnel across the Union COM(2025)847.

([2]) Proposal for a Regulation of the European Parliament and of the Council on the use of railway infrastructure capacity in the single European railway area, amending Directive 2012/34/EU and repealing Regulation (EU) No 913/2010.

([3]) Proposal for a Regulation of the EP and of the Council, submitted by the Commission on 17 June 2025, amending Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitization, COM(2025) 826.

([4]) Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on digital operational resilience for the financial sector and amending Regulations (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014, (EU) No 909/2014 and (EU) 2016/1011 (OJ L 333, 27.12.2022, p. 1–79).

([5]) Proposal for a Directive of the European Parliament and of the Council, submitted by the Commission on 24 May 2023, amending Directives (EU) 2009/65/EC, 2009/138/EC, 2011/61/EU, 2014/65/EU and (EU) 2016/97 as regards the Union retail investor protection rules, COM(2023) 279 final.

([6]) See footnote above - COM(2023) 279 final.

([7]) Regulation (EU) 2022/858 of the European Parliament and of the Council of 30 May 2022 on a pilot regime for market infrastructures based on distributed ledger technology, and amending Regulations (EU) No 600/2014 and (EU) No 909/2014 and Directive 2014/65/EU (OJ L 151, 2.6.2022, p. 1–33).

([8]) See footnote above - COM(2025) 826.

([9]) Regulation (EU) 2024/3005 of the European Parliament and of the Council of 27 November 2024 on the transparency and integrity of Environmental, Social and Governance (ESG) rating activities, and amending Regulations (EU) 2019/2088 and (EU) 2023/2859 (OJ L, 2024/3005, 12.12.2024, ELI: http://data.europa.eu/eli/reg/2024/3005/oj).

In line with the planned resources for the start-up phase of the Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA), the Commission proposes to reinforce the agency in 2027 by EUR 18,5 million. That is EUR 1,6 million below the financial programming in view of the availability of funding from its host country. Moreover, AMLA is set to grow by 170 establishment plan posts, 27 contract agents and two seconded national experts compared to 2026.

The financing of the European Chemicals Agency (ECHA-Chemicals and ECHA-Biocides) reflects the planned evolution of the agency's EU contribution in the current MFF period. However, as tabled in the ECHA Basic Act proposal ([1]), the EU contribution to ECHA-Chemicals for 2027 includes financing of tasks related to the Partnership for the Assessment of Risks from Chemicals (PARC) and the European Union Observatory for Nanomaterials (EUON). These tasks were previously funded via contribution agreements and are now proposed to be included into the agency's mandate. As a consequence, the agency would also incorporate five contract agents. The EU contribution to the agency is therefore proposed to be increased by EUR 0,6 million (included in the reserve Title of the budget, awaiting the adoption of the ECHA Basic act), which is proposed to be compensated by a corresponding reduction of the envelope of the SME pillar of the Single Market Programme, which currently finances these contribution agreements. In addition, ECHA Chemicals will also reintegrate one contract agent, as the work on the SCIP database pursued by ECHA-Environmental directives requires fewer staff resources in 2027 than the five contract agents made available by ECHA Chemicals until the end of 2026.

For its tasks in the implementation of the Union Secure Connectivity Programme ([2]) and the Space programme ([3]) for the period 2023-2027, the European Union Agency for the Space Programme (EUSPA) is planned to be reinforced by two contract agents and EUR 0,5 million, which is proposed to be compensated from the envelope of the Space programme.

Based on the Commission proposal to revise the Union Customs legislation ([4]) , the European Union Customs Authority (EUCA) will be in the early stages of setting up in 2027. Reflecting the political agreement reached in March 2026, the Draft Budget includes an EU contribution of EUR 3,1 million (which is proposed to be covered by redeployment from the Customs programme, placed in the reserve Title of the budget, awaiting the adoption of the basic act), as well as eight additional establishment plan posts and one additional seconded national expert.

Sub-heading 2b Resilience and Values

In 2027, 15 additional contract agents are proposed for the European Food Safety Authority (EFSA) financed from the agency's existing budget to boost the agency's scientific capacity, speed up risk assessment and strengthen collaboration with Member States, benefiting the entire EU food safety system. Furthermore, 4 additional seconded national experts are proposed to strengthen EFSA's access to specialised expertise, aiming at supporting the Agency to achieve a higher return on investments in grants and procurements. Due to increased efficiency efforts of the agency, an EU contribution of EUR 164,8 million is proposed, which is EUR 1,5 million below the financial programming for 2027.

([1]) Proposal for a Regulation of the European Parliament and of the Council on the European Chemicals Agency and amending Regulations (EC) No 1907/2006, (EU) No 528/2012, (EU) No 649/2012 and (EU) No 2019/1021, COM(2025) 386, 8.7.2025.

([2]) Regulation (EU) 2023/588 of the European Parliament and of the Council of 15 March 2023 establishing the Union Secure Connectivity Programme for the period 2023-2027 (OJ L 79, 17.3.2023, p. 1-39).

([3]) Regulation (EU) 2021/696 of the European Parliament and of the Council of 28 April 2021 establishing the Union Space Programme and the European Union Agency for the Space Programme and repealing Regulations (EU) No 912/2010, (EU) No 1285/2013 and (EU) No 377/2014 and Decision No 541/2014/EU (OJ L 170,12.5.2021, p. 69, ELI: http://data.europa.eu/eli/reg/2021/696/oj).

([4]) Proposal for a Regulation of the European Parliament and of the Council establishing the Union Customs Code and the European Union Customs Authority, and repealing Regulation (EU) No 952/2013, COM (2023) 258, 17.5.2023.

The planned staff evolution of the European Medicines Agency (EMA) includes 11 additional establishment plan posts in 2027 in relation to the Pharma Package proposal ([1]) following the political agreement on the file in December 2025. As part of the agreement, EUR 2 million initially planned for EMA will be returned to the EU4Health programme in 2027. At the same time, the agency is proposed to be reinforced by three additional posts in view of its work on critical medicinal products ([2]). The corresponding increase in the EU contribution to EMA (EUR 0,65 million) is proposed to be offset from the EU4Health programme. Furthermore, due to constantly increasing workload notably in product authorisation, 20 additional fee-financed establishment plan posts are proposed to enable EMA to comply with industry requests and strengthen the fee-generation capability of the agency.

Lastly, due to a recent change in the Dutch labour laws, a conversion of 100 interim staff currently working in EMA into contract agent posts is proposed, for a period of four years (2027-2031). The Agency hired the interim personnel to support increasing workload due to newly authorised medicinal products, increasing access to documents requests, and significant changes in numerous new or revised pieces of legislation affecting the Agency. The changes to the Dutch labour law would significantly increase the cost of short-term staffing contracts (interims) by around 30 %, and therefore the conversion would represent a cost saving of around EUR 5,2 million per year for the fee-financed activities, representing better use of resources.

The EU contribution to the European Centre for the Development of Vocational training (CEDEFOP) is proposed to be increased in 2027 by EUR 570 000, to allow the agency to cover part of the costs related to the modernisation of its building, which has become urgent and will lead to savings in the future. The increase is proposed to be covered by redeployment from the Employment and Social Innovation (EaSI) strand of the European Social Fund Plus (ESF+). As regards external staff, ETF intends to recruit 2 seconded national experts at no additional cost, starting in 2027 to strengthen ETF's ability to connect EU-level priorities with the realities of partner countries, particularly within the pre-accession framework and external dimension of EU policies, in particular flagship initiatives of the Union of Skills.

The EU contribution to European Labour Authority (ELA) is programmed to increase to EUR 53,4 million. In terms of staffing, the requested increase by four establishment plan posts and three contract agents is offset by a reduction in the number of Seconded National Experts by seven.

As regards the European Public Prosecutor's Office (EPPO), the Commission proposes to further reinforce the EPPO to finance additional staff (five establishment plan posts and 11 European Delegated Prosecutors) to cover the increased workload of the office, through an increase of EUR 6,9 million of the EU contribution compared to 2026. This brings the proposed EU contribution to EPPO to EUR 99,9 million.

The EU contribution to the European Training Foundation (ETF) is proposed to be increased by EUR 754 270 to allow the agency to cover building and associated costs, of which EUR 254 270 corresponding to rent for the current building in the second half of 2027, and EUR 500 000 as contribution to project design and building works for the new premises. The increase is proposed to be offset from the Employment and Social Innovation (EaSI) strand of the European Social Fund Plus (ESF+).

([1]) Proposal for a Regulation of the European Parliament and of the Council laying down Union procedures for the authorisation and supervision of medicinal products for human use and establishing rules governing the European Medicines Agency, amending Regulation (EC) No 1394/2007 and Regulation (EU) No 536/2014 and repealing Regulation (EC) No 726/2004, Regulation (EC) No 141/2000 and Regulation (EC) No 1901/2006, COM (2023) 193, 26.4.2023.

([2]) COM(2025) 102, 11.3.2025.

Heading 3 Natural resources and Environment

ECHA-ENV is proposed to be reinforced in 2027 by EUR 4,2 million and two establishment plan posts for the tasks entrusted to the agency by Directive (EU) 2020/2184 (Drinking Water Directive) ([1]) Regulation (EU) 2025/2457 as regards the reattribution of scientific and technical tasks ([2]). Salary savings amounting to EUR 555 000 in 2027 are proposed to finance part of the increase in salaries for new EEA tasks, as was done also in 2026 (see below). The agency will return one contract agent to ECHA Chemicals as the work on the SCIP database (repository for information on Substances of Concern In articles) becomes gradually less resource intensive.

EEA will return two establishment plan posts and 1 contract agent following the withdrawal of the Forest monitoring proposal ([3]) in the Communication of the Commission work programme 2026 – Europe's Independence Moment ([4]). At the same time, as in 2026, EEA is proposed to receive EUR 555 000 from ECHA-ENV to cover the salary expenditure in 2027. While the further increase in the EU contribution to the agency in comparison to 2026 follows the planned yearly evolution of costs, it also includes the planned increase of EUR 1,1 million for the implementation of the Regulation on land use, land use change and forestry ([5]). As part of the total EU contribution proposed to the agency for the year 2027, EUR 0,4 million is placed in the reserve Title of the budget, awaiting the adoption of the Green Claims Directive proposal ([6]).

Heading 4 Migration and border management

The EU contribution to the European Union Agency for Asylum (EUAA) follows the planned profile for 2027, considering the agency's new tasks under the Asylum and Migration Pact, with an increase of 12 contract agents as a net result of the phasing out of the short-term contract agents allocated to the EUAA in 2022, and the additional contract agents allocated to EUAA under the Asylum and Migration Pact. Moreover, on top of the planned staff growth of EUAA, it is proposed to increase the number of SNEs by two (without additional appropriations) to reinforce the implementation and the monitoring unit, the secretariat of the management board, and the cooperation with the Member States.

The European Border and Coast Guard Agency (FRONTEX) will continue to phase in its new mandate, including the build-up of the standing corps of border guards. The Commission proposes an increase of the EU contribution by EUR 44,7 million compared to the 2026 budget, dedicated to building up the standing corps, supporting return operations and procuring (and maintaining) the equipment required for the standing corps. The staffing levels of the agency are proposed to be stabilised on 2020 establishment plan posts, 1672 contract agents and 220 Seconded National Experts. The Commission will continue closely monitoring the recruitment progress in the agency, so that all the necessary staff are in place in line with the requirements of the EBCG Regulation and the establishment plan. FRONTEX will also provide financial support and training for the increase of the national border guard component in Member States and will provide enhanced support to Member States for returning third-country nationals. The EU contribution and allocation of posts proposed for 2027 takes into account the impact of the development of the European Travel Information and Authorisation System (ETIAS), as set out for eu-LISA and Europol below. The Commission will regularly follow-up on the agencies' mandate implementation and budget needs, and it will propose adjustments as necessary.

([1]) Directive (EU) 2020/2184 of the European Parliament and of the Council of 16 December 2020 on the quality of water intended for human consumption (recast), OJ L 435, 23.12.2020, p. 1, ELI: http://data.europa.eu/eli/dir/2020/2184/oj.

([2]) Regulation (EU) 2025/2457 of the European Parliament and of the Council of 26 November 2025 amending Regulations (EC) No 178/2002, (EC) No 401/2009, (EU) 2017/745 and (EU) 2019/1021 as regards the reattribution of scientific and technical tasks and improving cooperation among Union agencies in the area of chemicals (OJ L, 2025/2457, 12.12.2025, ELI: http://data.europa.eu/eli/reg/2025/2457/oj).

([3]) Proposal for a Regulation of the European Parliament and of the Council, submitted by the Commission on 22 November 2023, on a monitoring framework for resilient European forests (COM(2023) 728 final)

([4]) COM(2025)870 final.

([5]) Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU (OJ L 156, 19.6.2018, p. 1).

([6]) Proposal for a Directive of the European Parliament and of the Council, submitted by the Commission on 22 March 2023, on substantiation and communication of explicit environmental claims (COM(2023) 166 final).

The European Union Agency for the Operational Management of Large-Scale IT systems in the Area of Freedom, Security and Justice (eu-LISA) will continue revising and upgrading existing EU information technology systems (Schengen Information System, Visa Information System) and developing new systems (Entry/Exit System, ETIAS, European Criminal Records Information System for third-country nationals (ECRIS-TCN), EURODAC, Screening of third country individuals and the Commission proposal for the digitalisation of travel documents). An amount of EUR 0,73 million in relation to the upcoming Digitalisation of Travel Documents proposal is proposed to be placed in reserve, to be offset from the Border Management and Visa Instrument (BMVI). The proposed reinforcement of eu-LISA by two establishment plan posts and two contract agents in 2027 is the net result of the various ongoing workstreams of the agency.

To speed up the development of the ETIAS IT system, and in agreement with the two agencies concerned, the Commission proposes to continue the temporary reinforcement of eu-LISA by 21 contract agents in 2027, offset in the same period by 21 contract agents which were initially planned to be recruited by FRONTEX for the related workload in the ETIAS Central Unit in the agency for the same period. This was already included in the 2022-2026 budgets and the EU contribution levels for 2027 have been adapted accordingly.

Heading 5 Security and defence

Europol's budget is proposed to be reduced slightly by EUR 4,8 million compared to 2026 in the second year of implementation of Regulation (EU) 2025/2611 (the Anti-Smuggling Regulation) ([1]) . The Anti-Smuggling Regulation included large one-off investments in 2026, and a lower but sustained rolling rate of investments as of 2027. Following the impact of the adopted new mandate for the agency ([2]), Regulation (EU) 2024/982 (the Prüm II Regulation) ([3]) and the Anti-Smuggling Regulation as well as a reinforcement in the 2026 budget to cover the implementation of the Digital Services Act ([4]), 11 establishment plan posts and 3 contract agents are proposed to be added in 2027. As requested by Europol and in agreement with FRONTEX and Europol, the Commission proposes to continue in 2027 the temporary reinforcement of Europol by five establishment plan posts and 20 contract agents, offset by recruitments initially planned in FRONTEX.

In line with Regulation (EU) 2023/1322 ([5]), the staff levels of the European Union Drugs Agency are proposed to increase by two establishment plan posts and one contract agent, whereas its EU contribution is proposed to increase by EUR 0,79 million compared to the 2026 budget. The agency is also proposed to be reinforced with 1 additional cost-free Seconded National Expert to further enhance and promote the competences in EUDA and the Member States.

In light of recent progress in the negotiations on the proposed European Centre to prevent and counter child sexual abuse (CSA) the Commission for the first time proposes to allocate financing in the draft budget proposal. While EUR 16,5 million were originally planned to be allocated to the Centre in 2027, the Commission proposes now to include only EUR 11,12 million, which is the originally planned amount for the first year of operation of the agency, according to the LFDS. Hence, the difference of EUR 5,4 million would remain with the ISF. Moreover, 20 establishment plan posts and five contract agent posts are requested.

([1]) Regulation (EU) 2025/2611 of the European Parliament and of the Council of 16 December 2025 amending Regulation (EU) 2016/794 as regards the strengthening of Europol's support and enhancing police cooperation, for preventing and combating migrant smuggling and trafficking in human beings, OJ L, 2025/2611, 22.12.2025, ELI: http://data.europa.eu/eli/reg/2025/2611/oj.

([2]) Regulation (EU) 2022/991 of the European Parliament and of the Council of 8 June 2022 amending Regulation (EU) 2016/794, as regards Europol's cooperation with private parties, the processing of personal data by Europol in support of criminal investigations, and Europol's role in research and innovation, OJ L 169, 27.6.2022, p. 1, ELI: http://data.europa.eu/eli/reg/2022/991/oj.

([3]) Regulation (EU) 2024/982 of the European Parliament and of the Council of 13 March 2024 on the automated search and exchange of data for police cooperation, and amending Council Decisions 2008/615/JHA and 2008/616/JHA and Regulations (EU) 2018/1726, (EU) No 2019/817 and (EU) 2019/818 of the European Parliament and of the Council (the Prüm II Regulation), OJ L, 2024/982, 5.4.2024, ELI: http://data.europa.eu/eli/reg/2024/982/oj.

([4]) Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market For Digital Services and amending Directive 2000/31/EC, OJ L 277, 27.10.2022, p. 1, ELI: http://data.europa.eu/eli/reg/2022/2065/oj.

([5]) Regulation (EU) 2023/1322 of the European Parliament and of the Council of 27 June 2023 on the European Union Drugs Agency (EUDA) and repealing Regulation (EC) No 1920/2006, OJ L 166, 30.6.2023, p. 6, ELI: http://data.europa.eu/eli/reg/2023/1322/oj.

Heading 7 European Public Administration

The Translation Centre (CdT) was set up as a completely self-financed agency in 1994. However, for 2027 it has requested an EU contribution of EUR 8,6 million to balance its budget, after balancing contributions were already authorised in 2025 and 2026, in view of lower requests for translation services from its clients, i.e. the other decentralised agencies, and increasing salary costs in Luxembourg. Having exhausted its accumulated reserves, an EU contribution remains necessary to balance the Centre's budget of 2027, while the agency is actively looking into several options to become self-financed again.

4.3.3. *Bodies created in the field of research and innovation*

This section presents an overview of the Horizon Europe institutionalised partnerships (joint undertakings set up pursuant to Article 187 TFEU), the European Institute of Innovation and Technology (EIT), Fusion4Energy (F4E), which is the joint undertaking (JU) implementing the Euratom contribution to the ITER project, and the Cyber Security Competence Centre, a Union body which receives contributions from both the Digital Europe programme and Horizon Europe.

The EIT will continue to operate in 2027 by providing grants to its Knowledge and Innovation Communities (KICs): large-scale European partnerships which address specific societal challenges by bringing together education, research and business organisations (the so-called knowledge triangle). The EIT contributes to Europe's priorities such as the European Green Deal and channels innovations through eight KICs intervening in different areas: climate, digitisation, renewable energy, health, sustainable raw material, food, manufacturing, and urban mobility. The Commission proposes to reduce the 2027 budget contribution for the EIT compared to 2026 (- 10,3%) to reflect that the EIT Manufacturing Knowledge and Innovation Community (KIC) has filed for liquidation. The related appropriations are proposed to be made available for the Marie Sklodowska-Curie actions, which are heavily over-subscribed.

Now that the implementation of ITER is back on track, the EU contribution to F4E for 2027 remains at the level originally foreseen in the financial programming. The staffing levels decrease by 9 FTE in the establishment plan in line with the agreed F4E profile.

Council Regulation (EU) 2021/2085 establishing the 2021-2027 generation of joint undertakings under Horizon Europe ([1]) covers nine joint undertakings: Circular Bio-based Europe, Clean Aviation, Clean Hydrogen, Europe's Rail, Global Health EDCTP3, Innovative Health Initiative, Chips, Single European Sky ATM Research 3 and Smart Networks and Services. As from their establishment, most of these joint undertakings (except Global Health EDCTP3 and Smart Networks and Services, which were newly set up) have followed from the previous joint undertakings established in the 2014-2020 period, and they continue implementation of the Horizon 2020. The staffing level for these JUs remains unchanged as compared to 2026, except for a transformation of one contract agent position into a temporary agent post for the Europe's Rail joint undertaking.

Euro HPC was created in 2018 to provide a framework for acquisition and access to an integrated world-class pre-exascale supercomputing and data infrastructure in the Union and support the development of the latest High Performance Computing and Data Infrastructure technologies and its applications. The Commission's proposal to continue the EuroHPC Joint Undertaking activities under the 2021-2027 programmes (Horizon Europe, Digital Europe Programme and Connecting Europe Facility) was adopted in July 2021 ([2]).To support Europe's strategic autonomy and global competitiveness on high-performance computing, AI and quantum technologies an amendment to Regulation (EU) 2021/1173 (the EuroHPC Regulation) was adopted in January 2026. ([3])

([1]) Council Regulation (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014, OJ L 427, 30.11.2021, p. 17, ELI: http://data.europa.eu/eli/reg/2021/2085/oj.

([2]) Council Regulation (EU) 2021/1173 of 13 July 2021 on establishing the European High Performance Computing Joint Undertaking and repealing Regulation (EU) 2018/1488, OJ L 256, 19.7.2021, p. 3, ELI: http://data.europa.eu/eli/reg/2021/1173/oj.

([3]) Council Regulation (EU) 2026/150 of 16 January 2026 amending Regulation (EU) 2021/1173 on establishing the European High Performance Computing Joint Undertaking (*OJ L, 2026/150, 19.1.2026, ELI: http://data.europa.eu/eli/reg/2026/150/oj*).

The European Cybersecurity Industrial, Technological and Research Competence Centre aims at becoming the heart of a European network of cybersecurity competence centres to complement the existing capacity building efforts in this area at Union and national level ([1]). The staff levels for the Centre, remain stable compared to 2026, at 40 FTEs. The number of establishment plan posts also remains stable compared to 2026 (12 posts).

While the overall contribution to the joint undertakings remains stable, the 1,5 % decrease is the net impact of a steep increase in the profile of the Clean Aviation joint undertaking and EuroHPC joint undertaking compared to 2026, combined with a reduction by 10 % of the envelope of the joint undertakings under Horizon Europe JUs, which reflects also the impact of the mid-term revision of the MFF

Further information on the Article 187 TFEU bodies and the EIT can be found in Working Document III accompanying this draft budget.

(commitment appropriations, in million EUR, rounded figures at current prices)

Name	Draft budget 2027	Budget 2026	Difference 2027 / 2026
	EU contribution	EU contribution	
Horizon Europe ([1])			
European Institute of Innovation and Technology (EIT)	**379,4**	**422,9**	**- 10,29 %**
establishment plan posts	*50*	*50*	*0*
Single European Sky Air Traffic Management Research Joint Undertaking (SESAR)	**89,0**	**87,5**	**1,72 %**
establishment plan posts	*36*	*36*	*0*
Circular Bio-based Europe Joint Undertaking	**128,1**	**138,1**	**- 7,22 %**
establishment plan posts	*13*	*13*	*0*
Clean Aviation Joint Undertaking	**326,0**	**118,6**	**174,95 %**
establishment plan posts	*36*	*36*	*0*
Chips Joint Undertaking ([3])	**460,4**	**474,2**	**- 2,92 %**
establishment plan posts	*24*	*24*	*0*
European High Performance Computing Joint Undertaking ([2])	**714,0**	**496,7**	**43,75 %**
establishment plan posts	*27*	*27*	*0*
Clean Hydrogen Joint Undertaking	**124,9**	**123,6**	**1,08 %**
establishment plan posts	*27*	*27*	*0*
Innovative Health Initiative Joint Undertaking	**111,5**	**189,1**	**- 41,02 %**
establishment plan posts	*39*	*39*	*0*
Europe's Rail Joint Undertaking	**48,9**	**74,0**	**- 33,87 %**
establishment plan posts	*12*	11	*1*

([1]) Regulation (EU) 2021/887 of the European Parliament and of the Council of 20 May 2021 establishing the European Cybersecurity Industrial, Technology and Research Competence Centre and the Network of National Coordination Centres, OJ L 202, 8.6.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/887/oj.

Name	Draft budget 2027	Budget 2026	Difference 2027 / 2026
	EU contribution	EU contribution	
Global Health EDCTP3 Joint Undertaking	**59,7**	**139,6**	**- 57,26 %**
establishment plan posts	*25*	*25*	*0*
Smart Networks and Services Joint Undertaking ([4])	**113,5**	**121,6**	**- 6,65 %**
establishment plan posts	*7*	*7*	*0*
Subtotal	**2 555,4**	**2 385,8**	**7,11 %**
establishment plan posts	***296***	***295***	***1***
International Thermonuclear Experimental Reactor (ITER)			
European Joint Undertaking for ITER - Fusion for Energy (F4E)	**654,7**	**844,0**	**- 22,42 %**
establishment plan posts	*296*	*305*	*– 9*
Subtotal	**654,7**	**844,0**	**- 22,42 %**
establishment plan posts	*296*	*305*	*– 9*
Digital Europe Programme			
European Cybersecurity Industrial, Technology and Research Competence Centre (ECCC) ([4])	**91,8**	**122,8**	**- 25,27 %**
establishment plan posts	*12*	*12*	*0*
Subtotal	**91,8**	**122,8**	**- 25,27 %**
establishment plan posts	*12*	*12*	*0*
Subtotal	**3 301,9**	**3 352,6**	**- 1,51 %**
establishment plan posts	***604***	***612***	***– 8***

([1]) The EU contribution to the Horizon Europe bodies in 2026 and 2027 is based on voted budget appropriations.
([2]) The EuroHPC joint undertaking is financed from Horizon Europe, the Digital Europe programme and the Connecting Europe Facility.
([3]) The Chips JU is financed from Horizon Europe and the Digital Europe programmes.
([4]) The ECCC is financed from Horizon Europe and the Digital Europe programme.

4.4. **Actions without a specific basic act**

Article 58 of the Financial Regulation states that 'Appropriations entered in the budget for any Union action shall only be used if a basic act has been adopted'. However, the Financial Regulation also provides for five exceptions to this rule: 1) pilot projects; 2) preparatory actions; 3) preparatory measures in the field of Title V of the Treaty on European Union; 4) actions undertaken on the basis of the institutional prerogatives and specific powers conferred on the Commission by the Treaties; and 5) operations of each institution under its administrative autonomy.

The actions financed under the institutional prerogatives of the Commission amount to EUR 329,8 million for the 2027 draft budget. The amounts per cluster are presented in section 3.

4.4.1. *Programmes, activities and agencies for which the basic act is outstanding*

Article 49 of the Financial Regulation requires appropriations to be entered into the reserve (the 'provisions' title) until the basic act is adopted. The table below shows the amounts in reserve, which relate to new spending programmes, decentralised agencies or other new initiatives.

(in thousand EUR, at current prices)

Legislative proposal	Budget line	Date of the proposal	2027 Commitment appropriations	2027 Payment appropriations	Remarks
Various	08 05 01	Various	126 350,0	125 250,0	International fisheries agreements
COM(2026) 135	13 09 01	25 March 2026	115 000,0	30 000,0	Proposal for a Regulation of the European Parliament and of the Council on establishing the Programme for agile and rapid defence innovation (AGILE)
COM(2025) 1006	02 10 06	10 December 2025	327,0	327,0	Proposal for a Regulation of the European Parliament and of the Council on guidelines for trans-European energy infrastructure, amending Regulations (EU) 2019/942, (EU) 2019/943 and (EU) 2024/1789 and repealing Regulation (EU) 2022/869
COM(2025) 847	02 10 01	19 November 2025	498,0	498,0	Proposal for a Regulation of the European Parliament and of the Council on establishing a framework of measures to facilitate the transport of military equipment, goods and personnel across the Union
COM(2025) 847	02 10 03	19 November 2025	2 064,0	2 064,0	Proposal for a Regulation of the European Parliament and of the Council on establishing a framework of measures to facilitate the transport of military equipment, goods and personnel across the Union
COM(2025) 386	03 10 01 01	8 July 2025	576,9	576,9	Proposal for a Regulation of the European Parliament and the of the Council, submitted by the Commisson on 8 July 2025, on the European Chemicals Agency amending Regulations (EC) No 1907/2006, (EU) No 528/2012, (EU) No 649/2012 and (EU) No 2019/1021
COM(2025) 826	03 10 02	17 June 2025	263,0	263,0	Proposal for a Regulation of the EP and of the Council, submitted by the Commission on 17 June 2025, amending Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation
COM(2024) 670	11 10 02	8 October 2024	728,0	728,0	Proposal for a Regulation of the European Parliament and of the Council establishing an application for the electronic submission of travel data ("EU Digital Travel application") and amending Regulations (EU) 2016/399 and (EU) 2018/1726 of the European Parliament and of the Council and Council Regulation (EC) No 2252/2004, as regards the use of digital travel credentials

Legislative proposal	Budget line	Date of the proposal	2027 Commitment appropriations	2027 Payment appropriations	Remarks
COM(2023) 258	03 10 06	17 May 2023	3 062,0	3 062,0	Proposal for a Regulation of the European Parliament and of the Council establishing the Union Customs Code and the European Union Customs Authority, and repealing Regulation (EU) No 952/2013
COM(2023) 411	06 10 02	5 July 2023	1 099,0	1 996,0	Proposal for a Regulation of the European Parliament and of the Council on plants obtained by certain new genomic techniques and their food and feed, and amending Regulation (EU) 2017/625
COM(2025) 102	06 10 03 01	11 March 2025	758,0	758,0	Proposal for a Regulation of the European Parliament and of the Council laying a framework for strengthening the availability and security of supply of critical medicinal products as well as the availability of, and accessibility of, medicinal products of common interest, and amending Regulation (EU) 2024/795
COM(2023) 193	06 10 03 02	24 April 2023	1 196,0	1 196,0	Proposal for a Regulation of the European Parliament and of the Council laying down Union procedures for the authorisation and supervision of medicinal products for human use and establishing rules governing the European Medicines Agency, amending Regulation (EC) No 1394/2007 and Regulation (EU) No 536/2014 and repealing Regulation (EC) No 726/2004, Regulation (EC) No 141/2000 and Regulation (EC) No 1901/2006
COM(2023) 166	09 10 02	22 March 2023	439,5	439,5	Proposal for a Directive of the European Parliament and of the Council, on substantiation and communication of explicit environmental claims
COM(2025) 989	09 20 04 01	17 December 2025	5 000,0	0,0	Proposal for a regulation of the European Parliament and the Council amending Regulation (EU) 2023/956 as regards the extension of its scope to downstream goods and anti-circumvention measures
COM(2025) 101	10 01 01	11 March 2025	1 837,8	1 837,8	Proposal for a Regulation of the European Parliament and of the Council establishing a common system for the return of third-country nationals staying illegally in the Union, and repealing Directive 2008/115/EC of the European Parliament and the Council, Council Directive 2001/40/EC and Council Decision 2004/191/EC

Legislative proposal	Budget line	Date of the proposal	2027 Commitment appropriations	2027 Payment appropriations	Remarks
COM(2022) 209	12 10 04	11 May 2022	11 122,0	11 122,0	Proposal for a Regulation of the European Parliament and of the Council laying down rules to prevent and combat child sexual abuse
COM(2026) 131	14 20 03 07	24 March 2026	20 000,0	20 000,0	Recommendation for a Council Decision authorising the opening of negotiations on the conditions for the Union's membership in the Council of Europe Development Bank (CEB)

4.4.2. *Pilot projects and preparatory actions*

For the 2027 draft budget, the Commission does not include any commitment appropriations for pilot projects and preparatory actions.

Detailed information on existing pilot projects and preparatory actions is presented in Working Document IV accompanying this draft budget.

4.5. **Mainstreaming**

4.5.1. *Climate Mainstreaming*

The Interinstitutional Agreement of 16 December 2020 (IIA) ([1]) sets a target of 30 % of EU expenditure within the MFF contributing to climate objectives. The funds under NGEU, in particular the RRF, as well as the additional financing for the JTF, further play an important role in achieving the green transition. They fully contribute to the achievement of the overall target, and they are integrated into the climate tracking methodology framework.

All EU spending programmes and instruments are expected to contribute to the mainstreaming of climate objectives. The absence of a specific target indicated in the basic act of certain spending programmes reflects the difficulty of setting an ex-ante contribution for policy areas where achieving climate goals is not a primary objective. The actual annual contribution of each programme will be tracked, including for programmes without specific ex ante targets. This is being reported in detail in the Programme Performance Statements (Working Document 1 of the Draft Budget, and Annex IV to the Annual Management and Performance Report) and, at aggregate level, in the Statement of Estimates.

As part of the agreement on the 2021-2027 MFF, the climate architecture has been strengthened through several new features, such as the inclusion of specific targets in sectoral basic acts, a reinforced methodology and the integration of the 'do no significant harm' principle throughout the budget. In June 2022, the Commission published a detailed overview ([2]) of the climate mainstreaming architecture for the 2021-2027 period.

([1]) Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission 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 resources, OJ L 433I, 22.12.2020, p. 28, ELI: http://data.europa.eu/eli/agree_interinstit/2020/1222/oj.

([2]) SWD(2022) 225, 20.6.2022.

The table below presents an overview of the climate contribution of the main programmes in the 2021-2027 period, including NextGenerationEU. The amounts presented for direct management programmes are aggregated based on individual projects financed by the EU budget, whereas the amounts presented for shared management programmes reflect the content of the Member States' reports. The estimates for future years are based on the most up-to-date information available for each programme. This has resulted in more precise estimates for direct management programmes such as Horizon Europe, which are based on adopted work programmes. For the Common Agricultural Policy, the estimates are based on the adopted strategic plans. For the Regional Policy funds, the information is based on the Operational Plans. The Commission will continue to provide updates, both for expenditure made and future estimates, in function of data becoming available.

(EUR million, commitment appropriations, including external assigned revenue and loans from NextGenerationEU)

Programme	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Draft Budget (DB) 2027	Total 2021-2027	% of climate expenditure on total envelope	% target in the basic act
For reference: Total EU budget (section III-Commission, financial programming) and NextGenerationEU	**432 026,4**	**337 261,6**	**422 721,4**	**189 973,4**	**193 816,2**	**187 583,6**	**186 131,6**	**1 949 514,1**		
Total climate financing in the EU budget	**142 452,4**	**124 950,5**	**156 439,6**	**62 407,7**	**63 961,0**	**56 339,5**	**54 755,8**	**661 306,5**		
Share of climate-relevant spending in EU budget	**33,0%**	**37,0%**	**37,0%**	**32,9%**	**33,0%**	**30,0%**	**29,4%**	**33,9%**		
Horizon Europe	4 515,7	4 739,8	4 945,0	4 988,9	4 590,4	4 792,0	4 168,8	32 740,5	35,0%	**35 %**
Euratom Research and Training Programme	121,3	125,1	140,1	148,9	145,0	126,0	140,5	947,0	47,7%	
International Thermonuclear Experimental Reactor (ITER)	857,1	703,0	548,5	429,2	481,6	844,0	655,0	4 518,4	99,0%	
InvestEU Fund	1 181,5	1 589,2	1 536,7	735,4	478,3	307,0	87,6	5 915,8	46,1%	**30 %**
Connecting Europe Facility (CEF), including Military Mobility	3 192,2	3 604,9	3 734,8	3 542,9	3 657,7	3 893,0	2 639,0	24 264,5	72,5%	**60 %**

Programme	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Draft Budget (DB) 2027	Total 2021-2027	% of climate expenditure on total envelope	% target in the basic act
Digital Europe Programme	95,6	154,5	82,9	56,8	21,6	21,2	43,6	476,2	5,9%	
Single Market Programme, including COSME, ISA2, ESP, consumer involvement in fin. Services, financial reporting,Food and Feed, consumer programme	46,7	61,0	74,1	53,5	32,9	56,2	56,8	381,3	8,7%	
Cooperation in the field of taxation (Fiscalis)	0,0	4,1	0,0	0,0	0,0	0,0	0,0	4,1	1,5%	
Cooperation in the field of customs (Customs)	0,0	4,1	0,1	0,0	0,0	0,0	0,0	4,1	0,4%	
European Space Programme	254,9	296,9	324,3	336,1	367,6	0,0	0,0	1 579,8	11,0%	
Regional Policy (European Regional and Development Fund and Cohesion Fund)	91,7	15 323,2	16 128,1	16 570,2	17 012,9	14 600,1	15 107,0	94 833,3	35,9%	
Support to the Turkish Cypriot Community	0,0	0,7	0,0	0,0	0,8	0,0	0,0	1,5	0,6%	
Recovery and Resilience Facility	104 166,6	61 447,6	97 076,7	1 044,0	442,0	9,8	5,8	264 192,5	42,7%	**37 %**
Technical Support Instrument	22,9	23,1	18,2	24,7	16,2	0,0	0,0	105,1	13,7%	
Union Civil Protection Mechanism	78,1	289,6	191,5	111,6	139,4	0,0	0,0	810,3	22,1%	

Programme	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Draft Budget (DB) 2027	Total 2021-2027	% of climate expenditure on total envelope	% target in the basic act
EU4Health Programme	7,3	0,5	0,9	0,1	0,0	0,0	0,0	8,9	0,2%	
Emergency support within the Union (ESI)	0,2	0,0				0,0	0,0	0,2	0,1%	
European Social Fund + (incl. The Fund for the Most Deprived and Employment and Social innovation)	0,4	1 263,7	1 303,7	1 396,6	1 370,5	817,8	843,2	6 996,0	7,3%	
Erasmus +	228,3	385,4	444,8	477,0	529,3	0,0	0,0	2 064,9	7,8%	
European Solidarity Corps (ESC)	20,8	15,8	16,5	17,8	19,5	0,0	0,0	90,4	8,9%	
Creative Europe	80,8	96,7	85,0	105,1	67,1	0,0	0,0	434,7	17,1%	
Citizenship Equality Rights and Values	0,0	2,8	2,8	5,9	2,2	0,0	0,0	13,7	0,9%	
Communication	4,2	1,6	0,5	0,7	0,0	n/a	n/a	6,9	0,9%	
Common Agricultural Policy (CAP)	17 083,6	17 557,3	13 086,5	24 134,1	24 563,2	24 549,1	24 607,7	145 581,6	37,8%	**40 %**
European Maritime Fisheries and Aquaculture Fund (EMFAF)	34,7	598,1	588,0	591,0	482,5	423,0	428,5	3 145,8	52,6%	
Sustainable Fisheries Partnership Agreements (SFPA) and Regional Fisheries Management Organisations (RFMO)	15,7	17,7	9,5	9,3	9,3	22,3	22,3	106,0	10,5%	

Programme	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Draft Budget (DB) 2027	Total 2021-2027	% of climate expenditure on total envelope	% target in the basic act
Programme for Environment and Climate Action (LIFE)	440,4	434,7	457,8	463,9	421,6	468,7	485,6	3 172,7	58,1%	**61 %**
Just Transition Mechanism (JTM)	9,1	6 317,4	7 198,4	1 591,5	1 620,1	1 296,2	1 323,2	19 356,0	96,9%	
Integrated Border Management Fund (IBMF)	0,2	0,0	0,0	0,0	0,0	0,0	0,0	0,2	0,0%	
Nuclear Safety and decommissioning (incl. For Bulgaria and Slovakia)	0,3	0,2	0,7	3,2	0,0	0,0	0,0	4,5	1,0%	
European Defence Fund (EDF)	82,8	19,3	25,0	40,0	93,0	50,0	0,0	310,1	4,3%	
Neighbourhood, Development and International Cooperation Instrument - Global Europe (NDICI - Global Europe)	1 909,4	3 570,1	3 208,5	3 036,9	2 790,2	2 684,0	2 759,0	19 958,2	25,2%	**30 %**
Humanitarian Aid (HUMA)	840,5	1 017,7	965,7	1 012,1	1 023,4	0,0	0,0	4 859,5	30,4%	
Overseas Countries and Territories (OCT) (including Greenland)	0,0	53,6	50,2	13,1	6,9	2,3	3,5	129,6	25,8%	
Pre-Accession Assistance (IPA III)	624,5	580,1	503,3	510,1	453,2	568,0	568,0	3 807,2	25,4%	**18 %**
Innovation Fund	146,2	2 944,8	3 520,8	478,4	1 788,1	0,0	0,0	8 878,3	65,7%	
Union Secure Connectivity Programme			0,1	0	0	0,0	0,0	0,1	0,0%	

Programme	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Draft Budget (DB) 2027	Total 2021-2027	% of climate expenditure on total envelope	% target in the basic act
(Decentralized agencies, prerogatives, PPPA)	59,8	30,7	40,3	55,8	52,7			239,2	2,3%	
React EU - Regional Policy (European Regional and Development Fund and Cohesion Fund)	5 036,4	1 274,7	106,8	61,8				6 479,7	21,6%	
ReactEU - European Social Fund + (incl. The Fund for the Most Deprived and Employment and Social innovation)	1 202,2	400,8	22,8	20,7				1 646,5	8,0%	
Ukraine Facility				340,0	1 279,8	510,7	510,7	2 641,2	15,5%	
Western Balkan Facility					1,9	298,1	300,0	600,0	30,0%	

The table shows that the EU budget is on track to achieve the 30 % climate target and that nearly all instruments are in line with their sectorial targets.

4.5.2. *Biodiversity mainstreaming*

Protecting biodiversity is a global issue requiring transnational intervention and coordination. To halt and reverse the decline of biodiversity in the EU is a major objective of the Union, which is also reflected in the European Green Deal and the European Green Deal Investment Plan.

For the 2021-2027 MFF, point 16(e) of the IIA sets out that biodiversity should be mainstreamed in the EU programmes, with a view to working towards the ambition of reaching annual spending levels of 7,5 % in 2025 and 10 % in 2026 and in 2027, while considering the existing overlaps between climate and biodiversity goals. In the same vein, the biodiversity strategy for 2030 concluded that biodiversity action requires at least EUR 20 billion per year stemming from private and public funding at national and EU level, of which the EU budget will be a key enabler.

The table below presents an overview of biodiversity relevant expenditure, including NextGenerationEU. This is based to the extent possible on commitments made by 2025, and the expected programming of expenditure for the coming years. More details can be found in the Programme Performance Statements.

(EUR million, commitment appropriations, including external assigned revenue and loans from NextGenerationEU)

Programme	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Draft budget (DB) 2027	Total 2021-2027	% of biodiversity expenditure on total envelope
For reference: Total EU budget (section III-Commission, financial programming) and NextGenerationEU	**432 026,4**	**337 261,6**	**422 721,4**	**189 973,4**	**193 816,2**	**187 583,6**	**186 131,6**	**1 949 514,1**	
Total biodiversity financing in the EU budget	**15 938,0**	**17 566,3**	**19 157,9**	**14 964,9**	**15 160,6**	**15 102,4**	**15 134,7**	**113 024,9**	
Share of biodiversity relevant spending in EU budget	**3,7%**	**5,2%**	**4,5%**	**7,9%**	**7,8%**	**8,1%**	**8,1%**	**5,8%**	
Horizon Europe	792,9	1 178,3	1 350,2	1 118,1	1 133,1	1 269,7	1 178,7	8 020,9	8,6%
InvestEU Fund	13,0	17,7	17,2	7,9	5,6	0,0	0,0	61,4	0,5%
European Space Programme	120,0	120,0	120,0	120,0	120,0	165,0	165,0	930,0	6,5%
Regional Policy (European Regional and Development Fund and Cohesion Fund)	15,6	2 611,0	2 748,1	2 823,5	2 898,9	2 487,8	2 574,1	16 159,1	6,1%
Support to the Turkish Cypriot Community	0,0	0,0	1,7	0,0	0,8	0,0	0,0	2,5	1,0%
Recovery and Resilience Facility	4 020,9	2 371,9	3 747,2	40,3	17,1	0,4	0,2	10 198,0	1,6%
Technical Support Instrument	1,6	1,5	6,9	6,7	5,3	0,0	0,0	22,0	2,9%
Union Civil Protection Mechanism	43,1	30,3	14,8	74,4	65,8	0,0	0,0	228,4	6,2%

Programme	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Draft budget (DB) 2027	Total 2021-2027	% of biodiversity expenditure on total envelope
Common Agricultural Policy (CAP)	9 943,2	9 236,2	9 033,8	8 791,1	9 236,7	9 236,7	9 236,7	64 714,4	16,8%
European Maritime Fisheries and Aquaculture Fund (EMFAF)	52,5	339,0	331,9	320,9	279,0	245,9	246,6	1 815,9	30,4%
Sustainable Fisheries Partnership Agreements (SFPA) and Regional Fisheries Management Organisations (RFMO)	18,8	21,1	13,3	15,3	16,4	26,3	26,4	137,5	13,6%
Programme for Environment and Climate Action (LIFE)	353,3	382,6	393,4	377,3	387,2	404,5	433,7	2 732,0	50,0%
Just Transition Mechanism (JTM)	0,4	245,4	279,7	61,8	62,9	50,4	51,4	752,1	3,8%
Neighbourhood, Development and International Cooperation Instrument - Global Europe (NDICI - Global Europe)	529,7	920,8	1 020,6	1 112,9	880,4	1 017,8	1 017,9	6 500,1	8,2%
Overseas Countries and Territories (OCT) (including Greenland)	0,0	12,9	29,1	19,9	13,7	1,0	2,0	78,5	15,6%
Pre-Accession Assistance (IPA III)	33,1	77,5	50,0	74,8	37,7	97,0	102,0	472,2	3,2%
Western Balkan Facility	0,0	0,0	0,0	0,0	0,0	100,0	100,0	200,0	10,0%

The table above shows that, while the 2024 ambition of 7,5 % was achieved, the projected level for 2026 and 2027 remains below the initial 10 % ambition. The Commission will ensure that the work programmes for direct management continue to increase their resources towards biodiversity mainstreaming objectives, while working with Member States to reinforce dedicated funding to biodiversity in the context of Cohesion policy funds and the Common Agricultural Policy, and with third countries in the context of the NDICI-GE, IPA III, the Ukraine Facility and the Western Balkans Facility.

4.5.3. *Gender equality mainstreaming*

The Commission applies a dual approach to gender equality. On the one hand, it promotes gender equality through gender mainstreaming, by increasingly including the gender equality perspective in all stages of EU action, making use of policies, legislative measures and funding programmes; and on the other hand, through specific targeted measures to address persistent inequalities, including within relevant EU programmes.

In accordance with point 16(f) of the IIA, the Commission has developed a specific methodology to track gender equality related expenditure in the 2021-2027 MFF. The methodology aims to improve gender mainstreaming in the Commission's budgetary process, through the annual tracking of the contributions made by policy design and resource allocation to promote gender equality. The Commission applies the methodology across all EU programmes, which is complemented further by the inclusion in the Programme Performance Statements of the relevant gender disaggregated data available per programme. By doing so, the Commission was ahead of the ambition of the IIA, both with regard to the scope of implementation and the timeline of its delivery.

On that basis, the table below presents an overview of gender equality relevant expenditures based on commitments made between 2021-2025, including NextGenerationEU.

Contributions to Gender Equality				
Consolidated information about the annual commitments implemented in 2021-2025 (total per score by programme in EUR million)				
	SCORE 0	SCORE 0*	SCORE 1	SCORE 2
HEADING/ PROGRAMME	(No significant impact on gender equality)	(Likely but yet unclear impact on gender equality)	(Gender equality is significant objective)	(Gender equality is principal objective)
Horizon Europe	3 181,5	49 688,2	8 466,5	527,8
Euratom Research and Training Programme	1 388,1	0,0	0,0	0,0
International Thermonuclear Experimental Reactor (ITER)	3 046,7	0,0	0,0	0,0
InvestEU Fund	4 003,1	0,0	423,7	0,0
Connecting Europe Facility (CEF), including Military Mobility	23 261,9	0,0	0,0	0,0
Digital Europe Programme	5 944,6	0,0	90,2	2,0
Single Market Programme, including COSME, ISA2, ESP, consumer involvement in fin. Services, financial reporting,Food and Feed, consumer programme	3 122,6	0,0	0,0	0,0
EU Anti-Fraud Programme	125,9	0,0	0,3	0,0
Cooperation in the field of taxation (Fiscalis)	187,0	0,0	0,0	0,0
Cooperation in the field of customs (Customs)	711,6	0,0	0,0	0,0
European Space Programme	10 169,3	0,0	0,0	0,0

Contributions to Gender Equality				
Consolidated information about the annual commitments implemented in 2021-2025 (total per score by programme in EUR million)				
	SCORE 0	SCORE 0*	SCORE 1	SCORE 2
HEADING/ PROGRAMME	(No significant impact on gender equality)	(Likely but yet unclear impact on gender equality)	(Gender equality is significant objective)	(Gender equality is principal objective)
Regional Policy (European Regional and Development Fund and Cohesion Fund)	167 490,1	0,0	12 629,9	1 041,6
Support to the Turkish Cypriot Community	168,7	0,0	1,0	0,0
Recovery and Resilience Facility	620 775,9	0,0	5 681,3	12 412,7
Technical Support Instrument	551,3	0,0	3,0	46,3
Protection of the Euro Against Counterfeiting	4,4	0,0	0,0	0,0
Union Civil Protection Mechanism	1 241,7	0,0	0,0	0,0
EU4Health Programme	3 087,9	0,0	148,1	7,9
Emergency support within the Union (ESI)	231,7	0,0	0,0	0,0
European Social Fund + (incl. The Fund for the Most Deprived and Employment and Social innovation)	6 379,7	0,0	56 843,1	3 341,4
Erasmus +	12 287,8	0,0	3 876,1	1 387,2
European Solidarity Corps (ESC)	435,7	0,0	0,0	276,5
Creative Europe	1 459,6	0,0	0,0	273,1
Justice	68,7	63,5	80,9	0,7
Citizenship Equality Rights and Values	94,7	112,2	585,6	191,8
Communication	542,7	0,0	0,0	0,0
Common Agricultural Policy (CAP)	269 082,1	0,0	226,5	0,0
European Maritime Fisheries and Aquaculture Fund (EMFAF)	4 360,6	0,0	0,0	2,5
Sustainable Fisheries Partnership Agreements (SFPA) and Regional Fisheries Management Organisations (RFMO)	674,7	0,0	0,0	0,0
Programme for Environment and Climate Action (LIFE)	3 793,1	0,0	9,6	0,0
Just Transition Mechanism (JTM)	13 161,7	0,0	4 079,2	24,0

Contributions to Gender Equality				
Consolidated information about the annual commitments implemented in 2021-2025 (total per score by programme in EUR million)				
	SCORE 0	SCORE 0*	SCORE 1	SCORE 2
HEADING/ PROGRAMME	(No significant impact on gender equality)	(Likely but yet unclear impact on gender equality)	(Gender equality is significant objective)	(Gender equality is principal objective)
Asylum and Migration Fund (AMF)	0,0	0,0	6 797,8	0,0
Integrated Border Management Fund (IBMF)	5 096,0	0,0	0,0	0,0
Internal Security Fund (ISF)	1 296,9	0,0	0,0	0,0
Nuclear Decommissioning (Lithuania)	382,0	0,0	0,0	0,0
Nuclear Safety and decommissioning (incl. For Bulgaria and Slovakia)	300,7	0,0	0,0	0,0
European Defence Fund (EDF)	5 244,3	0,0	0,0	0,0
Neighbourhood, Development and International Cooperation Instrument - Global Europe (NDICI - Global Europe)	8 741,6	0,0	48 925,8	1 500,0
European Instrument for Nuclear Safety Cooperataion	19,5	0,0	182,7	0,0
Humanitarian Aid (HUMA)	0,0	0,0	12 081,6	0,0
Common Foreign and Security Policy (CFSP)	367,7	0,0	1 496,0	0,0
Overseas Countries and Territories (OCT) (including Greenland)	90,3	0,0	260,7	0,0
Pre-Accession Assistance (IPA III)	6 127,5	0,0	4 510,0	56,7
European Globalisation Adjustment Fund	656,3	0,0	0,0	0,0
European Union Solidarity Fund	5 573,3	0,0	0,0	0,0
Brexit Adjustment Reserve	2 796,7	0,0	0,0	0,0
Innovation Fund	8 878,3	0,0	0,0	0,0
Union Secure Connectivity Programme	804,3	0,0	0,0	0,0
Macro-Financial Assistance (MFA)	1 125,1	0,0	0,0	0,0
EDIRPA	290,2	0,0	0,0	0,0
ASAP	500,0	0,0	0,0	0,0
Ukraine Facility	31 611,3	0,0	639,9	0,0
Western Balkan Facility	2 995,2	0,0	4,8	0,0
Moldova Facility	483,6	0,0	0,0	0,0
Total	1 243 932,6	50 347,5	168 044,3	21 092,3

The table shows that gender equality mainstreaming is integrated in the EU budget. Over 2021-2025, an increasing share of EU budget expenditure has been allocated to promoting gender equality (gender scores 1 and 2), reaching almost 13 % or EUR 189 billion over these five years. At the same time, the share of 0* has been steadily declining and now stands at just 3 % over these five years. This reflects the effectiveness of the Commission's continuous analysis and reassessment efforts, which have contributed to a more precise and clearer picture of the EU budget support to gender equality. Meanwhile, almost 84 % of the 2021-2025 budgetary allocations have a gender score of 0, which is largely due to the systematic reassessment of 0* expenditures.

5. MECHANISMS OUTSIDE THE ANNUAL CEILINGS SET OUT IN THE MULTIANNUAL FINANCIAL FRAMEWORK

5.1. Special instruments

The special instruments provided for in chapter 3 of the MFF Regulation allow the EU to respond swiftly to unforeseen circumstances and emergencies.

The European Globalisation Adjustment Fund for Displaced Workers, the Solidarity and Emergency Aid Reserve (European Solidarity Reserve and Emergency Aid Reserve), the Brexit Adjustment Reserve, the EURI Instrument, the Ukraine Support Loan Instrument, the Ukraine Reserve and the Flexibility Instrument provide additional funds and the related commitment and payment appropriations are outside the expenditure ceilings of the MFF.

The Single Margin Instrument allows for the use of available commitment and/or payment margins (past, current or future) of particular headings to finance additional expenditure above the ceilings of another heading. They therefore do not increase the total amounts of the MFF ceilings for commitment and payment appropriations for the entire period of the MFF.

The details on availabilities and mobilisations in previous years are provided in the technical adjustment of the MFF for 2027 ([1]).

5.1.1. *European Globalisation Adjustment Fund for Displaced Workers*

The European Globalisation Adjustment Fund for Displaced Workers (EGF) continues as a solidarity and emergency relief instrument offering one-off assistance to support workers who lose their jobs in large-scale restructuring events and to help them find another job as rapidly as possible. In Regulation (EU) 2021/691 ([2]), the application requirements and eligibility criteria have been revised, to ensure that the EGF can be mobilised when a restructuring event has a significant impact, including in case of major restructuring events caused by important changes in trade relations of the EU or the composition of the internal market, the transition to a low-carbon economy, as a consequence of digitisation or automation and economic crisis. The minimum threshold of workers made redundant or self-employed persons has been lowered from 500 to 200.

The amendment of the EGF regulation ([3]) extends support to workers at risk of imminent job loss, allowing earlier intervention. By swiftly mobilising support before collective dismissals and job losses occur, the EGF will prevent larger disruptions and ensure smoother job transitions. The changes will benefit those in sectors undergoing transitions or significant structural changes, particularly in industry.

([1]) Technical adjustment of the multiannual financial framework for 2027 in accordance with Article 4 of Council Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027, COM(2026) 299, 9.6.2026.

([2]) Regulation (EU) 2021/691 of the European Parliament and of the Council of 28 April 2021 on the European Globalisation Adjustment Fund for Displaced Workers (EGF) and repealing Regulation (EU) No 1309/2013, OJ L 153, 3.5.2021, p. 48, ELI: http://data.europa.eu/eli/reg/2021/691/oj.

([3]) COM(2025) 140, 1.4.2025.

The maximum annual amount is set at EUR 30 million (2018 prices), following the MFF mid-term revision. The level of EGF commitment appropriations in reserve for 2027 is thus set at EUR 35,9 million (in current prices), available in accordance with Article 8 of the MFF Regulation. Based on the current pipeline of EGF applications, EUR 32,0 million in payment appropriations is included in the draft budget on the operational line (16 02 02).

5.1.2. *Solidarity and Emergency Aid Reserve (European Solidarity Reserve and Emergency Aid Reserve)*

The Solidarity and Emergency Aid Reserve (SEAR) was initially established in the current MFF to finance assistance to respond to major natural disasters and public health emergencies that are covered by the European Union Solidarity Fund (EUSF) ([1]), reinforce EU action in response to all aspects of health crises, as well as other emergency needs within the Union or in third countries following events which could not be foreseen when the budget was established. In particular, it could be used for emergency response and support operations following natural or man-made disasters, humanitarian crises, cases of large-scale public health, veterinary or phytosanitary threats, and also in situations of particular pressure resulting from migratory flows at the Union's external borders where circumstances so require.

Following the MFF mid-term revision and the related amendment of the MFF Regulation ([2]), which applied retroactively as of 1 January 2024, the Solidarity and Emergency Aid Reserve was split into two separate instruments, and each of them was separately reinforced: the 'European Solidarity Reserve' to provide support to affected countries and regions under the European Union Solidarity Fund and the 'Emergency Aid Reserve' to provide budgetary reinforcements to relevant Union programmes in response to crises and emergencies within and outside the Union.

Solidarity and Emergency Aid Reserve (SEAR), European Solidarity Reserve and Emergency Aid Reserve - commitments								
								EUR million
	2021	2022	2023	2024	2025	2026	2027	Total
Solidarity and Emergency Aid Reserve (SEAR)								
Annual amounts in 2018 prices	1 200,0	1 200,0	1 200,0	—	—	—	—	**3 600,0**
Annual amounts in current prices	1 273,5	1 298,9	1 324,9	—	—	—	—	**3 897,3**
Carried-over from the previous year	48,0	40,8	—					
Frontloaded from the following year (EUSF)	—	—	—					
Annual mobilisation	1 280,7	1 339,7	1 324,9					**3 945,2**
Carried-over to the following year	40,8	—	—					
Lapsed	—	—	—					

([1]) Council Regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund, OJ L 311, 14.11.2002, p. 3, ELI: http://data.europa.eu/eli/reg/2002/2012/oj.

([2]) 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.

Solidarity and Emergency Aid Reserve (SEAR), European Solidarity Reserve and Emergency Aid Reserve - commitments								
								EUR million
	2021	2022	2023	2024	2025	2026	2027	Total
European Solidarity Reserve								
Annual amounts in 2018 prices				1 016,0	1 016,0	1 016,0	1 016,0	**4 064,0**
Annual amounts in current prices				1 144,2	1 167,1	1 190,4	1 214,2	**4 715,9**
Emergency Aid Reserve								
Annual amounts in 2018 prices				508,0	508,0	508,0	508,0	**2 032,0**
Annual amounts in current prices				572,1	583,5	595,2	607,1	**2 357,9**

5.1.2.1. European Solidarity Reserve

The European Solidarity Reserve provides support to affected countries and regions under the European Union Solidarity Fund. The maximum annual amount of appropriations for the European Solidarity Reserve is EUR 1 016 million (in 2018 prices, corresponding to EUR 1 214,2 million in 2027 prices).

Pursuant to Article 9(2) of the MFF Regulation, an amount of EUR 303,6 million corresponding to one quarter of the annual amount of the European Solidarity Reserve will be made available only as of 1 October of each year in order to cover needs arising until the end of that year.

In accordance with Article 4a(4) of Council Regulation (EC) 2012/2002 [1], it is proposed to mobilise an amount of EUR 50,0 million to ensure the timely availability of sufficient budgetary resources for EUSF advance payments. The amount would be mobilised in commitment and payment appropriations and would be entered into the budget (on budget article 16 02 01). The remaining amount of EUR 1 164,2 million will be entered in the budget as a provision in line with Article 9(4) of the MFF Regulation (budget article 30 04 01). When the conditions for mobilising the European Solidarity Reserve are met, the Commission will submit a proposal to the European Parliament and to the Council for a transfer from the reserve to the corresponding budget lines in accordance with the Financial Regulation.

European Solidarity Reserve - commitments								
								EUR million
	2021	2022	2023	2024	2025	2026	2027	Total
European Solidarity Reserve								
Annual amounts in 2018 prices				1 016,0	1 016,0	1 016,0	1 016,0	**4 064,0**
Annual amounts in current prices				1 144,2	1 167,1	1 190,4	1 214,2	**4 715,9**

[1] Council regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund (OJ L 311, 14.11.2002, p. 3, ELI: http://data.europa.eu/eli/reg/2002/2012/oj), as last amended by Regulation (EU) 2020/461 of the European Parliament and of the Council of 30 March 2020 (OJ L 99, 31.3.2020, p. 9, ELI: http://data.europa.eu/eli/reg/2020/461/oj).

European Solidarity Reserve - commitments								
								EUR million
	2021	2022	2023	2024	2025	2026	2027	Total
of which end-of-year cushion (25%)				*286,0*	*291,8*	*297,6*	*303,6*	
Carried-over from the previous year				—	194,3	21,3	—	—
Frontloaded from the following year (EUSF)				—	—	—	—	—
Annual mobilisation				949,9	1 340,1	—	—	—
Carried-over to the following year				194,3	21,3	—	—	—
Lapsed				—	—	—	—	—

5.1.2.2. Emergency Aid Reserve

The Emergency Aid Reserve provides budgetary reinforcements to relevant Union programmes in response to crises and emergencies within and outside the Union. The maximum annual amount of appropriations for the Emergency Aid Reserve is EUR 508 million (in 2018 prices, corresponding to EUR 607,1 million in 2027 prices).

Emergency Aid Reserve - commitments								
								EUR million
	2021	2022	2023	2024	2025	2026	2027	Total
Emergency Aid Reserve								
Annual amounts in 2018 prices				508,0	508,0	508,0	508,0	**2 032,0**
Annual amounts in current prices				572,1	583,5	595,2	607,1	**2 357,9**
Carried-over from the previous year				—	—	—	—	—
Annual mobilisation				572,1	583,5	—	—	—
Carried-over to the following year				—	—	—	—	—
Lapsed				—	—	—	—	—

5.1.3. *Brexit Adjustment Reserve*

The Brexit Adjustment Reserve (BAR) ([1]) was established to help countering the adverse economic and social consequences in the Member States and sectors that are worst affected by the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

Following the end of the BAR implementation, all Member States submitted an application for a financial contribution from the BAR by 30 September 2024. The Commission is currently assessing the applications and all accompanying documents provided, and it will establish whether additional amounts are due to Member States or if any amounts are to be recovered from Member States.

For 2027, in line with Article 4(3) of Regulation (EU) 2021/1755, no commitment and payment appropriations are made available in the budget. Pursuant to Article 8(5) of Regulation (EU) 2021/1755, unused commitment and payment appropriations are automatically carried over and may be used only until 31 December 2027.

5.1.4. *Ukraine Reserve*

The Ukraine Reserve is a thematic special instrument which serves to mobilise up to EUR 17 billion in non-repayable support under the Ukraine Facility over the period 2024-2027. This support concerns all three pillars of the Ukraine Facility as well as the support expenditure and, thus far, has proven crucial to maintain Ukraine's macro-financial stability, support its recovery and reconstruction and facilitate its path towards EU accession in the face of Russia's war of aggression.

The appropriations from the Ukraine Reserve are mobilised annually, taking into account the annual maximum ceilings of EUR 5 billion for non-repayable support. Subsequently, the Financial Programming of the Ukraine Reserve for the period 2024-2027 in current prices is as follows:

Ukraine Reserve – commitments					
					EUR million
	2024	2025	2026	2027	Total
Maximum annual amounts in current prices	5 000,0	5 000,0	5 000,0	5 000,0	
Carried-over from the previous years	—	—	—	—	
Annual mobilisation	4 767,5	4 320,4	3 895,2	4 016,9	**17 000,0**
of which Pillar I Ukraine Plan	*3 000,0*	*1 500,0*	*500,0*	*270,0*	***5 270,0***
Pillar II Ukraine Investment Framework	*1 346,1*	*1 543,8*	*1 939,2*	*2 136,9*	***6 965,9***
Pillar III Union accession assistance and support measures	*382,9*	*1 240,2*	*1 414,4*	*1 567,7*	***4 605,3***
Support expenditure	*38,6*	*36,4*	*41,5*	*42,3*	***158,8***
Possible carry over to following years	232,5	679,6	1 104,8		

In this draft budget, it is proposed that the non-repayable support mobilised under the Ukraine Reserve amounts to EUR 4 016,9 million in commitment appropriations to support Ukraine, resulting in the full mobilisation of the amount available under the Ukraine Reserve by the end of 2027.

([1]) Regulation (EU) 2021/1755 of the European Parliament and of the Council of 6 October 2021 establishing the Brexit Adjustment Reserve, OJ L 357, 8.10.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/1755/oj.

The draft budget 2027 will cater for the non-repayable share of the quarterly payments under the Ukraine Plan, Pillar I of the Ukraine Facility. In addition, it will cover the provisioning of the Ukraine Guarantee to the Common Provisioning Fund as well as blending operations under the Ukraine Investment Framework (Pillar II). Finally, Pillar III of the Ukraine Facility will cover accession assistance, the borrowing cost subsidy for the loans issued under Pillar I and other legacy costs.

(in EUR million, figures at current prices)

Ukraine Reserve	Draft budget (DB) 2027	Budget 2026	Difference 2027 - 2026	Difference 2027 / 2026
	(1)	(2)	(1 - 2)	(1 / 2)
Total	***4 016,9***	***3 895,2***	***121,7***	***3,13 %***
— Support Expenditure for the Ukraine Facility	42,3	41,5	0,7	1,78 %
— Pillar I: Ukraine Plan	270,0	500,0	– 230,0	-46,00 %
— Pillar II: Ukraine Investment Framework	2 136,9	1 939,2	197,7	10,20 %
— Provisioning of the common provisioning fund	1 911,0	1 638,0	273,0	16,67 %
— Other actions under the Ukraine Investment Framework	225,9	301,2	– 75,3	- 25,00 %
— Pillar III: Union accession assistance and support measures	1 567,7	1 414,4	153,3	10,84 %
— Union accession assistance and other measures	157,6	157,6	0,0	0,00 %
— Borrowing costs subsidy	1 087,6	885,2	202,4	22,87 %
— Provisioning of the common provisioning fund – Legacy	322,5	371,6	– 49,1	- 13,22 %

Pursuant Article 12(1) of Regulation (EU) 2024/792, any unused commitment and payment appropriations under the Facility in 2026 shall be automatically carried over and may be committed and used, respectively, up to 31 December of the following financial year (i.e. 2027).

5.1.5. *EURI Instrument*

The EURI Instrument may be used to finance, for a given year, part of the additional costs of the interest and coupon payments due in respect of the funds borrowed on the capital markets in accordance with Article 5(2) of Decision (EU, Euratom) No 2020/2053 [1] (the 'Own Resources Decision'), when such costs exceed the amounts set out in Article 10a(1) of the MFF Regulation for that year.

The funding costs for EURI borrowing for 2027 are estimated at EUR 9 900,0 million.

Under the 'cascade mechanism' set out in Article 10a of the MFF Regulation, the financing of these costs will be covered as follows:

— Step 1: full use of the amount reserved in the financial programming under the annual budget for the budget line 06 04 01 (2027 – EUR 4 980,3 million). This leaves a remaining amount to be covered ('additional needs') of EUR 4 919,7 million.

[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.

— Step 2: the MFF Regulation provides that, before having recourse to the EURI instrument, the budgetary authority should seek other means of financing within the framework of the annual budget procedure with a view to covering a substantial part of the additional needs, while taking into account priorities, prudent budgeting and sound financial management. Other means of financing include room created by budgetary implementation of the programmes and reprioritisation (unallocated margin under sub-heading 2b), as well as the mobilisation of non-thematic special instruments i.e. the Single Margin Instrument from past margins (Art 11(1), point (a) of the MFF Regulation), the Flexibility Instrument and as last resort, the Single Margin Instrument (Art. 11(1), point (c) of the MFF Regulation) which provides the possibility to redeploy available margins from the other headings in the same year or from future years. Recital 12 of Council Regulation (EU, Euratom) 2024/765 provides that this step should, as far as possible, aim to cover an amount equivalent to about 50 % of the EURI interest payments additional needs as a benchmark, and should be done in accordance with the applicable sectoral rules and other legal obligations and taking into account priorities, prudent budgeting and sound financial management which require in particular appropriate margins for unforeseen expenditure. The agreement in the framework of the adoption of the 2026 budget stipulated further that the 50 % benchmark should be targeted annually. Consequently, it is proposed in this draft budget to mobilise the unallocated margin under sub-heading 2b for an amount of EUR 519,9 million and the Flexibility Instrument for an amount of EUR 1 940,0 million, which in total covers 50 % of the additional cost.

— Step 3a: Following Step 2, an equal amount of EUR 2 459,8 million of additional needs for EURI borrowing remains to be mobilised through the EURI Instrument. In accordance with the technical adjustment of the MFF for the year 2027 ([1]), an amount of EUR 5 235,5 million is available to the EURI Instrument under Article 10a(3), point (a) of the MFF Regulation, equivalent to the decommitments of appropriations made cumulatively since 2021 until the end of 2025, with the exclusion of external assigned revenue and of: the amounts of decommitments made available again in accordance with the provisions of Article 15 of the Financial Regulation, specific rules on making appropriations available again as referred to in the relevant basic acts, and the total amount of EUR 3 254,3 million already mobilised in the 2025 and 2026 budgets.

Consequently, it is proposed to mobilise the EURI instrument for an amount of EUR 2 459,8 million in commitment and in payment appropriations, fully covered by the amount of decommitments. EUR 2 793,7 million of decommitments made in the period 2021-2025 remain available under Article 10a(3), point (a). There is no need to recourse to the so-called 'financial back-stop' (Step 3b, Article 10a(3), point (b) of the MFF Regulation).

5.1.6. *Ukraine Support Loan Instrument*

Ukraine's immediate needs for continued financing in 2026 and 2027 required a revision of the 2021-2027 MFF, linked to the new Ukraine Support Loan of EUR 90 billion for the years 2026 and 2027, which will provide Ukraine with urgently needed military assistance to strengthen its defence capabilities (EUR 60 billion) and general budget support to ensure the continued functioning of the state and basic public services (EUR 30 billion).

The revised MFF Regulation provides for the creation of a new Ukraine Support Loan instrument, specifically for the financing of the debt service costs related to the borrowing operations. The instrument may be mobilised by the European Parliament and the Council in the framework of the annual budget procedure after a thorough assessment of availabilities, taking into account the needs for legal and other obligations as well as sound financial management.

The 2027 budget will cover the cost of disbursements in the second and third quarter of 2026, which are expected to reach EUR 30,3 billion. The debt service costs to cover the related borrowing operations are expected to amount to EUR 1 150,0 million in 2027. Following the methodology included in the revised MFF regulation, the Commission proposes to finance the debt service costs related to the Ukraine support loan through a combination of the Flexibility Instrument for an amount of EUR 50,2 million, the Single Margin Instrument from past margins (Art 11(1), point (a) of the MFF Regulation) for an amount of EUR 335,1 million and the Single Margin Instrument (Art 11(1), point (c) of the MFF Regulation) as last resort, for an amount of EUR 764,7 million. This fully covers the debt service costs, and there is therefore no need to mobilise the Ukraine Support Loan Instrument.

([1]) Technical adjustment of the multiannual financial framework for 2027 in accordance with Article 4 of Council Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027, COM(2026) 299, 9.6.2026.

5.1.7. *Single Margin Instrument (SMI)*

With this instrument, new commitment and/or payment appropriations can be entered in the EU budget over and above the ceilings of specific headings in a given year – as of 2022 by using (i) commitment appropriations that are left unused below the expenditure ceilings from previous years as from 2021 (Article 11(1), point (a) of the MFF Regulation) and (ii) as a last resort additional amounts from commitment and payment appropriations from the current or future financial years (Article 11(1), point (c) of the MFF Regulation).

The adjustment of the payment ceiling in line with the element defined in Article 11(1), point (b) of the MFF Regulation has been carried out in the technical adjustment for the financial year 2027 ([1]). Consequently, the 2027 payment ceiling is adjusted by the amount remaining under the 2027 cap as per Article 11(3). This corresponds to EUR 1,9 billion in current prices (EUR 1,6 billion in 2018 prices).

As regards commitment appropriations, the unused margins made available in the years 2021 to 2025 were respectively EUR 629,0 million, EUR 705,4 million, EUR 561,3 million, EUR 392,4 million and EUR 919,5 million (in current prices). To date, EUR 280 million was mobilised in the 2023 budget to reinforce the EURI/NGEU interest budget line. Similarly, EUR 654,7 million was mobilised in the 2024 budget of which EUR 371,2 million for heading 6 and EUR 283,5 million for heading 7. In the 2025 budget, EUR 642,3 million was mobilised for Heading 7. Finally, in the 2026 budget EUR 751,4 million was mobilised for Heading 7. The remaining SMI Article 11(1), point (a) originating from 2024 and 2025 which will be available in 2027, will be equal to EUR 1 035,4 million (in current prices 2027) assuming no further use in 2026.

The total annual amount mobilised under the Article 11(1), point (a) and Article 11(1), point (c) components of the Single Margin Instrument cannot exceed 0,04 % of EU gross national income (GNI) in commitment appropriations, and 0,03 % of EU GNI in payment appropriations. These amounts also need to be consistent with the own resources ceiling. The amounts available and the thresholds are established every year in the technical adjustment of the multiannual financial framework.

Heading 7 (European Public Administration) remains under pressure in 2027 due to high inflation, with a direct impact on administrative costs. Despite the major efforts to maintain stable staffing and limit the increases in non-salary expenditure under challenging conditions, recourse to the Single Margin Instrument Article 11(1), point (a) remains necessary in order to respect all legal obligations, for an amount of EUR 700,3 million. An additional mobilisation of EUR 335,1 million from the Single Margin Instrument Article 11(1), point (a) is also required to cover part of the debt service costs related to the Ukraine Support Loan. Overall, the necessary use of the Single Margin Instrument amounts therefore to EUR 1 035,4 million in 2027, leaving no remaining availabilities under SMI Article 11(1), point (a), as shown in the table below:

EUR million (current prices)

	2021	2022	2023	2024	2025	2026	2027
Commitment margin remaining available at year end	**629,0**	**705,4**	**561,3**	**392,4**	**919,5**		
Annual SMI art. 11(1)(a) available		**641,5**	**1 373,9**	**1 688,3**	**1 454,6**	**1 766,5**	**1 035,4**
SMI art. 11(1)(a) from 2021		*641,5*	*654,4*	*381,9*	*0,0*	*0,0*	*0,0*
SMI art. 11(1)(a) from 2022			*719,5*	*733,9*	*470,3*	*0,0*	*0,0*
SMI art. 11(1)(a) from 2023				*572,5*	*584,0*	*420,3*	*0,0*
SMI art. 11(1)(a) from 2024					*400,3*	*408,3*	*78,7*
SMI art. 11(1)(a) from 2025						*937,9*	*956,7*

([1]) Technical adjustment of the multiannual financial framework for 2027 in accordance with Article 4 of Council Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027, COM(2026) 299, 10.6.2026.

	2021	2022	2023	2024	2025	2026	2027
Annual use of SMI art. 11(1)(a)		**0,0**	**280,0**	**654,7**	**642,3**	**751,4**	**1 035,4**
SMI art. 11(1)(a) from 2021		*0,0*	*280,0*	*381,9*	*0,0*	*0,0*	*0,0*
SMI art. 11(1)(a) from 2022			*0,0*	*272,8*	*470,3*	*0,0*	*0,0*
SMI art. 11(1)(a) from 2023				*0,0*	*171,9*	*420,3*	*0,0*
SMI art. 11(1)(a) from 2024					*0,0*	*331,1*	*78,7*
SMI art. 11(1)(a) from 2025						*0,0*	*956,7*
Remaining SMI art. 11(1)(a) at year-end		**641,5**	**1 093,9**	**1 033,6**	**812,3**	**1 015,1**	**0,0**
SMI art. 11(1)(a) from 2021		*641,5*	*374,4*	*0,0*	*0,0*	*0,0*	*0,0*
SMI art. 11(1)(a) from 2022			*719,5*	*461,1*	*0,0*	*0,0*	*0,0*
SMI art. 11(1)(a) from 2023				*572,5*	*412,0*	*0,0*	*0,0*
SMI art. 11(1)(a) from 2024					*400,3*	*77,2*	*0,0*
SMI art. 11(1)(a) from 2025						*937,9*	*0,0*

The full amount of the SMI(a) availability is proposed to be mobilised in this draft budget: EUR 700,3 million for heading 7 and EUR 335,1 million for the financing of the Ukraine Support Loan.

The remaining availabilities under SMI(c) amounted to EUR 1 255,9 million, of which EUR 275,7 million in the remaining margins in 2026 (after DAB 2/2026) and EUR 980,2 million in draft budget 2027. It is proposed to mobilise an amount of EUR 764,7 million in commitment appropriations to cover part of the debt service costs related to the Ukraine Support Loan.

In line with Article 11(1), point (c) of the MFF Regulation, the amount mobilised will be fully offset against margins of the ceilings in the current or future years. To preserve the margins in 2027 for any unexpected future needs until the end of this MFF period, it is proposed to offset the amount as follows:

— EUR 47,0 million from the margin in heading 1 for 2026, leaving no margin available;

— EUR 130,4 million from the margin in heading 3 for 2026, of which EUR 40,6 million outside the EAGF sub-ceiling and EUR 89,8 million within the sub-ceiling. This leaves no margin available outside the sub-ceiling while leaving EUR 0,2 million of margin available under the sub-ceiling;

— EUR 84,1 million from the margin in heading 4 for 2026, leaving no margin available;

— EUR 503,1 million from the margin in heading 6 for 2027, created by the reduction in voted appropriations for the provisioning of the EFSD+ guarantee, as a result of the EFSD surplus of provisions at the end of 2025 used to financed the planned provisioning level (see section 3.8.2.1 above);

5.1.8. *Flexibility Instrument*

The Flexibility Instrument may be used for the financing of specific unforeseen expenditure, in commitment and corresponding payment appropriations, which cannot be financed within the limits of the ceilings available for one or more headings.

In accordance with Article 12 of the MFF Regulation, the annual amount of the Flexibility Instrument for the year 2027 is EUR 1 608,6 million (EUR 1 346 million in 2018 prices). Any unused portion of the annual amount may be used until year n+2. Any amount remaining available at the end of 2026 – to date EUR 381,6 million – will be carried over to 2027.

The long-lasting impact of high interest rates on the markets leads to higher needs for the funding costs linked to the borrowing operations in the 2027 budget, as compared to the financial programming for 2027. Consequently, in the context of the EURI cascade mechanism, this requires using the Flexibility Instrument for an amount of EUR 1 940,0 million. The remaining amount of EUR 50,2 million from the Flexibility Instrument is required to cover part of the debt service costs related to the Ukraine Support Loan.

Therefore, no amount remains available under the Flexibility Instrument for 2027.

Prior mobilisation decisions of the Flexibility Instrument, for the years 2024, 2025 and 2026, have an impact on the level of payment appropriations of the Draft Budget 2027 for a total amount of EUR 57,3 million. The payment profiles of these mobilisation decisions and of the proposed mobilisation in the Draft Budget 2027 are detailed in the following table:

(million EUR, rounded figures at current prices)

Commitment budget year & Decision reference	2027	Total
— 2024 voted budget as adopted on 22 November 2023 (OJ L 207 22.02.2024)	46,3	**46,3**
— 2025 voted budget as adopted on 27 November 2024 (OJ L 31 27.02.2025)	9,4	**9,4**
— 2026 voted budget as adopted on 26 November 2025 (OJ L 2026/72 26.2.2026)	1,7	**1,7**
— 2027 draft budget as adopted on 10 June 2026	1 990,2	**1 990,2**
Total	**2 047,5**	**2 047,5**

5.2. **Borrowing and lending operations, and budgetary guarantees**

The Commission, on behalf of the Union, operates five financial assistance programmes (see sections 5.2.1 to 5.2.5 below) which are funded in the capital markets. For financial assistance to third countries, subject to exceptions, 9 % of the amount of loans are set aside in the Common Provisioning Fund as provisioning. The financial assistance programmes are outlined below for information. NextGenerationEU is described in the following section, because of its significant effect on the budget. More detailed information can be found in an annex to this draft budget, 'Borrowing and lending operations'.

The Commission also implements the EU's budgetary guarantees, which are an efficient way to catalyse the investment needed to achieve EU's economic and sustainable growth ambitions. The Financial Regulation and the 2021-2027 MFF make a major step towards streamlining the mechanism for provisioning and managing guarantees. The programme providing guarantee support for investment within the EU is InvestEU; outside the EU is the European Fund for Sustainable Development+, backed by the External Action Guarantee and the recently adopted Ukraine Facility, which also provides support in the form of the Ukraine Guarantee. The provisioning for these instruments is kept in the Common Provisioning Fund. These instruments are outlined under the relevant headings in Section 3, and in Working Document XI accompanying this draft budget.

5.2.1. *Instrument for temporary Support to mitigate Unemployment Risks in an Emergency (SURE)*

SURE ([1]) is an additional temporary instrument to allow for Union financial assistance up to EUR 100 billion in the form of loans from the Union to affected Member States. The contingent liability arising from those loans from the Union are made compatible with the EU budget constraints with guarantees from Member States to the Union budget, representing 25 % of the loans granted. These guarantees were provided by each Member State in line with their respective share in total GNI of the Union. SURE is an additional financial assistance measure, coming on top of national measures and further to the regular grant support provided for similar purposes under ESF+.

([1]) Council Regulation (EU) 2020/672 of 19 May 2020 on the establishment of a European instrument for temporary support to mitigate unemployment risks in an emergency (SURE) following the COVID-19 outbreak, OJ L 159, 20.5.2020, p.1, ELI: http://data.europa.eu/eli/reg/2020/672/oj.

5.2.2. *Security Action for Europe (SAFE) instrument*

See section 3.7.

5.2.3. *Balance of payments facility (BoP)*

The Balance of Payments facility helps a Member State keep stable the sum of its financial transactions with the rest of the world (balance of payments). The facility implements the mechanism foreseen by Article 143 TFEU whereby the Union can assist Member States outside the euro area that are having difficulties linked to their balance of payments or their currency. The Commission borrows on behalf of the EU and on-lends to the beneficiary Member States.

5.2.4. *European Financial Stabilisation Mechanism (EFSM)*

The EFSM also empowers the Commission to borrow on behalf of the Union in order to fund loans. It is a mechanism based on Article 122(2) TFEU, covering all Member States. The EU can borrow to on-lend to a Member State "experiencing a severe economic or financial disturbance caused by exceptional occurrences beyond its control". The EFSM is part of a wider safety net. Its funds are combined with loans from the European Financial Stability Facility (EFSF), the ESM and/or the International Monetary Fund (IMF). To be eligible, beneficiary Member States must implement certain policy measures and are subjected to quarterly reviews by the EU, the IMF and the European Central Bank (ECB).

Member States outside the euro area can turn to the Union for balance of payments assistance (see section 5.2.2). The EFSM remains in place for specific tasks such as the lengthening of maturities for loans to Ireland and Portugal and providing bridging loans.

5.2.5. *Macro-financial assistance loans*

See section 3.8.4.

5.2.6. *Reform and Growth Facility for the Western Balkans*

See section 3.8.3.

5.2.7. *Reform and Growth Facility for Moldova*

See section 3.8.2.

5.2.8. *Ukraine Facility*

See Commission - Borrowing-and-lending operations annex.

5.3. **Expenditure financed by assigned revenue**

This section presents an outline of the main mechanisms by which the EU receives external assigned revenue, and in particular NextGenerationEU, the European Union Recovery Instrument. These are mechanisms outside the MFF, but which may have an effect on the budget in that they may use its structure for expenditure and reporting purposes, or they may complement the financing of the programmes in the budget. The funds under NextGenerationEU are implemented through several Union programmes.

5.3.1. *NextGenerationEU*

NextGenerationEU is an exceptional and temporary recovery financing mechanism. The financing is enabled by the Own Resources Decision, which empowers the Commission to borrow up to EUR 807 billion (or EUR 750 billion in 2018 prices) on behalf of the Union, for recovery measures linked to commitments over the period 2021-2023. EUR 421,1 billion (EUR 390 billion in 2018 prices) is made available to Member States under the RRF and under other instruments for non-repayable support, repayable support through financial instruments or for provisioning for budgetary guarantees and related expenditure. The RRF loan envelope committed by Member States stands at EUR 217,0 billion. The necessary appropriations to cover the cost of the NextGenerationEU borrowing are provided in sub-heading 2b Resilience and values.

The implementation of the NextGenerationEU is reaching the end of its lifetime. Overall amounts have been committed until the end of 2023, except for appropriations for technical and administrative assistance. Payments related to these legal commitments should be made by 31 December 2026, leaving only relatively minor amounts for administrative expenditure in 2027. However, in cases of reduction procedures launched after 31 August 2026, in line with the applicable legislative framework, certain payments to Member States may still take place in 2027 ([1]).

Contributions from NextGenerationEU in 2027 are planned to provide an additional EUR 39 million in commitment appropriations for administrative support expenditure. The total amounts available and the planned annual instalments are included in the budgetary remarks of the relevant budget lines, in line with Articles 21 and 22 of the Financial Regulation. An NGEU annex includes a full overview of all budget lines and amounts concerned as laid down in point 41 of the Annex of the Interinstitutional agreement.

5.3.2. *Innovation Fund*

The Innovation Fund has been established by the Emissions Trading System (ETS) Directive ([2]). The objective of the Innovation Fund is to support demonstration projects of breakthrough clean technologies. It aims to select innovative projects and contribute towards bridging their financing gap such that they can enter the market at an early stage, and also those aimed at scaling up with a view to their broad commercial roll-out across the Union. The Fund ([3]) is based on Union law, but it is fully financed by external assigned revenues from auctioning of part of the allowances under the ETS specifically allocated to the Innovation Fund. The revised ETS Directive ([4]) enlarged the size, scope and ways in which the Innovation Fund operates. At the same time, Regulation (EU) 2023/435 introduced a contribution of EUR 12 billion from the ETS allowances of the Innovation Fund until 2026 to finance the additional RRF non-repayable support to tackle the energy crisis and move away from Russian fossil fuels. Furthermore, the Green Deal Industrial Plan, alongside the Net Zero Industry Act ([5]), the Communication on the European Hydrogen Bank ([6]) and the Clean Industrial Deal ([7]) highlight the Innovation Fund as a cornerstone for Europe's leadership in clean technologies.

([1]) Conditions are set out in the Guidelines for Member States on operational aspects related to the final phase and closure of the Recovery and Resilience Facility, C(2026)2647, 30.4.2026.

([2]) Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC, OJ L 275, 25.10.2003, p. 32, ELI: http://data.europa.eu/eli/dir/2003/87/oj.

([3]) Commission Delegated Regulation (EU) 2019/856 of 26 February 2019 supplementing Directive 2003/87/EC of the European Parliament and of the Council with regard to the operation of the Innovation Fund, OJ L 140, 28.5.2019, p. 6, ELI: http://data.europa.eu/eli/reg_del/2019/856/oj.

([4]) Directive (EU) 2023/959 of the European Parliament and of the Council of 10 May 2023 amending Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union and Decision (EU) 2015/1814 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading system, OJ L 130, 16.5.2023, p. 134, ELI: http://data.europa.eu/eli/dir/2023/959/oj.

([5]) Regulation (EU) 2024/1735 of the European Parliament and of the Council of 13 June 2024 on establishing a framework of measures for strengthening Europe's net-zero technology manufacturing ecosystem and amending Regulation (EU) 2018/1724, OJ L, 2024/1735, 28.6.2024, ELI: http://data.europa.eu/eli/reg/2024/1735/oj.

([6]) COM(2023) 156 final, 16.3.2023.

([7]) COM(2025) 85 final, 26.2.2025.

Reflecting these priorities, the 2025 Innovation Fund Net-Zero Technologies Call - which closed at the end of April 2026 - has allocated EUR 2.9 billion in the form of regular grants to support highly-innovative decarbonisation projects that will drive Europe's clean industrial transformation. In line with the Communication on the European Hydrogen Bank, a third fixed premium auction for the production of renewable hydrogen was launched in December 2025, with an envelope of EUR 1.2 billion and closed in February 2026. In addition, as part of the Clean Industrial Deal proposal, the Commission also launched a pilot EU-wide auction in 2025, allocating EUR 1 billion from the Innovation Fund, to unlock industrial heat decarbonisation. This initiative—serving as a precursor to the Industrial Decarbonisation Bank—aims to accelerate the adoption of electrified heat technologies and renewable heat sources (e.g., solar thermal and geothermal), aligning with the EU's climate targets. The grants related to the above are expected to be awarded subsequently.

All the calls under the Innovation Fund contribute to the STEP objectives.

5.3.3. *European Peace Facility*

The European Peace Facility (EPF) ([1]), a separate extra-budgetary funding mechanism funded by EU Member States, will continue to play a pivotal role in strengthening international security and supporting peace in an increasingly unstable and belligerent global environment. Assistance measures under the EPF are crucial to boost the military and defence capabilities of third countries as well as regional and international organisations. In the same vein, supporting the military aspects of peace operations aims to prevent conflicts and preserve regional stability. The EPF enables a coherent and coordinated EU response to a vast array of security challenges, using military Common Security and Defence Policy operations and assistance measures.

Following the Russian invasion of Ukraine, the EPF financial ceilings have been increased in three different instances via Council decision. The overall financial ceiling of the EPF currently stands at EUR 17 billion. Out of this amount, EUR 11,4 billion have been mobilised to support Ukraine, including through an EU Military Assistance Mission in support of Ukrainian Armed Forces and a dedicated Ukraine Assistance Fund of EUR 5 billion.

5.3.4. *SAFE*

See section 3.7. Heading 5 – Security and defence.

([1]) Council Decision (CFSP) 2021/509 of 22 March 2021 establishing a European Peace Facility, and repealing Decision (CFSP) 2015/528, OJ L 102, 24.3.2021, p. 14, ELI: http://data.europa.eu/eli/dec/2021/509/oj.

FINANCIAL PROGRAMMING

The financial programming is a legal requirement under Article 41(2) of the Financial Regulation ([1]) and point 26 of the Interinstitutional Agreement ([2]). Its purpose is to provide updated and reliable forecasts of the budgetary implications of both legislation in force and of pending legislative proposals for future years. In the previous years of this MFF period (2021-2027), this has been delivered through Document II of the Statement of Estimates, with the programming covering all years from n+1 to the end of the MFF period. As 2027 is the final year of the current MFF period, and no agreement has been reached yet on the next MFF (for the period 2028-2034), financial programming for future years has not been included in this draft budget. Assuming timely adoption of the next MFF, the Draft Budget 2028 will contain an indicative financial programming until 2034.

([1]) 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, OJ L 2024/2509, 26.9.2024, ELI: http://data.europa.eu/eli/reg/2024/2509/oj.

([2]) Interinstitutional agreement between the European parliament, the Council of the European Union and the European Commission 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 resources, OJ L 433 I, 22.12.2020, p. 28, ELI: http://data.europa.eu/eli/agree_interinstit/2020/1222/oj.

REVENUE — ANALYSIS BY TITLE

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1. GENERAL ASSESSMENT

The 2027 draft budget revenue forecast is based on the legal framework established by Council Decision 2020/2053 of 14 December 2020 on the system of own resources of the European Union ([1]) (ORD 2020). The forecast is detailed in the table below and compared with the 2026 budget, including draft amending budget no 2 (DAB2).

Financing of the 2027 draft budget (DB)

Title	Revenue	B2026 (incl. DAB 2)	DB 2027	Percentage change 2027-2026
1	**Own resources:**			
	— Customs duties	24 350 200 000	25 037 700 000	+2,82%
	— VAT	25 086 273 600	26 040 887 250	+3,81%
	— Plastics	6 513 718 960	6 459 944 320	- 0,83%
	— GNI	135 872 896 111	151 352 972 066	+11,39%
	Sub-total (Title 1)	**191 823 088 671**	**208 891 503 636**	**+8,90%**
2	Surpluses, balances and adjustments	2 095 238 148	p.m.	n/a
3	Administrative revenue	2 549 050 640	2 660 224 027	+4,36%
4	Financial revenue, default interest and fines	1 377 624 582	178 326 581	- 87,06%
5	Budgetary guarantees, borrowing and lending operations	p.m.	446 605 987	n/a
6	Revenue, contributions and refunds related to Union policies	250 718 626	– 201 941 826	- 180,55%
	Sub-total (Titles 2–6)	**6 272 631 996**	**3 083 214 769**	**- 50,85%**
	Grand total	**198 095 720 667**	**211 974 718 405**	**+7,01%**

The budget is financed by own resources and other revenue. The overall amount of own resources needed to finance the budget is determined by total expenditure minus other revenue. The amount of own resources (title 1 in the revenue part of the budget) needed to finance the appropriations for payments in the 2027 draft budget is equivalent to 1,03 % of EU gross national income (GNI). The ORD 2020 sets the overall ceiling of own resources in 2027 at 1,40 % of the total GNI of the Member States and the maximum amount of commitments at 1,46 % of GNI. Both ceilings are temporarily increased by 0,6 percentage points for the sole purpose of covering all liabilities of the Union resulting from the borrowing for NGEU until all such liabilities have ceased to exist, and at the latest by 31 December 2058.

Breakdown by type of revenue (in EUR million)

Type of revenue	B2026 (incl. DAB2)		DB 2027		Difference (DB 2027-B2026)	
	EUR million	%	EUR million	%	EUR million	%
Customs duties (net)	24 350,2	12,3%	25 037,7	11,8%	687,5	2,8%
VAT-based resource	25 086,3	12,7%	26 040,9	12,3%	954,6	3,8%
Plastics-based resource	6 513,7	3,3%	6 459,9	3,0%	– 53,8	- 0,8%

([1]) OJ L 424, 15.12.2020, p. 1.

Type of revenue	B2026 (incl. DAB2)		DB 2027		Difference (DB 2027-B2026)	
	EUR million	%	EUR million	%	EUR million	%
GNI-based resource	135 872,9	68,6%	151 353,0	71,4%	15 480,1	11,4%
Other revenue	6 272,6	3,2%	3 083,2	1,5%	– 3 189,4	- 50,8%
Total	**198 095,7**	**100,00%**	**211 974,7**	**100,00%**	**13 879,0**	**7,0%**

The first own resource is customs duties, the so-called traditional own resources ([1]). Member States retain 25 % of customs duties to cover their collection costs.

The second own resource results from applying a uniform rate of 0,30 % to Member States' value added tax (VAT) bases. The VAT bases are restricted (capped) to 50 % of each Member State's GNI base.

The third own resource results from applying a uniform call rate of EUR 0,80 per kilogram to the weight of plastic packaging waste generated in each Member State that is not recycled. Some Member States benefit from an annual lump sum reduction of their contribution for this own resource.

The fourth and 'balancing' resource results from applying a uniform rate to Member States' GNI base, which is calculated in such a way as to cover all expenditure that is not covered by the other resources. For the period 2021-2027, Denmark, Germany, the Netherlands, Austria and Sweden benefit from a gross reduction in their annual GNI-based contributions ('GNI lump-sum reductions') indexed with inflation.

([1]) Sugar levies no longer apply as of 2018 (Article 124 of Regulation (EU) No 1308/2013).

2. OWN RESOURCES FORECASTS FOR 2027

The Advisory Committee on Own Resources (ACOR) agreed the 2027 forecasts of traditional own resources as well as the VAT, non-recycled plastic packaging waste and GNI bases on 29 May 2026. Representatives of the 27 Member States and the Commission participated in the meeting. These forecasts have been included in the DB 2027. The Commission's forecasting methodology is explained below. The final adopted forecasts are usually the result of a compromise between the Commission's forecasts and Member States' forecasts.

The Commission's revenue projections are based on the Commission's 2026 Spring economic forecast ([1]). EU growth slows as energy shock fuels inflation. In its Spring 2026 economic forecast the European Commission has projected weaker economic activity than it was foreseen in November. The EU's economy is highly susceptible to the energy shock caused by the conflict in the Middle East. As a consequence, inflation in the EU is expected to reach 3,1% in 2026 (up from 2,1%) easing again to 2,4% in 2027.

Growth projections had to be revised downwards compared to the the Autumn 2025 economic forecast. GDP growth in the EU is now expected to slow down to 1,1% in 2026, before rebounding to 1,4% in 2027.

However, the EU's investment in energy resilience, especially in the aftermath of Russia's full-scale invasion of Ukraine, is paying off. The push towards supply diversification, decarbonisation, and lower energy consumption has left the EU economy better placed to absorb today's shock.

2.1. Traditional own resources

The TOR forecast builds on the projections of extra-EU imports in the Commission's Spring 2026 economic forecast. The current energy shock differs markedly from the one that hit Europe in 2021-22 and consequently, EU growth is weakened but not derailed while inflationary pressures are set to remain contained. 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—particularly the strong momentum in technology trade—the negative base effect from the 2025 frontloading is set to dampen annual growth in 2026. Moreover, the spillover effects of the conflict in the Middle East on energy trade flows, supply-chains, and higher shipping costs will further 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%. Risks to the economic and financial outlook are inevitably linked to the conflict in the Middle East.

The forecast of total customs duties to be collected in 2027 amounts to EUR 25 037,7 million (after deduction of Member States' 25 % retention rate). This represents an increase by 17,2 % compared to the forecast amount included in the adopted 2026 budget (i.e. EUR 21 368,3 million).

For 2026, the result of the traditional method – based on the outturn of extra EU imports and of customs duties collected in 2025 and the growth rates for extra EU imports from the Commission's Spring economic forecast – is slightly lower than the extrapolated data based on the first 4 months of 2026 (by around EUR 32 million EUR). Against the background of high global uncertainty and trade and tariff tensions, the Commission therefore takes a conservative approach and uses the outcome of the traditional forecast method for the revision of the 2026 TOR forecast. This results in an amount of EUR 24 350,2 million, which is considerably higher (by around EUR 3 billion) than the amount entered in the adopted 2026 Budget.

([1]) European Commission, 2026, European Economic Forecast Spring 2026, European Economy, Institutional Paper 341.

For the TOR forecast of 2027, the total customs duties forecast for 2026 is multiplied by the projected growth rate ([1]) 2026-2027 of extra EU imports of goods, assuming a constant average tariff, resulting in an amount of EUR 25 037,7 billion in forecast customs duties (net after deduction of the 25 % retention rate).

2.2. **Value Added Tax (VAT) bases**

The EU uncapped VAT base for EU-27 for 2027 is forecasted at EUR 8 722 845,4 million. This represents an increase by 5 % compared to the forecast of EUR 8 305 297,6 million used as a basis in the adopted 2026 budget.

Seven Member States (Bulgaria, Estonia, Croatia, Cyprus, Luxembourg, Malta, and Portugal) will have their VAT bases capped at 50 % of their respective GNI base in 2027.

The EU capped VAT base for EU-27 for 2027 will thus be forecasted at EUR 8 680 295,8 million. This represents an increase by 5,2 % compared to the forecast of EUR 8 252 480,7 million used as a basis in the adopted budget 2026.

Article 2(1)(b) of the ORD 2020 ([2]) sets the uniform rate at 0,30 %.

For each Member State, the VAT base for the year 2027 is forecasted by applying to the latest available estimate or statement of the VAT base communicated to the Commission (i.e. a preliminary estimate for 2025 or a statement for 2024) the forecast growth rates ([3]) of a representative aggregate, consisting of the sum of: private final consumption expenditure, general government net purchases of goods and services and general government gross fixed capital formation.

2.3. **Non-recycled plastic packing waste bases**

Non-recycled plastic packaging waste in the EU is forecast to amount to 8 963 996,9 tonnes in 2027.

The estimate for this own resource base results from the difference between plastic packaging waste generated and the recycled quantity thereof.

The Commission forecasts plastic packaging waste generated by applying the annual growth rates of GNI in constant prices ([4]) to the latest outturn data for plastic packaging waste (2023) or, when Member States provided preliminary estimates for 2024 and/or 2025, by incorporating these data in the model to forecast the plastic packaging waste generated.

Member States' recycling rates are assumed to follow a linear convergence path between the recycling rate based on the latest available outturn data (2023 for all Member States or a proxy when Member States provided estimates for non-recycled plastic packaging waste for 2024 and/or 2025) and the EU recycling target of 55 % to be met by 2030. However, the increase of recycling rates is capped at 1 percentage point per year to ensure a realistic convergence path. The recycling rate of Member States having already reached or surpassed the target is kept constant. This forecasting method has been refined following the first submission of Member States statements for the plastic based own resource in 2021.

2.4. **Gross National Income (GNI) bases**

The EU GNI base for EU-27 for 2027 is forecasted at EUR 20 194 752,2 million. This represents an increase by 4,8 % compared to the forecast of EUR 19 277 897,8 million used as a basis in the adopted budget 2026. The call rate to be applied to each Member State's GNI base to finance the part of the budget not covered by the other resources amounts to 0,7495 % in 2027.

([1]) As per the European Commission Spring 2026 Economic Forecast.
([2]) OJ L 424, 15.12.2020, p. 1.
([3]) As published by the Commission in the Spring 2025 Economic Forecast.
([4]) As published by the Commission in the Spring 2026 Economic Forecast.

For each Member State, the GNI base for the year 2027 was forecasted by applying to the latest preliminary estimate or statement of the GNI base communicated to the Commission (i.e. an estimate for 2025 or a statement for 2024) the forecast growth rates [1] of GNI.

2.5. **Member States' own resources payments**

The distribution between Member States of the total own resources payments needed to finance the 2027 budget is the result of the budgetary forecast of traditional own resources and calculations based on the forecasts of the VAT, plastics and GNI bases.

The own resources payments by Member State are set out in the table below.

The 27 Member States will in principle pay one twelfth of the annual amounts of the plastics-, VAT- and GNI-based own resources indicated in the below financing table of the 2027 budget each month between January and December 2027. Yet the Commission may ask Member States to bring forward monthly payments in the first six months of the year, leading to a corresponding decrease later in the year.

As for the traditional own resources (TOR), Member States pay 75 % of what they collect and retain 25 % as collection costs. The actual TOR amounts collected may thus deviate from the amounts forecasted in the budget and presented in the financing table. The forecast of the total EU amount of traditional own resources indicated in the table serves as an estimate and helps determine the total EU amount to call of the 'balancing resource' – the GNI resource. For the other own resources, the amounts in the table are the exact total amounts to be used as a basis for the monthly call for funds.

[1] As published by the Commission in the Spring 2026 Economic Forecast.

Summary of financing of the general budget by class of own resource and by Member State – Draft Budget 2027 *(in EUR)*

In EUR

Member State	Traditional own resources (TOR)		VAT, GNI-and plastics based own resources						Total own resources
	Total net traditional own resources (75 %)	Collection costs (25 % of gross TOR) (p.m.)	VAT-based own resource	Plastics-based own resource	GNI-based own resource	GNI lump sum reductions and their financing	Sub-total excluding net TOR	Share in Sub-total excluding net TOR (%)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7) = (3) + (4) +(5) + (6)	(8)	(9) = (1) + (7)
Belgium	2 980 700 000	993 566 667	762 642 000	118 147 840	5 185 244 822	334 439 192	6 400 473 854	3,48	9 381 173 854
Bulgaria	164 600 000	54 866 667	184 732 500	27 319 120	923 005 892	59 532 260	1 194 589 772	0,65	1 359 189 772
Czechia	401 100 000	133 700 000	447 828 300	86 103 200	2 790 118 167	179 957 726	3 504 007 393	1,91	3 905 107 393
Denmark	445 200 000	148 400 000	496 997 400	131 664 320	3 357 843 798	– 267 480 526	3 719 024 992	2,02	4 164 224 992
Germany	4 957 400 000	1 652 466 664	5 999 222 700	1 178 068 720	37 094 795 514	– 2 320 893 641	41 951 193 293	22,82	46 908 593 293
Estonia	44 900 000	14 966 667	68 179 200	17 306 160	340 653 666	21 971 564	448 110 590	0,24	493 010 590
Ireland	510 500 000	170 166 667	469 867 200	204 892 000	3 599 152 636	232 139 029	4 506 050 865	2,45	5 016 550 865
Greece	332 700 000	110 900 000	385 616 100	113 027 840	2 013 219 337	129 849 114	2 641 712 391	1,44	2 974 412 391
Spain	2 330 800 000	776 933 333	2 634 558 900	668 818 800	13 924 064 203	898 077 707	18 125 519 610	9,86	20 456 319 610
France	2 236 700 000	745 566 667	4 338 803 400	1 360 732 560	23 937 878 829	1 543 951 178	31 181 365 967	16,96	33 418 065 967
Croatia	77 300 000	25 766 667	158 447 100	31 092 880	791 672 320	51 061 475	1 032 273 775	0,56	1 109 573 775
Italy	2 687 900 000	895 966 667	3 049 364 700	709 498 560	17 800 256 509	1 148 085 309	22 707 205 078	12,35	25 395 105 078
Cyprus	52 200 000	17 400 000	53 885 550	6 734 880	269 236 221	17 365 264	347 221 915	0,19	399 421 915
Latvia	48 100 000	16 033 333	68 876 400	3 184 400	350 512 902	22 607 467	445 181 169	0,24	493 281 169
Lithuania	110 500 000	36 833 333	122 202 900	40 481 440	687 854 674	44 365 419	894 904 433	0,49	1 005 404 433
Luxembourg	14 900 000	4 966 667	100 596 750	9 907 440	502 626 192	32 418 507	645 548 889	0,35	660 448 889
Hungary	326 300 000	108 766 667	318 481 200	217 072 400	1 972 031 637	127 192 580	2 634 777 817	1,43	2 961 077 817
Malta	30 200 000	10 066 667	36 844 050	10 864 340	184 089 293	11 873 436	243 671 119	0,13	273 871 119
Netherlands	3 625 900 000	1 208 633 333	1 642 817 700	213 823 280	9 418 672 747	– 1 859 012 741	9 416 300 986	5,12	13 042 200 986
Austria	244 500 000	81 500 000	774 705 300	148 542 720	4 109 644 482	– 460 376 498	4 572 516 004	2,49	4 817 016 004
Poland	1 518 300 000	506 100 000	1 460 722 800	399 938 880	7 491 800 235	483 207 968	9 835 669 883	5,35	11 353 969 883
Portugal	290 000 000	96 666 667	495 624 900	149 822 240	2 476 362 866	159 721 059	3 281 531 065	1,78	3 571 531 065
Romania	386 600 000	128 866 667	447 744 000	245 165 680	3 079 986 460	198 653 722	3 971 549 862	2,16	4 358 149 862

Member State	Traditional own resources (TOR)		VAT, GNI-and plastics based own resources						Total own resources
	Total net traditional own resources (75 %)	Collection costs (25 % of gross TOR) (p.m.)	VAT-based own resource	Plastics-based own resource	GNI-based own resource	GNI lump sum reductions and their financing	Sub-total excluding net TOR	Share in Sub-total excluding net TOR (%)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7) = (3) + (4) +(5) + (6)	(8)	(9) = (1) + (7)
Slovenia	226 600 000	75 533 333	106 334 400	19 597 820	580 298 687	37 428 247	743 659 154	0,40	970 259 154
Slovakia	147 200 000	49 066 667	174 795 000	35 893 680	1 088 113 438	70 181 407	1 368 983 525	0,74	1 516 183 525
Finland	164 000 000	54 666 667	420 162 900	92 384 960	2 257 642 959	145 614 009	2 915 804 828	1,59	3 079 804 828
Sweden	682 600 000	227 533 333	820 833 900	219 858 160	5 126 193 580	– 1 041 930 233	5 124 955 407	2,79	5 807 555 407
Total	25 037 700 000	8 345 900 000	26 040 887 250	6 459 944 320	151 352 972 066	0	183 853 803 636	100,00	208 891 503 636

3. OTHER REVENUE

3.1. Overview

Title 2 includes elements such as the surpluses, balances and adjustments, notably:

— the possible surplus from the 2026 exercise, which will be treated in accordance with the Financial Regulation.

— the VAT own resources balances for the year n-1 and corrections to the VAT balances for earlier years. The balance consists of the difference between the provisional payments and the amount due by reference to the actual bases communicated to the Commission by 31 July of the year n. The balance can be positive or negative.

— the balance of the additional resource (the GNI resource) for the year n-1 and corrections to the balances for earlier years. The balance comprises the difference between the provisional payments and the amount due in accordance with the figures on actual GNI sent to the Commission by 1 October of the year n. The balance can be positive or negative.

— the balance of the plastics resource for the year n-2 and corrections to the balances for earlier years. The balance consists of the difference between the provisional payments and the amount due by reference to the actual bases communicated to the Commission by 31 July of the year n. The balance can be positive or negative.

— the result of the calculation for the netting of adjustments to the VAT, plastics and GNI-based resources of previous financial years.

Since the amounts related to the above elements are not yet known at the stage of the DB, a *p.m.* entry is proposed (i.e. no specific amount is indicated).

Title 3 corresponds to administrative revenue. It comprises mainly the deductions from staff remunerations, which are the proceeds of the tax on salaries and pensions, staff contributions to the pension scheme, transfer or purchase of pension rights by staff and proceeds from the special levy on the salaries, and also revenues linked to property and the supply of goods, services and work.

Title 4 corresponds to financial revenue, default interest and fines. It comprises mainly revenue from investments, loans granted and bank accounts and different types of interest. It also comprises interest linked to any delay in the payment of own resources by the Member States. Fines, which the Commission may impose on firms and groups of firms for not respecting bans or not carrying out their obligations under the rules on competition or transport, as well as fines in the framework of the Union's economic governance, are also included under this Title.

Title 5 corresponds to revenue linked to borrowing and lending operations and related EU budget guarantees. Member States' contributions to MFA+ interest rate subsidies are also recorded under this title.

Title 6 consists of all types of revenue, contributions and refunds related to Union policies. This title corresponds to the structure used at the expenditure side of the budget and reflects the different EU policies. It comprises the Single market, innovation and digital, Cohesion, resilience and values, Natural resources and environment, Migration and border management, Security and Defence, Neighbourhood and the world. It also includes some other contributions such as the EFTA contribution, the contributions to the Innovation Fund and the Solidarity mechanisms.

Title 6 also includes the contributions of the United Kingdom to the EU budget in the framework of the Agreement on the withdrawal of the United Kingdom from the European Union ([1]) and in the framework of the Trade and Cooperation Agreement.

([1]) 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.

3.2. **UK Contribution for 2027**

Based on Article 148 of the Agreement on the withdrawal of the United Kingdom from the European Union, the United Kingdom will make payments to the Union to cover the United Kingdoms' 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) and the contingent financial liabilities. The overall United Kingdom's contribution will also include possible Union payments to the United Kingdom related to own resources corrections and adjustments for financial years until 2021.

The United Kingdom's share ([1]) 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 and the United Kingdom. The definitive United Kingdom's share has been set at 12,43 %.

The table below presents the elements of the estimated United Kingdom contribution to the 2027 budget, which are known at this stage. The amount to be entered in the EU budget in 2027 is calculated taking into account the payment modalities set out in Article 148 of the Withdrawal Agreement.

	Reference to the Article of the Withdrawal agreement	2027
Total provisional UK contribution for 2026, of which:		**49 058 174**
1. RAL prior 2021	***Art. 140***	**571 630 708**
2. Union's liabilities/pensions (*)	***Art. 142***	**380 137 222**
3. Own resources corrections and adjustments, of which:		**2 370 895**
3.1 Surplus/deficit of 2020	Art. 136(3)(a)	n/a
3.2 UK correction updates	Art. 136	n/a
3.3. VAT&GNI	Art. 136	2 370 895
3.4. TOR	Art. 136, Art. 140(4)	p.m.
4. Fines	***Art. 141***	**– 655 080 651**
5. Contingent liabilities, of which:		**– 250 000 000**
5.1 ELM, EFSI, EFSD, loans (Guarantee funds)	Art. 143	*– 200 000 000*
5.2 Financial Instruments	Art. 144	*– 50 000 000*
5.3 Legal cases (incl. fines)	Art. 147	p.m.
6. ECSC net assets	***Art. 145***	**n/a**
7. EIF investment	***Art. 146***	**n/a**
8. Access to networks/systems/data bases (**)	***Art. 49(2), Art. 50 and 53, Art. 62(2), Art. 63(1)(e), Art. 63(2), Art. 99(3), Art. 100(2)***	***p.m.***

(*) the amount of EUR 351 million will be entered in the EU budget as assigned revenues
(**) to be entered in the EU budget as assigned revenues

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

3.3. **Competition fines**

Definition

Competition fines are imposed by the Commission on undertakings infringing EU competition rules. Once the fines are imposed by the Commission, they are:

— either not contested before the Court of Justice of the European Union and as such become definitive and due within three months from the receipt of the letter notifying the fining decision, or

— contested before the Court of Justice of the European Union and therefore not definitive. The fined undertakings must cover such fines by a provisional payment or by an acceptable financial guarantee until the end of the legal proceedings (Article 108 of the Financial Regulation).

Definitive competition fines are, once they are cashed, recorded as budgetary revenue in the EU budget. Provisional payments are kept off-budget (Article 107(1) of the Financial Regulation) until the fines become definitive at the end of the legal proceedings.

Entry into the budget

According to Article 107(2) of the Financial Regulation, definitive fines shall be entered in the budget as soon as possible. Under duly justified exceptional circumstances or where the exhaustion of all legal remedies occurs after 1 September of the current financial year, the amounts may be entered in the budget in the following financial year. In line with this rule, the amounts of definitive fines cashed in 2025 will be included in the EU budget of 2026 via an amending budget.

Fines provisionally cashed by the Commission cannot be considered as budgetary revenue in the year of the provisional payment. Until the final judgement, the Commission has to manage the funds and be prepared to reimburse the fines including the return thereon if the fines are reduced or annulled.

Due to unpredictability of the Court judgements' schedule and their outcome, is it not possible for fines currently appealed at court to provide information as to when they enter the budget and what the cashed amount will be. Also, no information can be provided as to potential new fines to be imposed in the current year that may become definitive and cashed still in the same calendar year.

Therefore, a prudent amount of EUR 100 million is included annually in the draft budget pending the finalisation of the competition cases (under Article 4 2 0 of the General Statement of Revenue).

Lists of definitive fines

In accordance with Article 41(7) of Financial Regulation, the tables below include the lists of decisions of the Commission imposing fines in the area of competition law as of 20/05/2026. The tables also provide the amount of each fine imposed, together with information on whether the fines have become definitive or whether they are or could still become subject to an appeal before the Court of Justice of the European Union.

A total amount of EUR 1,25 billion of fines in the field of competition law decided by the Commission have become definitive in 2026 or in previous years, as outlined in the tables below. Out of this amount, EUR 962 million has been cashed, of which EUR 955 million cashed in 2026 and the remaining amount of EUR 7 million cashed (partially) in previous years..

Later in the year, the Commission will propose in an amending budget to adjust the amount of EUR 100 million which has already been included in the voted budget 2026.

The tables below include four types of fines:

— fines fully cashed in the current year:

In EUR

Case Decision date	Case name	Definitive date	Fine amount	Cashed (in 2025 and before)	Still to be cashed
09-07-2014	AT.39612 - KRKA DD*	22-01-2026	10 000 000	10 000 000	0
06-04-2016	AT.39965 - GRUPO RIBEREBRO INTEGRAL SL,	19-01-2017	5 194 000	5 194 000	0
17-03-2017	AT.39258 - AIR CANADA	26-02-2026	17 952 000	17 952 000	0
17-03-2017	AT.39258 - AIR FRANCE - KLM SA*	26-02-2026	124 440 000	124 440 000	0
17-03-2017	AT.39258 - BRITISH AIRWAYS PLC*	26-02-2026	84 456 000	84 456 000	0
17-03-2017	AT.39258 - CARGOLUX AIRLINES INTERNATIONAL SA*	26-02-2026	79 900 000	79 900 000	0
17-03-2017	AT.39258 - CATHAY PACIFIC AIRWAYS LTD*CX	26-02-2026	47 040 000	47 040 000	0
17-03-2017	AT.39258 - JAPAN AIRLINES CO LTD	26-02-2026	28 875 000	28 875 000	0
17-03-2017	AT.39258 - KONINKLIJKE LUCHTVAART MAATSCHAPPIJ	26-02-2026	2 720 000	2 720 000	0
17-03-2017	AT.39258 - LAN CARGO SA*, LATAM AIRLINES GROUP, SA	26-02-2026	2 244 000	2 244 000	0
17-03-2017	AT.39258 - MARTINAIR HOLLAND NV*	26-02-2026	15 400 000	15 400 000	0
17-03-2017	AT.39258 - SAS AB*, SAS CARGO GROUP AS	26-02-2026	27 730 944	27 730 944	0
17-03-2017	AT.39258 - SCANDINAVIAN AIRLINES SYSTEM SAS CO	26-02-2026	4 365 056	4 365 056	0
17-03-2017	AT.39258 - SAS CARGO GROUP AS*SAS CARGO CENTER	26-02-2026	21 974 880	21 974 880	0
17-03-2017	AT.39258 - SAS CARGO GROUP AS	26-02-2026	4 069 120	4 069 120	0
17-03-2017	AT.39258 - SCANDINAVIAN AIRLINES SYSTEM SAS CO	26-02-2026	4 744 224	4 744 224	0
17-03-2017	AT.39258 - SINGAPORE AIRLINES LIMITED	26-02-2026	74 800 000	74 800 000	0
26-11-2020	AT.39686 - CEPHALON INC	23-10-2025	30 480 000	30 480 000	0

Case Decision date	Case name	Definitive date	Fine amount	Cashed (in 2025 and before)	Still to be cashed
26-11-2020	AT.39686 - TEVA PHARMACEUTICAL INDUSTRIES LIMITED	23-10-2025	30 000 000	30 000 000	0
28-04-2021	AT.40346 - CREDIT AGRICOLE SA	07-03-2025	3 993 000	3 993 000	0
28-04-2021	AT.40346 - CREDIT SUISSE GROUP AG	22-01-2025	11 859 000	11 859 000	0
28-06-2021	39914 Readopted - HSBC CONTINENTAL EUROPE,	08-04-2025	31 739 000	31 739 000	0
02-12-2021	AT.40135 - CREDIT SUISSE GROUP AG	10-10-2025	28 920 000	28 920 000	0
01-04-2025	AT.40669 - VOLKSWAGEN AKTIENGESELLSCHAFT	20-06-2025	127 696 000	127 696 000	0
08-09-2025	AT.40966 - EUROFIELD SAS, UNANIME SPORT SAS	28-11-2025	171 994	171 994	0
14-10-2025	AT.40840 - GUCCIO GUCCI SPA, KERING S.A.	27-12-2025	119 674 000	119 674 000	0
14-10-2025	AT.40880 - CHLOE SAS, RICHEMONT INTERNATIONAL SA*RM	08-01-2026	19 690 000	19 690 000	0
		Total	**960 128 218**	**960 128 218**	**0**

— fines partially cashed or not yet cashed. This group also includes fines for which the recovery is pending due to financial difficulties of the fined companies to pay the fine (fines with approved payment plans, enforced recoveries, difficult recoveries, fines imposed on companies outside the EU):

In EUR

Case Decision date	Case name	Definitive date	Fine amount	Cashed (in 2025 and before)	Still to be cashed
21-10-2015	AT.39639 - QUANTA STORAGE INC	16-06-2022	7 146 000	0	7 146 000
19-10-2023	AT.40636 - ALKALOIDS OF AUSTRALIA PTY	04-03-2024	559 000	0	559 000
		Total	**7 705 000**	**0**	**7 705 000**

— fines for which some or no amount has been cashed yet due to liquidations of the companies (fines are kept open, because the liquidation procedures are not closed, but the recovery likelihoods are often minimal):

In EUR

Case Decision date	Case name	Definitive date	Fine amount	Cashed (in 2025 and before)	Still to be cashed
03-12-2003	COMP/E-2/38359 – C. CONRADTY NURNBERG	12-03-2004	1 060 000	0	1 060 000

Case Decision date	Case name	Definitive date	Fine amount	Cashed (in 2025 and before)	Still to be cashed
07-12-2011	COMP/39600 – ACC COMPRESSORS	12-03-2012	9 000 000	0	9 000 000
27-11-2013	AT.39633– GOLDFISH BV, HEIPLOEG	09-12-2016	14 262 000	0	14 262 000
27-11-2013	AT.39633 – GOLDFISH BV, HEIPLOEG	09-12-2016	12 820 000	0	12 820 000
08-02-2017	AT.40018 – RECYLEX SA	03-06-2021	26 739 000	2 342 337	24 396 663
10-12-2021	AT.40054 – ABENGOA BIOENERGIA	11-03-2022	20 000 000	0	20 000 000
		Total	**83 881 000**	**2 342 337**	**81 538 663**

— fines which were paid and for which the cashing process is ongoing:

In EUR

Case Decision date	Case name	Definitive date	Fine amount	Cashed (in 2025 and before)	Still to be cashed
17-03-2017	AT.39258 - AIR FRANCE SA - KLM SA,	26-02-2026	182 920 000	0	182 920 000
14-10-2025	AT.40881 - LOEWE SA, LVMH	09-01-2026	18 009 000	0	18 009 000
		Total	**200 929 000**	**0**	**200 929 000**

— fines which are not yet due:

— As of 20/05/2026, there were no fines in this category.

List of competition fines subject to an appeal before the Court of Justice of the European Union

On 20 May 2026, a total amount of EUR 12,6 billion of fines in the field of competition law decided by the Commission is currently disputed at the Court of Justice of the European Union. The table below includes the list of cases concerned.

In EUR

Case Decision date	Case name	Fine amount
07-12-2016	AT.39914 Euro Interest Rate Derivatives	110 000 000
07-12-2016	AT.39914 Euro Interest Rate Derivatives	337 196 000
18-07-2018	AT.40099 Google Android	4125 000 000
17-12-2018	AT.39849 BEH Gas	0
20-03-2019	AT.40411 Google Search (AdSense)	0
18-07-2019	AT.39711 Qualcomm (predation)	238 732 659
27-09-2019	AT.40127 Canned vegetables	20 000 000
20-05-2021	AT.40324 EGB	125 646 000

Case Decision date	Case name	Fine amount
20-05-2021	AT.40324 EGB	172 378 000
20-05-2021	AT.40324 EGB	65 000 000
12-07-2022	AT.40522 - METAL PACKAGING	7 670 000
12-07-2022	AT.40522 - METAL PACKAGING	23 852 000
22-09-2023	AT.37990 Intel	237 105 540
07-12-2023	AT.40054 - Ethanol Benchmarks	47 718 000
23-04-2025	Case DMA.100055 – Meta – Article 5(2)	200 000 000
23-04-2025	Case DMA.100109 – Apple – Online Intermediation Services – app stores – AppStore – Art. 5(4)	500 000 000
05-12-2025	Cases DSA.100101, DSA.100102 and DSA.100103 – X (formerly Twitter)	120 000 000
09-07-2014	AT.39612 Perindopril (Servier)	78 931 800
22-11-2023	AT.40512 - Euro Denominated Bonds	26 647 000
04-03-2024	AT.40437 Apple - App Store Practices (music streaming)	1168 473 126
04-03-2024	AT.40437 Apple - App Store Practices (music streaming)	672 510 874
23-10-2024	AT.40401 - Second-hand Rolling Stock	31 940 000
23-10-2024	AT.40401 - Second-hand Rolling Stock	16 712 000
31-10-2024	AT.40588 - Teva Copaxone	462 578 000
14-11-2024	AT.40684 Facebook Marketplace	797 722 000
28-11-2024	AT.40642 PIERRE CARDIN (*)	3 500 000
05-09-2025	AT.40670 Google-Adtech and Data-related practices	2 954 291 000
15-12-2025	AT.40545 Automotive Starter Batteries (*)	15 594 000
15-12-2025	AT.40545 Automotive Starter Batteries	125 000
15-12-2025	AT.40545 Automotive Starter Batteries (*)	30 000 000
15-12-2025	AT.40545 Automotive Starter Batteries	6 110 000
15-12-2025	AT.40545 Automotive Starter Batteries (*)	20 218 000
	Total	**12 615 650 999**
(*) The fining decisions authorize the payment by instalments.		

As of 20/05/2026, there are no fines that can still be appealed at the Court of Justice of the European Union, as the deadline for appeals has not yet expired.

Negative revenue originating from fines, other penalties and sanctions

As per Article 48(2)(b) of the Financial Regulation, where the amounts of fines, other penalties or sanctions under the TFEU or the Euratom Treaty referred to in Article 108(1) are cancelled or reduced by the Court of Justice of the European Union, any interest or other charge due to the parties concerned, including any negative return related to those amounts, shall be deducted from the revenue of the budget.

The overall amount for Title 4 includes amounts that have been entered as negative revenue into the 2026 accounts in accordance with Article 48(2) (b) of the Financial Regulation, for a total of EUR 22,7 million. This covers the payments made relative to the repayment of competition fines annulled or reduced by the Union Courts, as set out in the table below:

Fine case – company name	Judgment/ Case/ Settlement reference	Amount paid in 2026
AT.39258 Airfreight - AIR CANADA	T-310/21 (interest) - Compensation and default interest	5 040 290
AT.39258 Airfreight - SAS Cargo Group A/S	T-313/21 (interest) - Compensation and default interest	17 076 345
AT.39258 Airfreight - Scandinavian Airlines System	C-403/22P - Compensation paid under 2024 FR provisions	172 031
AT.39258 Airfreight - SAS Cargo Group A/S	C-403/22P - Compensation paid under 2024 FR provisions	426 584
	Total	**22 715 250**

A total amount of EUR 12,6 billion are currently disputed at the Court of Justice of the European Union. Due to the unpredictability of the timing of the Court of Justice delivery of the judgments and their outcome, the Commission keeps definitive fines (currently an amount of EUR 200 million) to cover any potential obligations that could materialise from the Court judgments expected to be rendered in 2026.

Once paid, the negative revenue will be included in the specific budget line 4 2 5 'Interest, other charges due and negative returns on cancelled or reduced fines'. Any remaining amounts from available definitive fines listed above would become either part of an amending budget or will be kept for the cases still pending at Court.